

The Insolvency Act 1986

**Notice of automatic end of  
administration****R2.43**

Pursuant to Rule 2.43 of the Insolvency (Scotland) Rules 1986

Name of Company

J. &amp; G. Coughtrie Limited (in administration)

Company number

SC21634

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

We Gerard Anthony Friar &amp; Blair Carnegie Nimmo

KPMG LLP

191 West George Street

Glasgow

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

G2 2LJ

having been appointed Joint Administrators of J. &amp; G. Coughtrie Limited

(c) Insert date of  
appointment

on 23 October 2009 by the Bank of Scotland

(d) Insert name of  
appointor / applicant

hereby give notice that our appointment ceased to have effect on 22 April 2012.

We attach a copy of our final progress report.

Signed

Joint Administrator

Dated 23 April 2012

**Contact Details:**

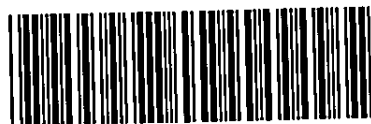
You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record

Tracey Milne

Tel 0141 300 5567

DX Number

DX Exchange



SCT

\*S17KZ5YY\*

25/04/2012

#312

COMPANIES HOUSE

When you have completed and signed this form please send it to the Registrar of Companies at:

Companies House, 37 Castle Terrace, Edinburgh EH1 2EB  
X 235 Edinburgh / LP 4 Edinburgh-2

WEDNESDAY



**J & G Coughtrie Limited**  
**(in administration)**

**Joint Administrators' final  
progress report to creditors  
pursuant to Rule 2.42 of the  
Insolvency (Scotland) Rules  
1986**

**23 April 2012**

**KPMG LLP**

*This report contains 12 Pages*

*23 April 2012*

*tm/cvp/982/coughtrie*

## **Notice: About this report**

This Report has been prepared by Blair Carnegie Nimmo and Gerard Anthony Friar, the Joint Administrators of J. & G. Coughtrie Limited solely to comply with their statutory duty to report to creditors under the Insolvency (Scotland) Rules 1986 on the progress of the Administration and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This Report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in J. & G. Coughtrie Limited.

Any estimated outcomes for creditors included in this Report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors. Any person who chooses to rely on this Report for any purpose or in any context other than under Rule 2.42 of the Insolvency (Scotland) Rules, does so at its own risk.

To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this Report to any such person.

The affairs, property and business of J. & G. Coughtrie Limited are being managed by the Joint Administrators.

Blair Carnegie Nimmo is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants of Scotland.

Gerard Anthony Friar is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants of Scotland.

The Joint Administrators act as agents for J. & G. Coughtrie Limited and contract without personal liability.

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



*J & G Coughtrie Limited*  
*(in administration)*

*KPMG LLP*  
*23 April 2012*

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## **1 Introduction**

We, Blair Carnegie Nimmo and Gerard Anthony Friar of KPMG LLP, were appointed Joint Administrators of J. & G. Coughtrie Limited ("the Company") on 23 October 2009.

We were appointed to the Company following a notice of appointment lodged at the Court of Session by the Bank of Scotland, as holder of a qualifying floating charge, who made the appointment at the request of the Company's directors.

The Court of Session previously granted a further extension of the statutory appointment period to 22 April 2012.

In accordance with Rule 2.42 of the Insolvency (Scotland) Rules 1986 we present our final progress report.

A copy of this report has been forwarded to the Registrar of Companies in Edinburgh, the Court of Session and the creditors of the Company together with Forms 2.20B and 2.21B ("the Forms"). On registration of the Forms by the Registrar of Companies, the Administration of the Company will cease with Blair Carnegie Nimmo and Gerard Anthony Friar vacating office as Joint Administrators.

A copy of our final receipts and payments account is attached.

## **2 Joint Administrators' proposals**

The objectives of the Administration were to achieve a better result for the Company's creditors as a whole than if the Company was wound up (without first being in Administration) and, to realise property in order to make a distribution to one or more secured or preferential creditors.

