

# THE ACCOUNTANT IN BANKRUPTCY

1987-1988

## ANNUAL REPORT OF THE ACCOUNTANT IN BANKRUPTCY

As required by the Bankruptcy (Scotland) Act 1985 Section 1(1) (d) The Accountant in Bankruptcy presents the following Report on the state of sequestrations falling under his supervision and of the performance of his functions under the Act.

### Contents

- Part I      Details of Awards Registered and of cases brought to an end during the year,
- II      Particulars of Protected Trust Deeds registered during the year, and
- III     Particulars of the performance of the Accountant in Bankruptcy's functions under the Act.
- Part IV     Report on the state of depending sequestrations under the Bankruptcy (Scotland) Act 1913 for the year ended 31 December 1987

### Appendices

1.      Breakdown of Awards of Sequestration by Sheriff Court.
2.      Staffing of the Accountant's Office.

PART I

NO. OF AWARDS OF SEQUESTRATION - YEAR TO 31 MARCH 1988

COURT OF SESSION	31	
SHERIFF COURT	920	
TOTAL		951

NO. OF AWARDS TO SHOW BREAKDOWN BY PETITIONER

TRUSTEE IN TRUST DEED	91	
DEBTOR WITH CONCURRING CREDITOR	86	
CREDITOR	774	
TOTAL		951

PART II

NO. OF PROTECTED TRUST DEEDS REGISTERED - YEAR 31 MARCH 1988 36

NO. OF AWARDS TO SHOW BREAKDOWN BETWEEN

SCHEDULE 2 CASES	855	
ELECTED CASES (i) with commissioners	70	
(ii) without commissioners	26	
TOTAL		951

<u>NO. OF DEPENDING SEQUESTRATIONS AS AT 1 APRIL 1987</u>	556
<u>NO. OF SEQUESTRATIONS AWARDED DURING YEAR</u>	951
<u>NO. OF SEQUESTRATIONS BROUGHT TO AN END DURING YEAR</u>	7
<u>NO. OF DEPENDING SEQUESTRATIONS AS AT 31 MARCH 1988</u>	1500
<u>NO. OF ACCOUNTS RECEIVED FOR AUDIT BY THE A.I.B.</u>	1041
<u>NO. OF SEQUESTRATIONS IN WHICH FINAL DIVIDEND PAID DURING YEAR</u>	Nil

PART III

GROSS COST TO PUBLIC FUNDS DURING YEAR

(A) PAYMENTS FROM THE LEGAL PROCEEDINGS (SCOTLAND) VOTE	£0.42m
(B) COSTS OF THE A.I.B.'S. OFFICE	£0.09m
	£0.51m

INCOME

FEEs ETC PAID BY TRUSTEES	£94,992m
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NO. OF ACCOUNTS RECEIVED FOR AUDIT

PERMANENT TRUSTEE	882	
INTERIM TRUSTEE	<u>132</u>	1014
PROTECTED TRUST DEED		<u>-</u>
	TOTAL	<u>1014</u>

ACCOUNTS AUDITED

PERMANENT TRUSTEE	167	
INTERIM TRUSTEE	<u>24</u>	191
PROTECTED TRUST DEED		<u>-</u>
	TOTAL	<u>191</u>

ACCOUNTS UNAUDITED AT 31 MARCH 1988 823

PART IV

BANKRUPTCY (SCOTLAND) ACT (1913)  
 YEAR ENDED 31 DECEMBER 1987

Report by the Accountant in Bankruptcy  
on the state of sequestrations awarded in terms of  
the Bankruptcy (Scotland) Act 1913 and  
remaining in dependence as at 1 January 1988

The following notes are submitted as showing the general results which have been deduced from the detailed information before the Accountant. These results are Reported in continuation of corresponding results in the Reports of previous years.

I. General Account at 31 December 1987 of the Sequestrations awarded and re-opened and those wound up during the year following showing the number in dependence at the close

There were in Dependence at 31 December 1986 per last Report	1572	
During the year the number Awarded as already stated was	0	
And there was during the year re-opened	<u>0</u>	1572
The number wound up during the year in which no dividend was paid to Creditors	2	
The number wound up during the year in which a dividend was paid to Creditors	38	
The number wound up during the year by Composition	0	
The number wound up during the year by Deed of Arrangement	0	
The number wound up during the year by Recall	3	
and Written Off in terms of Section 159 of the Bankruptcy Act	<u>96</u>	<u>139</u>
Remains Sequestrations in Dependence at 31 December 1987		<u>1433</u>

II. Results of Sequestrations wound up by Division of Funds followed by Trustees Discharge during the year

There were as before stated 38 Sequestrations wound up by Division of Funds during the year. From a summary of the details of these cases the general Results are as follows:-

1. The value of the Gross Estates involved in these Sequestrations as estimated was £1109023.06 being on an average for each Sequestration £29184.81  
 The Gross Receipts amounted to £1437550.80 being an average for each Sequestration of £37830.28.
2. The time involved in winding up the 38 Sequestrations (ie from the date of the Award of Sequestration to the date of the Trustee's Discharge) has been on average 5 years 6 months.
3. Table classifying the Estates wound up by Division during the year according to the value of the Estate as realised.

