

Joint
Liquidators'
final account
for the period
26 April 2023 to
20 February
2024

Tullis Russell Papermakers Limited - in
Liquidation

26 February 2024

Notice to creditors

This final account is the Joint Liquidators' account of the winding up, showing how it has been conducted and the Company's property has been disposed of.

We have included (Appendix 2) an account of all amounts received and payments made since the date of our appointment.

You will find other important information in this account such as the costs which we have incurred in the period since our last progress report.

A glossary of the abbreviations used throughout this document is attached (Appendix 4).

Creditors' right to object to the Joint Liquidators' release

If you wish to object to the release of the Joint Liquidators, you must give notice, in writing, to the Joint Liquidators within 28 days of delivery of this notice.

The Joint Liquidators will vacate office on delivering to the Registrar of Companies and the Accountant in Bankruptcy, the final account and notice stating that no creditor has objected to their release.

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following website:

www.ia-insolv.com/case+INTERPATH+TI42394603.html (Creditors Voluntary Liquidation)

<https://www.ia-insolv.com/case+INTERPATH+TF427D5259.html> (Administration)

We hope this is helpful to you.

Please also note that an important legal notice about this final account is attached (Appendix 5).

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1 Executive summary

- This is the final account of the liquidation of the Company and also includes movements in the period from 26 April 2023 to 20 February 2024, which is the period since our last progress report.
- All assets were realised in earlier periods. (Section 2 - Progress to date).
- A final dividend in the sum of 0.26p per £ of agreed claim was paid in the period. This brings the total dividend paid to the unsecured creditors to 35.07p per £ of agreed claim. (Section 3 - Outcome for creditors).
- Please note: you should read this report in conjunction with any previous reports issued to the Company's creditors; these can be found at:
www.ia-insolv.com/case+INTERPATH+TI42394603.html (Creditors Voluntary Liquidation)
<https://www.ia-insolv.com/case+INTERPATH+TF427D5259.html> (Administration)
- Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.



Alistair McAlinden
Joint Liquidator

2 Final account of the winding up

This final account covers the period from the date of our appointment to 20 February 2024. It also covers the period from 26 April 2023 to 20 February 2024, which is the period since our last progress report. However, please refer to previous reports where relevant information has previously been disclosed.

This section provides you with details of the final outcome of the liquidation. It follows the information provided in our previous reports.

Since the date of our last report the following matters have been finalised:

- The remaining closure matters have been completed;
- The final unsecured dividend in the sum of 0.26p per £ of agreed claim has been facilitated;
- All unclaimed unsecured dividends have been consigned to The Accountant of Court together with an unapplied balance of funds; and
- We have continued to comply with all statutory and compliance matters as they have arisen.

2.1 Asset realisations

Realisations during the liquidation are set out in the attached receipts and payments account (Appendix 2), with a separate column for realisations since our last progress report.

No assets were realised in the period

Summaries of the most significant realisations during the tenure of the liquidation are provided below.

Administration/Receivership surplus

The sum of £4,904,524.44 was transferred from the Administration to the liquidation bank account.

Bank interest

Bank interest in the sum of £52,424.05 was received.

Sundry refunds

£94,381.85 in sundry refunds were received.

Investigations

We have complied with the relevant statutory requirements by submitting the online director conduct assessment to the Department for Business, Energy and Industrial Strategy. The contents of our submission are confidential.

2.2 Costs

Payments made during the liquidation are set out in the attached receipts and payments account (Appendix 2), with a separate column for payments since our last progress report.

Summaries of the most significant payments made during the period are provided below.

Bank charges

A total of £267 in bank charges were settled in the period.

Unapplied balance of funds

An unapplied balance in the sum of £1,033 was consigned to The Accountant of Court.

Summaries of the most significant payments during the tenure of the liquidation are detailed below.

Payroll Bureau costs

A total of £957.50 payroll bureau costs were settled.

Irrecoverable VAT

Irrecoverable VAT in the sum of £2,272.26 accrued.

Settlement fee to transfer PPC permit

A fee in the sum of £560,000 was paid to transfer a Pollution Prevention Control Permit.

Agents fees

Agents fees totalling £18,824.24 were settled.

Legal fees

A total of £26,989.56 were paid.

Corporation tax

Corporation tax liabilities in the sum of £1,122.71 were settled.

Storage costs

Storage costs totalling £12,480.17 accrued and were settled.

Statutory advertising costs

A total of £71 in advertising costs were paid.

Insurance

£1,005.59 insurance costs were settled.

Wages and salaries

£34,391.91 wages and salaries were paid.

Other staff costs

Other staff costs totalling £13,052.68 were settled.

Bank charges

A total of £2,265.77 in bank charges were paid.

Trading deficit

A trading deficit in the sum of £16,698.20 accrued (this represents the net payment of final costs incurred during the business wind down period).

