

The Insolvency Act 1986

Notice of move from administration to dissolution

Name of Company Hebridean Cruises Plc	Company number 02872916
In the High Court of Justice, Chancery Division [full name of court]	Court case number 13479/2009

(a) Insert name(s) and address(es) of administrator(s) I / We (a) Colin Peter Dempster and Andrew James Davison
Ernst & Young LLP, Ten George Street, Edinburgh, EH2 2DZ

(b) Insert name and address of registered office of company

having been appointed administrator(s) of

(b) Hebridean Cruises Plc
1 Bridgewater Place, Water Lane, Leeds, LS11 5QR

(c) Insert date of appointment
(d) Insert name of applicant / appointor

on (c) 24 April 2009 by (d) Bank of Scotland PLC

hereby give notice that the provisions of paragraph 84(1) of Schedule B1 to the Insolvency Act 1986 apply

I / we attach a copy of the final progress report

Signed [Signature]
Joint / Administrator(s)

Dated 19/4/10

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.

Alison Lennie	
Ernst & Young LLP, Ten George Street, Edinburgh, EH2 2DZ	
	Tel 0141 626 5531
DX Number	DX Exchange

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

THURSDAY



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COMPANIES HOUSE

TO MEMBERS AND ALL KNOWN CREDITORS

20 April 2010

Ref CPD/CR/AL/D21 1
Direct line 0141 626 5531
Direct Fax 0141 626 5003
Alison Lennie

Dear Sirs

Hebridean Cruises Plc (In Administration) ("the Company")

The High Court of Justice, Chancery Division, Companies Court Number 13479/2009

Registered office address: 1 Bridgewater Place, Water Lane, Leeds, LS11 5QR

I write in accordance with Rule 2.118 of The Insolvency Rules 1986 to provide you with a final report on the progress of the Administration. It is my intention to apply to Registrar of Companies to have the Company dissolved. The report covers the period from 24 October 2009 to 23 April 2010 and should be read in conjunction with the Joint Administrators' Statement of Proposals dated 15 June 2009 and my first Report to Creditors dated 19 November 2009.

Hebridean Cruises Plc, registered number 02872916, entered administration on 24 April 2009 and C P Dempster and A J Davison were appointed to act as Administrators. The appointment was made by Bank of Scotland PLC under the provisions of paragraph 14 of Schedule B1 to the Insolvency Act 1986. Under the terms of the appointment, any act required or authorised to be done by the Joint Administrators was to be done by either of them.

Summary Of Progress

On 24 April 2009, the Company acted as a holding company and its assets consisted of its investment in IML Holdings Limited and its intercompany debtor balances due from its subsidiary undertakings, Hebridean International Cruises Limited ("HICL"), Leisure and Marine Holdings Limited ("LMH"), and The Small Cruise Ship Company Limited.

As detailed in the Administrators' Proposals, HICL and LMH entered administration on 8 April 2009. Prior to their Administration, HICL and LMH owned and operated a luxury cruise business around the Western Isles of Scotland aboard the Hebridean Princess. The vessel was owned by LMH while the operation of the vessels was undertaken by HICL. The Joint Administrators of HICL and LMH completed a sale of the business and assets of these companies to All Leisure Holidays Limited ("ALHL") for a total consideration of £1.41m on 22 April 2009.

Both IML Holdings Limited and The Small Cruise Ship Company Limited are considered dormant entities.

The Company has not received any realisations from these assets and there are no further assets to realise in the Administration

Receipts and Payments Account

I attached at Appendix 1, the receipts and payments account for the period from 24 October 2009 to 23 April 2010

Joint Administrators' Remuneration and Disbursements

As set out in the Proposals and detailed in our previous report, the Administrators believe that there will be no funds available to ordinary unsecured creditors. Accordingly, in terms Rule 2 106(5A)(b) of the Insolvency Rules 1986 the Administrators' remuneration shall be agreed by the Secured Creditors and Preferential Creditors

However, as there are no funds available for a distribution to any class of creditor, I do not intend to request approval to draw fees in respect of the Administration of the Company

Details of time spent and charge our rates will be made available to any creditor upon written request to the Administrators

Secured Creditors

The Company had debts of £1,691,350 owing to the Bank of Scotland plc which is secured by way of a mortgage over the Hebridean Princess and a debenture including a fixed and floating charge over the assets of the company

Stonefield Castle Group Limited is owed £2m by the Company which is secured by a second ranking floating charge over the assets of the Company

Preferential Creditors

Unfortunately, given the significant shortfall to the Bank and as the Company has no further assets to realise, there will be no funds available for distribution to the preferential creditors

Non-preferential Creditors

As previously reported, the operation of the business was conducted by HICL, and, as such, only trade creditor claims will be received by HICL

The Directors' Statements of Affairs indicated there were creditor balances of £13.6m

Shareholders

As the secured creditor of the Company has not been repaid in full and given that there are no funds available for distribution to preferential and non-preferential creditors, I regret to inform Shareholders that there are no funds available for distribution to any class of Shareholder of the Company

The Prescribed Part

In accordance with section 176A of the Insolvency Act 1986, no prescribed part was set aside on the basis that there are insufficient funds available for a distribution to be made to preferential and non-preferential creditors

Conclusion

I can confirm that I will submit Form 2 35(B) with Register of Companies to move the Company from Administration to Dissolution

A copy of this Form is enclosed for your reference and as this is the final report on the Administration, I would like to thank creditors for their assistance and patience during the Administration period

Yours faithfully
for Hebridean Cruises Plc (In Administration)



C P Dempster
Joint Administrator

Encs Joint Administrators' Receipts and Payments Account

The Institute of Chartered Accountants of Scotland in the UK authorises C P Dempster and A J Davison to act as Insolvency Practitioner under section 390(2)(a) of the Insolvency Act 1986

The affairs, business and property of the Company are being managed by the Joint Administrators, C P Dempster and A J Davison, who act as agents of the Company only and without personal liability

Appendix 1

Hebridean Cruises plc (In Administration)

Joint Administrators' Abstract of Receipts and Payments from 24 October 2009 to 23 April 2010

	<i>Notes</i>	£	£
<i>Receipts</i>			
Brought forward		<u>9,363 69</u>	9,363 69
<i>Payments</i>			
Brought forward		<u>(9,363 69)</u>	(9,363 69)
Balance			<u>nil</u>