There have been no major amendments or deviations from the proposals that were agreed at the meeting of creditors held on 30 December 2009.

The proposals as detailed in my report issued to creditors on 14 December 2009, pursuant to Paragraph 49 of Schedule B1 to the Insolvency Act 1986, were as follows:

- to continue to do all such things reasonably expedient and generally exercise all their powers as Joint Administrators as they, in their discretion, consider desirable in order to maximise realisations from the assets;
- to seek extensions of the Administration period if deemed necessary by the Joint Administrators;
- to pursue a sale of the remaining assets;
- to realise and ingather any remaining assets;

- to appoint and instruct agents to assist in the management, valuation, and realisation of the remaining assets;
- to investigate and submit a claim for a refund of any corporation tax or VAT paid, if appropriate;
- to raise or defend any legal actions while it remains economical to do so;
- the Joint Administrators be authorised to draw fees on account from the assets of the Company from time to time during the period of the administration based on time properly spent at KPMG LLP charge out rates that reflect the complexity of the assignment. Also, that the Joint Administrators be authorised to draw disbursements from time to time to include category two disbursements.
- that the costs of KPMG LLP in respect of tax, VAT and pension advice provided to the Joint Administrators be based upon time costs at KPMG LLP rates and shall be paid out of the assets of the Company;
- the Joint Administrators be permitted to pay any realisations to preferential and secured creditors and then take the appropriate steps to dissolve the Company;
- to settle legal and other agents' fees and disbursements properly incurred in assisting the Joint Administrators, to be paid out of the assets of the Company;
- should the need arise, the Joint Administrators be permitted to move the Company from Administration to Creditors' Voluntary Liquidation, and for the appointment of Blair Carnegie Nimmo and Gerard Anthony Friar as Joint Liquidators of the Company without further recourse to creditors. In accordance with Paragraph 83 (7) of Schedule B1 to the Insolvency Act 1986 and Rule 2.47 of the Insolvency (Scotland) Rules 1986, creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after the receipt of the Proposals and before the Proposals are approved;
- that the Joint Administrators be discharged at the end of the Administration from liability in respect of any action of theirs as Joint Administrators pursuant to Paragraph 98 (1) of Schedule B1 of the Insolvency Act 1986 immediately following the registration of the notice given pursuant to Paragraph 83 of Schedule B1 of the Insolvency Act 1986.

### **3 Outcome of the Administration**

A full explanation of the steps taken by the Joint Administrators has been set out in our proposals and subsequent update reports. A summary of the main asset realisations is set out below.

#### **Trading and Sale of business and assets**

We identified that it would be beneficial to continue to trade the business for a short period of time whilst the sale of the business was being pursued.

The Company's business and assets (with the exception of the moulding and die-casting related assets and freehold property) were sold to a subsidiary of the TH Group Limited for a consideration of £120,000.

In addition, we successfully realised c.£12,000, from the sale of the assets relating to the Company's moulding and die-casting operations.

#### **Freehold property**

The Company owned a property at Hillington Industrial Estate, Hillington. As noted above, the property was excluded from the sale of the business and assets to the subsidiary of the TH Group Limited.

Following extensive marketing over an extended period of time, an offer of £499,500 for the freehold property at Hillington Industrial Estate was accepted, with the sale completing on 30 November 2011.

As previously reported, Bank of Scotland holds a standard security over the property and therefore, the net proceeds of the sale have been repaid to them.

#### **Rental Income**

Rental income of c.£151,000 was generated following the granting of a short term licence to occupy.

#### **Other realisations**

Gross bank interest which totalled £696.28 was received during the period of the Administration.

## **4 Costs of realisations**

### **Joint Administrators' fees**

The Joint Administrators' have drawn a fee in the sum of £215,467.78 (excluding VAT), in reduction of actual time costs (which are in excess of this amount) in attending to matters within the Administration.

The necessary approval was obtained from the general body of the unsecured creditors prior to drawing the aforementioned amount.

### **Legal fees**

Legal fees of £23,264.10 (relating to non-property work) have been incurred and settled during the period of the Administration.