3 Outcome for creditors

3.1 Secured creditors

Please refer to the Joint Administrators' proposals for details of the secured creditors, which can be viewed at <https://www.ia-insolv.com/case+INTERPATH+TF427D5259.html>.

3.2 Preferential creditors

The preferential creditors were repaid in full during the administration.

3.3 Unsecured creditors

A third and final dividend to unsecured creditors of 0.26p in the £ was declared on 19 June 2023 and paid during the period.

The total amount distributed to the unsecured creditors during the liquidation was £4,309,035.16 (of which £124,277.66 was distributed during this period). This represents a total distribution of 35.07p in the £.

Of this sum, £53,024.05 has been consigned to The Accountant of Court in relation to unclaimed dividends and the sum of £18,980.42 has been remitted to HM Revenue & Customs in respect of tax and National Insurance deductions from employee unsecured dividends.

3.4 Liquidation committee

Committee meetings

The Liquidation committee, as detailed in our previous reports, continues to be in place. No committee meetings have taken place during this final period.

4 Joint Liquidators' remuneration, expenses and payments to Interpath

4.1 Joint Liquidators' remuneration and expenses

Time costs

From 26 April 2023 to 20 February 2024, we have incurred time costs of £107,327.50. These represent 207.60 hours at an average rate of £516.99.

From the date of our appointment to 20 February 2024, we have incurred time costs of £468,046.20. These represent 1,174.50 hours at an average rate of £398.51 per hour.

A detailed analysis of the time spent is provided at Appendix 3.

Liquidators' Remuneration

During the final period, we have not drawn any remuneration. Total remuneration drawn during the liquidation is £49,980.00 all of which relates to floating charge.

Liquidators' expenses

During the liquidation we have paid total expenses of £1,149.99.

Additional information

We have attached (Appendix 3) an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by Interpath for the final period from 26 April 2023 to 20 February 2024. We have also attached our charging and expenses policy.

Appendix 1 Statutory information

Company information

Company name	Tullis Russell Papermakers Limited
Date of incorporation	21 May 1906
Company registration number	SC006195
Previous registered office	Rothesfield, Markinch, Fife, KY7 6PB
Present registered office	Interpath Ltd, 5th Floor, 130 St Vincent Street, Glasgow, G2 5HF
Trading address	Auchmuty & Crocker, Paper Mills, Glenrothes, Fife, KY7 6PB
Nature of business	Papermaking

Liquidation information

Appointed by	Creditors pursuant to Paragraph 83 of Schedule B1 of the Insolvency Act 1986
Date of appointment	26 April 2018
Joint Liquidators' details	Alistair McAlinden and Blair Nimmo
Joint Liquidators' address	Interpath Ltd, 5th Floor, 130 St Vincent Street, Glasgow, G2 5HF
Functions	The functions of the Joint Liquidators are being exercised by them individually or together in accordance with Section 231(2) of the Insolvency Act 1986.
EU Regulations	EU Regulations apply and these proceedings are the Main Proceedings as defined in Article 3 of the EU regulations.

Appendix 2

Joint Liquidators' final receipts and payment account

Tullis Russell Papermakers Limited - in Liquidation			
Abstract of receipts & payments			
Statement of affairs (£)		From 26/04/2023 To 20/02/2024 (£)	From 26/04/2018 To 20/02/2024 (£)
ASSET REALISATIONS			
	Transfer from Administration	NIL	4,904,524.44
6,000,000.00	Plant & machinery	NIL	NIL
200,000.00	Stock	NIL	NIL
1,458,000.00	Stock - work in progress	NIL	NIL
654,000.00	Cash at bank	NIL	NIL
			4,904,524.44
		NIL	
OTHER REALISATIONS			
	Bank interest, gross INCLUDING FINAL	NIL	52,424.05
4,000.00	Petty cash	NIL	NIL
	Sundry refunds	NIL	94,381.85
6,285,000.00	Trading surplus/(deficit)	NIL	(16,698.20)
150,000.00	Carbon credits	NIL	NIL
26,000.00	Intercompany loans	NIL	NIL
			130,107.70
		NIL	
COST OF REALISATIONS			
	Payroll bureau costs	NIL	(957.50)
	Liquidator's fees	NIL	(49,980.00)
	Liquidator's expenses	NIL	(1,149.99)
	Irrecoverable VAT	NIL	(2,272.26)
	Settlement fee to transfer PPC permit	NIL	(560,000.00)
	Agents'/Valuers' fees	NIL	(18,824.84)
	Legal fees	NIL	(26,989.56)
	Corporation tax	NIL	(1,122.71)
	Unapplied balance	(1,033.00)	(1,033.00)
	Storage costs	NIL	(12,480.17)
	Statutory advertising	NIL	(71.00)
	Insurance of assets	NIL	(1,005.59)
	Wages & salaries	NIL	(34,391.91)
	Other Staff Costs	NIL	(13,052.68)
	Bank charges	(267.00)	(2,265.77)
	Unclaimed dividends	(18,095.75)	(53,024.05)