Estates of under £100	-
Estates of £100 and under £500	-
Estates of £500 and under £1,000	-
Estates of £1,000 and under £5,000	5
Estates of £5,000 and under £10,000	2
Estates of £10,000 and under £50,000	25
Estates of £50,000 and under £100,000	4
Estates of £100,000 and over	<u>2</u>
	38

4. Table classifying the Estates wound up by Division during the year according to the rate of Dividend upon the unsecured Debts

	<u>Number</u>	<u>Percentage</u>
No dividend to ordinary creditors (funds being exhausted in payment of preferable and secured debts and expenses)	16	42.10
Not exceeding 5p per £	-	-
Exceeding 5p and not exceeding 12½p per £	4	10.53
Exceeding 12½p and not exceeding 25p per £	3	7.89
Exceeding 25p and not exceeding 50p per £	7	18.43
Exceeding 50p and not exceeding 75p per £	2	5.26
Exceeding 75p and under 100p per £	2	5.26
at 100p in the £	<u>4</u>	<u>10.53</u>
	38	100.00

III. Summary of results contrasting the details of Sequestrations wound up by Division of Funds during the year ended 31 December 1987

	Gross Sum For Year (£)	Percentage of Gross Receipts
1. Secured or Preferable Debts	708,574	
Unsecured Debts	<u>1,360,730</u>	
Total Debts	<u>2,069,304</u>	
2. Gross Estates given up in Inventories	1,109,023	
3. Gross Receipts	<u>1,437,551</u>	
Difference	<u>328,528</u>	
4. Allowance to Bankrupts	8,081	0.562
Trustees Commission	131,034	9.115
Law Expenses	61,536	4.281
Miscellaneous Expenses	<u>160,757</u>	<u>11.183</u>
(C/fwd) Total Ordinary Expenses	<u>361,408</u>	<u>25.141</u>

	Gross Sum For Year (£)	Percentage of Gross Receipts
(B/fwd) Total Ordinary Expenses	361,408	25.141
5. Extra-ordinary Payments in certain Sequestrations being wages and other charges connected with the carrying on of businesses until sold etc.	153,502	10.678
Total Expenses	514,910	35.819
6. Payment to Creditors Secured and Preferable	660,382	45.938
Unsecured or Ordinary	259,433	18.047
Total Payments to Creditors	919,815	63.985
Total Payments	1,434,725	99.804
Difference between this and Gross Receipts	2,826	0.196
Surplus to Bankrupts	3,501	0.243
Overpayments by Trustees	(,675)	(0.047)
Differences as above	2,826	0.196

7. The average Dividend to the Ordinary Creditors applying the amount divided amongst the Ordinary Creditors to the amount of the Unsecured Debts ranked 19.07p in the f.

IV. Sale of Heritable Property by Private Bargain

The Accountant during the year granted his Concurrence in 43 sales of heritage by Private Bargain in terms of Section CXI of the Bankruptcy Act.

V. Discharge of Bankrupts

The number of Bankrupts Discharged during the year was 23, of which was granted on Composition 0. During the year the Accountant made 12 Special Reports in application by Bankrupts for Discharge.

Composition Settlements		Without Composition		Reports	
C of Session	Sheriff Crt	C of Session	Sheriff Crt	C of Session	Sheriff Crt
0	0	5	18	0	12

VII. Discharge, Resignation and Removal of Trustee

There were 40 Discharges of Trustees during the year

2 of these Discharges were granted where there were no funds for division amongst the Creditors

38 of these Discharges were granted after Division of Funds

There was 3 Discharge granted in cases wound up by Composition etc.

The Accountant during the year made 1 Special Reports in application for Trustee Discharges.

There were no resignations and no Trustees were removed from Office.

Reported by

G Leslie Kerr

Accountant in Bankruptcy

## NUMBER OF SEQUESTRATIONS AWARDED IN SHERIFF COURTS DURING YEAR ENDED 31/03/1988

Glasgow	124
Edinburgh	102
Duns	7
Haddington	21
Jedburgh	8
Linlithgow	42
Peebles	0
Selkirk	12
Campbeltown	3
Dumbarton	22
Dunoon	5
Greenock	22
Kilmarnock	36
Oban	4
Paisley	37
Rothesay	2
Airdrie	29
Ayr	41
Dumfries	25
Hamilton	44
Kirkcudbright	4
Lanark	14
Stranraer	13
Alloa	9
Arbroath	7
Cupar	15
Dundee	29
Dunfermline	24
Falkirk	19
Forfar	5
Kirkcaldy	21
Perth	25
Stirling	18
Aberdeen	86
Banff	6
Dingwall	13
Dornoch	1
Elgin	21
Fort William	7
Inverness	25
Kirkwall	12
Lerwick	3
Lochmaddy	0
Peterhead	22
Portree	3
Stonehaven	12
Stornoway	12
Tain	9
Wick	5
Total Awards	1036

Of these 34 were awarded in the Court of Session and 1002 in Sheriff Courts.

APPENDIX 2

COMPLEMENT AS AT 31 MARCH 1988

SEOs x 1

HEOs x 2

EOs x 5

AOs x 2

AAs x 3

TYPs x 1

TOTAL 14

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