### **Agents/valuers fees**

Agents fees of £13,931.67 (relating to non-property work) have been incurred and settled during the period of the Administration.

### **Fixed charge costs**

Various costs relate to the marketing and disposal of the Company's freehold property which is subject to the standard security held by Bank of Scotland (as noted earlier in this report). These costs are noted separately in the attached receipts and payments account.

## **5 Liabilities**

### **Secured lender**

The Bank of Scotland ("the Bank") holds a bond and floating charge over the business and assets of the Company, together with a standard security over the freehold premises.

The Company's debtor book was also subject to a confidential invoice discounting arrangement with the Bank of Scotland Cashflow Finance ("BoSCFF") which was subsequently integrated into Lloyds TSB Commercial Finance ("LTSBCF").

The estimated total amount due to the Bank at the date of our appointment was £1,009,000 (including the funds advanced under the invoice discounting arrangement).



### ***Standard security***

The Bank, in respect of its standard security, has received repayment of its principal indebtedness in full together with a contribution towards interest and costs which have accrued since the date of our appointment. The Bank continues to suffer a shortfall.

### ***Factored book debts***

The Company's debtor ledger, at the date of our appointment, totalled c.£561,500. As reported above, this was subject to a confidential invoice discounting arrangement with BoSCFF, whose total indebtedness, at that time, amounted to c.£532,000.

With our assistance, BoSCFF continued to progress the debtor collection process and ingathered c.£511,000 from outstanding balances. BoSCFF has suffered a shortfall in respect of its indebtedness and, accordingly, there were no surplus funds available for the benefit of the Administration.

### ***Preferential creditors***

Preferential creditors' claims totalled £14,045.81. A dividend of 100p per £1 of agreed claim was distributed to the preferential creditors in March 2012.

### ***Unsecured creditors***

The floating charge held by the Bank in respect of the Company was granted before 15 September 2003, therefore S176A of the Insolvency Act 1986 does not apply. Accordingly, there is no prescribed part of the Company's net property available for unsecured creditors.

Unfortunately, in line with our previous reports, there is no prospect of a dividend being available for the unsecured creditors.

### ***Other costs***

During the course of the Administration, we have paid statutory advertising, specific bond, irrecoverable VAT, insurance, other property expenses and bank charges totalling £58,467.05.



*J & G Coughtrie Limited  
(in administration)*

*KPMG LLP  
23 April 2012*

## **6 Final matters**

Our duties as Joint Administrators are now complete. The Company will be dissolved 3 months from the filing of this final report and registration of Form 2.21B (Scot) with the Registrar of Companies.

BC Nimmo  
KPMG  
191 West George Street  
Glasgow  
G2 2LJ

GA Friar  
KPMG  
191 West George Street  
Glasgow  
G2 2LJ

23 April 2012

## **Appendix 1**

### **Statutory and other information**

#### **EC Regulation**

Administrations are main proceedings under the EC Regulation on Insolvency Proceedings. Article 3 of the EC Regulation defines main proceedings and the Company is registered in Scotland, has its main centre of interest in Scotland and does not fall within one of the excepted categories. Consequently, the Administrations are governed by the Insolvency Act 1986 and not any other European Union Member State's insolvency law.

#### **Relevant court**

Notice of the appointment by the holder of a qualifying floating charge was lodged at the Court of Session on 23 October 2009.

#### **Secured lenders**

The table below details the fixed and floating charges given by the Company:-

**Figure 3: Security details**

| <b>Charge and debenture holder</b> | <b>Fixed/floating charge</b> | <b>Charge/ debenture dated</b> | <b>Charge/ debenture registered</b> |
|------------------------------------|------------------------------|--------------------------------|-------------------------------------|
| Bank of Scotland                   | Bond and Floating Charge     | 23 November 2001               | 5 December 2001                     |
| Bank of Scotland                   | Standard Security            | 18 February 2002               | 25 February 2002                    |

*Source: Company records/Companies House*

#### **Incorporation**

The Company was incorporated on 20 January 1941.