Tullis Russell Papermakers Limited - in Liquidation

Abstract of receipts & payments

Statement of affairs (£)	From 26/04/2023 To 20/02/2024 (£)	From 26/04/2018 To 20/02/2024 (£)
	(19,395.75)	(776,235.75)
UNSECURED CREDITORS		
Trade & expense	(124,277.66)	(4,237,030.69)
Non preferential PAYE	(383.25)	(16,083.09)
Non-preferential NIC	NIL	(2,897.33)
	<u>(124,660.91)</u>	<u>(4,256,011.11)</u>
14,777,000.00	(144,056.66)	NIL
REPRESENTED BY		
(10,270.00) Trade debtors		NIL
VAT receivable		19,626.14
Current account		NIL
Floating ch. VAT control		<u>(19,626.14)</u>
		NIL

Appendix 3 Joint Liquidators' charging and expenses policy

Joint Liquidators' charging policy

The time charged to the liquidation is by reference to the time properly given by us and our staff in attending to matters arising in the liquidation. This includes work undertaken by in-house Interpath Advisory tax, VAT and employee specialists.

Our policy is to delegate tasks in the liquidation to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

A copy of "A Creditors' Guide to Liquidators' Remuneration Scotland" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available at:

https://www.r3.org.uk/technical-library/scotland/technical-guidance/fees/more/29162/page/1/liquidation-a-guide-for-creditors-on-insolvency-practitioner-fees-scotland/?utm_source=Association%20of%20Business%20Recovery%20Professionals&utm_medium=email&utm_campaign=12943265_Technical%20Alert%20%28X%20January%202022%29%20-%20Scotland%20updated%20creditor%20guides&dm_i=133C,7PF35,60LAAZ,VENP5,1

If you are unable to access this guide and would like a copy, please contact Nicole Leonard on 0141 648 4339.

Hourly rates

Set out below are the relevant charge-out rates per hour worked for the grades of our staff actually or likely to be involved on this liquidation. Time is charged by reference to actual work carried out on the liquidation.

All staff who have worked on the liquidation, including cashiers and secretarial staff, have charged time directly to the liquidation and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the liquidation but is reflected in the general level of charge-out rates.

Charge-out rates (£) for: Tullis Russell Papermakers Limited – in liquidation

Grade	From 01 Mar 2023 £/hr
Managing Director	780
Director	725
Associate Director	635
Manager	530
Senior Associate	370
Associate	265
Support	165

Policy for the recovery of expenses

Where funds permit the officeholders will seek to recover both Category 1 and Category 2 expenses from the estate. For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

Expenses: These are any payments which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements which are payments first met by the office holder, and then reimbursed to the office holder from the estate.

Category 1 expenses: These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

Category 2 expenses: These are payments to associates or which have an element of shared costs. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Associates: are defined in the insolvency legislation but also extends to parties where a reasonable and informed third party might consider there would be an association between the third party and the office holder or their firm.

Category 2 expenses charged by Interpath Advisory include mileage. This is calculated as follows:

Mileage claims fall into three categories:

- Use of privately-owned vehicle or car cash alternative – 45p per mile.
- Use of company car – 60p per mile.
- Use of partner's car – 60p per mile.

For all of the above car types, when carrying Interpath passengers an additional 5p per mile per passenger will also be charged where appropriate.

We have incurred the following expenses (excluding VAT) in the final period.

SIP 9 - Expenses					
Expenses	Category 1		Category 2		Totals (£)
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)	
Postage	958.04		NIL		958.04
Total	958.04		NIL		958.04

We have the authority to pay Category 1 expenses without the need for any prior approval from the creditors of the Company.

Creditors' right to challenge our remuneration

If you wish to challenge the basis of our remuneration, the remuneration charged, or the outlays incurred during the period covered by this report, you must do so by making an application to Court.

Applications by unsecured creditors must be made with concurrence of at least 25% in value of unsecured creditors (including the unsecured creditor making the challenge) or with the permission of the Court.

The full text of the relevant Rules can be provided on request by writing to Nicole Leonard at Interpath Advisory, Interpath Ltd, 5th Floor, 130 St Vincent Street, Glasgow, G2 5HF.