#### **Registered office and trading addresses**

The registered office and trading address of the Company was as follows:

47/71 Montrose Avenue  
Hillington Industrial Estate  
Glasgow



*J & G Coughtrie Limited*  
*(in administration)*

*KPMG LLP*  
*23 April 2012*

As part of the Administration process, the registered office has been changed to:-

c/o KPMG LLP  
191 West George Street  
Glasgow  
G2 2LJ

**Company number**

The Company's number is SC21634.



*J & G Coughtrie Limited*  
*(in administration)*

*KPMG LLP*  
*23 April 2012*

## **Appendix 2**

### **Joint Administrators' receipts and payments account**

**J & G Coughtrie Limited**  
**(In Administration)**  
**Administrators' Trading Account**

| Statement<br>of Affairs          | From 24/10/2011<br>To 23/04/2012 | From 23/10/2009<br>To 23/04/2012 |
|----------------------------------|----------------------------------|----------------------------------|
| <b>POST-APPOINTMENT SALES</b>    |                                  |                                  |
| Sales                            | NIL                              | 70,257.60                        |
| Sales (2)                        | NIL                              | 22.61                            |
| Plant Income                     | NIL                              | 1,200.00                         |
| Miscellaneous income             | NIL                              | 0.21                             |
|                                  | <u>NIL</u>                       | <u>71,480.42</u>                 |
| <b>PURCHASES</b>                 |                                  |                                  |
| Purchases                        | NIL                              | 3,724.66                         |
|                                  | <u>NIL</u>                       | <u>(3,724.66)</u>                |
| <b>OTHER DIRECT COSTS</b>        |                                  |                                  |
| Direct labour                    | NIL                              | 17,969.16                        |
| Sub contractors                  | NIL                              | 1,529.00                         |
|                                  | <u>NIL</u>                       | <u>(19,498.16)</u>               |
| <b>TRADING EXPENSES</b>          |                                  |                                  |
| Sub contractors                  | NIL                              | 567.00                           |
| Rates                            | NIL                              | 753.41                           |
| Water rates                      | NIL                              | 74.85                            |
| Heat & light                     | NIL                              | 2,125.57                         |
| Carriage                         | NIL                              | 975.15                           |
| Professional fees                | NIL                              | 4,345.00                         |
| Hire of equipment                | NIL                              | 100.00                           |
| Repairs and maintenance          | NIL                              | 115.35                           |
| Sundry expenses                  | 100.00                           | 500.00                           |
|                                  | <u>(100.00)</u>                  | <u>(9,556.33)</u>                |
| <b>TRADING SURPLUS/(DEFICIT)</b> | <u><u>(100.00)</u></u>           | <u><u>38,701.27</u></u>          |

**J & G Coughtrie Limited**  
**(In Administration)**  
**Administrators' Abstract of Receipts & Payments**

| Statement<br>of Affairs |                                   | From 24/10/2011<br>To 23/04/2012 | From 23/10/2009<br>To 23/04/2012 |
|-------------------------|-----------------------------------|----------------------------------|----------------------------------|
|                         | <b>FIXED CHARGE ASSETS</b>        |                                  |                                  |
| 1,200,000.00            | Freehold property                 | 499,500.00                       | 499,500.00                       |
| 34,680.00               | Vehicles, Plant & machinery       | NIL                              | NIL                              |
| 572,505.00              | Book debts                        | NIL                              | NIL                              |
|                         |                                   | <u>499,500.00</u>                | <u>499,500.00</u>                |
|                         | <b>FIXED CHARGE COSTS</b>         |                                  |                                  |
|                         | Legal fees                        | 2,691.25                         | 2,691.25                         |
|                         | Agents'/Valuers' fees             | NIL                              | 6,337.50                         |
|                         | Sundry costs                      | NIL                              | 770.00                           |
|                         |                                   | <u>(2,691.25)</u>                | <u>(9,798.75)</u>                |
|                         | <b>FIXED CHARGE CREDITORS</b>     |                                  |                                  |
| (477,438.00)            | Bank of Scotland                  | 487,000.00                       | 487,000.00                       |
| (532,000.00)            | Bank of Scotland Cashflow Finance | NIL                              | NIL                              |
| (2,000.00)              | Finance Company                   | NIL                              | NIL                              |
|                         |                                   | <u>(487,000.00)</u>              | <u>(487,000.00)</u>              |
|                         | <b>ASSET REALISATIONS</b>         |                                  |                                  |
| 93,000.00               | Tooling                           | NIL                              | 96,782.00                        |
| 2,000.00                | Furniture & equipment             | NIL                              | NIL                              |
| 2,000.00                | Process equipment                 | NIL                              | NIL                              |
| 75,000.00               | Components                        | NIL                              | 34,995.00                        |
|                         | Testing equipment                 | NIL                              | 1.00                             |
|                         | Book debts                        | NIL                              | 0.01                             |
|                         | Computer equipment                | NIL                              | 1.00                             |
| 100,000.00              | Plant and machinery               | NIL                              | 1.00                             |
| 24,102.71               | Painted stock                     | NIL                              | 1.00                             |
| 219,826.46              | Purchased stock                   | NIL                              | 1.00                             |
| 44,000.00               | Finished goods                    | NIL                              | NIL                              |
|                         | Rent                              | <u>(3,519.29)</u>                | <u>151,320.60</u>                |
|                         |                                   | <u>(3,519.29)</u>                | <u>283,102.61</u>                |
|                         | <b>OTHER REALISATIONS</b>         |                                  |                                  |
|                         | Bank interest, gross              | 103.06                           | 696.28                           |
|                         | Trading Surplus/(Deficit)         | <u>(100.00)</u>                  | <u>38,701.27</u>                 |
|                         |                                   | 3.06                             | 39,397.55                        |
|                         | <b>COST OF REALISATIONS</b>       |                                  |                                  |
|                         | Specific bonds                    | NIL                              | 350.00                           |
|                         | Administrators' fees              | 215,467.78                       | 215,467.78                       |
|                         | Irrecoverable VAT                 | 1,775.00                         | 1,775.00                         |
|                         | Agents'/Valuers' fees             | 6,243.75                         | 13,931.67                        |
|                         | Legal fees                        | 769.00                           | 22,004.10                        |
|                         | Legal fees (2)                    | NIL                              | 1,260.00                         |
|                         | Statutory advertising             | NIL                              | 620.90                           |
|                         | Other property expenses           | 231.78                           | 2,620.84                         |
|                         | Insurance of assets               | 8,475.57                         | 53,070.31                        |
|                         | Bank charges                      | <u>30.00</u>                     | <u>55.00</u>                     |
|                         |                                   | <u>(232,992.88)</u>              | <u>(311,155.60)</u>              |
|                         | <b>PREFERENTIAL CREDITORS</b>     |                                  |                                  |
|                         | Subrogated EP(C)A claim           | 12,002.70                        | 12,002.70                        |

**J & G Coughtrie Limited**  
**(In Administration)**  
**Administrators' Abstract of Receipts & Payments**

| Statement of Affairs |                            | From 24/10/2011<br>To 23/04/2012 | From 23/10/2009<br>To 23/04/2012 |
|----------------------|----------------------------|----------------------------------|----------------------------------|
| (20,894.00)          | Employees' wage arrears    | 2,043.11<br>(14,045.81)          | 2,043.11<br>(14,045.81)          |
|                      | <b>UNSECURED CREDITORS</b> |                                  |                                  |
| (310,541.02)         | Trade & expense            | NIL                              | NIL                              |
| (395,969.88)         | HMRC arrears               | NIL                              | NIL                              |
| (241,493.96)         | sundry                     | NIL                              | NIL                              |
|                      |                            | NIL                              | NIL                              |
| <b>386,777.31</b>    |                            | <b>(240,746.17)</b>              | <b>0.00</b>                      |
|                      | REPRESENTED BY             |                                  |                                  |
|                      |                            |                                  | <b>NIL</b>                       |

Gerard Anthony Friar  
Administrator