Narrative of work carried out for the period 26 April 2023 to 20 February 2024

The key areas of work have been:

Statutory and compliance	<ul style="list-style-type: none"> ■ dealing with all remaining closure related formalities; ■ ensuring compliance with all statutory obligations within the relevant timescales.
Strategy documents, Checklist and reviews	<ul style="list-style-type: none"> ■ complying with internal filing and information recording practices, including documenting strategy decisions.
Cashiering	<ul style="list-style-type: none"> ■ preparing and processing vouchers for the payment of post-appointment invoices; ■ creating remittances and sending payments to settle post-appointment invoices; ■ reconciling post-appointment bank accounts to internal systems; ■ ensuring compliance with appropriate risk management procedures in respect of receipts and payments.
Tax	<ul style="list-style-type: none"> ■ dealing with post appointment tax compliance.
General	<ul style="list-style-type: none"> ■ reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9; ■ dealing with the ongoing storage of the Company's books and records.
Creditors and claims	<ul style="list-style-type: none"> ■ finalising the adjudication process; ■ arranging distributions to the unsecured creditors; ■ cancelling all uncashed dividend cheques and consigning the sums to The Accountant of Court; ■ drafting our annual progress report.

Time costs

SIP 9 – Time costs analysis (26/04/2023 to 20/02/2024)

	Hours				Time Cost (£)	Average Hourly Rate (£)	
	Partner / Director	Manager	Administrator	Support			Total
Administration & planning							
Bankrupt/Director/Member							
Distributions		0.10	4.70		4.80	1,792.00	373.33
General correspondence		1.00			1.00	530.00	530.00
Statutory reports		0.10			0.10	63.50	635.00

SIP 9 – Time costs analysis (26/04/2023 to 20/02/2024)							
	Hours				Time Cost (£)	Average Hourly Rate (£)	
	Partner / Director	Manager	Administrator	Support			Total
Cashiering							
General (Cashiering)	0.30		10.30		10.60	4,004.00	377.74
Reconciliations (& IPS accounting reviews)		4.70	2.80		7.50	3,695.00	492.67
General							
Fees and WIP		0.10			0.10	63.50	635.00
Statutory and compliance							
Checklist & reviews		0.40	0.10		0.50	270.00	540.00
Closure and related formalities	0.30	4.50	1.60		6.40	3,079.00	481.09
Tax							
Post appointment PAYE (Non Trading)			1.30		1.30	481.00	370.00
Post appointment VAT		0.50			0.50	265.00	530.00
Creditors							
Committees							
Reports	0.60	0.30			0.90	658.50	731.67
Creditors and claims							
Agreement of unsecured claims			2.20		2.20	583.00	265.00
General correspondence		6.80			6.80	3,635.50	534.63
Payment of dividends	3.20	145.40	7.80		156.40	84,134.50	537.94
Statutory reports		5.80			5.80	3,137.00	540.86
Employees							
Employee Correspondence			1.70		1.70	629.00	370.00
Pensions reviews			0.40		0.40	148.00	370.00
Investigation							
Investigations							
Mail redirection			0.60		0.60	159.00	265.00
Total in period	4.40	169.70	33.50	0.00	207.60	107,327.50	516.99
Brought forward time (appointment date to SIP 9 period start date)					966.90	360,718.70	
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)					207.60	107,327.50	
Carry forward time (appointment date to SIP 9 period end date)					1,174.50	468,046.20	

All staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates

All time shown in the above analysis is charged in units of six minutes.

Appendix 4 Glossary

Company	Tullis Russell Papermakers Limited - in Liquidation
Joint Liquidators/we/our/us	Alistair McAlinden and Blair Nimmo
Interpath/Interpath Advisory	Interpath Ltd

Any references in this report to Sections, Paragraphs and Rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986 and the Insolvency (Scotland) (Receivership and Winding up) Rules 2018 respectively.

Appendix 5 Notice: About this final account

This final account has been prepared by Alistair McAlinden and Blair Nimmo, the Joint Liquidators of Tullis Russell Papermakers Limited (the 'Company'), solely to comply with their statutory duty under the Insolvency (Scotland) (Receivership and Winding up) Rules 2018 to provide members and creditors with an account of the winding up, showing how it has been conducted and the Company's property has been disposed of, and for no other purpose.

This final account is not suitable to be relied upon by any other person, or for any other purpose or in any other context including any decision in relation to the debt of or any financial interest in the Company. Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency (Scotland) (Receivership and Winding up) Rules 2018 does so at their own risk.

Alistair McAlinden and Blair Carnegie Nimmo are authorised to act as insolvency practitioners by the Institute of Chartered Accountants of Scotland.

We are bound by the Insolvency Code of Ethics.

The Officeholders may be Data Controllers of personal data as defined by the Data Protection Act 2018. Personal data will be kept secure and processed only for matters relating to the appointment. For further information, please see our Privacy policy at – www.interpathadvisory.com/privacy-insolvency.

The appointments of the Joint Liquidators are personal to them and, to the fullest extent permitted by law, Interpath Ltd does not assume any responsibility and will not accept any liability to any person in respect of this Report or the conduct of the liquidation.

www.interpathadvisory.com

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