

The Insolvency Act 1986

Statement of administrator's proposals**R2.25****Pursuant to paragraph 49 of Schedule B1 to the Insolvency Act 1986 and Rule 2.25 of the Insolvency (Scotland) Rules 1986**

Name of Company
Westcrowns Contracting Services Limited

Company number
SC045884

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

We (a)
Benjamin Browne
AlixPartners
Cornerstone
107 West Regent Street
Glasgow
G2 2BA

Elizabeth Mackay
AlixPartners
The Zenith Building
26 Spring Gardens
Manchester
M2 1AB

Catherine Williamson
AlixPartners
The Zenith Building
26 Spring Gardens
Manchester
M2 1AB


attach a copy of our proposals in respect of the administration of the above company.

A copy of these proposals was sent to all known creditors on

(b) Insert date

(b) 22 November 2017

Signed


Joint Administrator

Dated

22.11.17

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

Melissa Fielding
AlixPartners
The Zenith Building
26 Spring Gardens
Manchester
M2 1AB
Tel Number

0161 838 4500

When you have completed and signed this form, please send it to the Registrar of Companies at:-
Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF
DXED235 Edinburgh 1 / LP- 4 Edinburgh 2

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COMPANIES HOUSE

Administrators' Statement of Proposals

Westcrowns Contracting Services Limited
In Administration

22 November 2017

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1. Why this report has been prepared

- 1.1 Benjamin Browne, Elizabeth Mackay and Catherine Williamson (the **Administrators**) were appointed on 20 October 2017.
- 1.2 In accordance with UK insolvency legislation, administrators are required to make a statement setting out their proposals for achieving the purpose of the administration. This report and all appendices form the Administrators' proposals and cover the period 20 October 2017 to 15 November 2017 (the **Period**).
- 1.3 The purpose of this report is to provide statutory and financial information about the Company, the background to the Administration, the Administrators' proposed strategy, details regarding the Administrators' fees and the expected outcome for each class of creditor.
- 1.4 An administrator of a company must perform their functions with a view to achieving one of the following objectives:

Objective 1:	rescuing the company as a going concern;
Objective 2:	achieving a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in administration); or
Objective 3:	realising property in order to make a distribution to one or more secured or preferential creditors.
- 1.5 In this case the Administrators are pursuing the third statutory objective. Further details of how they intend to achieve that objective can be found in section 4 of this report.
- 1.6 The Company's creditors are responsible for approving the Administrators' proposals and fees. In this case it is proposed that the basis of the Administrators' fees and category 2 disbursements will be approved by the secured and preferential creditors. Further details of the Administrators' fees and costs can be found at Appendices D to F.
- 1.7 The Administrators do not intend to convene an initial meeting of creditors. However, creditors can request for a meeting to be held and further details on this matter can be found in section 8 of this report.
- 1.8 More information relating to the Administration process, Administrators' fees and creditors' rights can be found on AlixPartners' creditor portal (**www.alixpartnersinfoportal.com**). Log-in details to access this information can be found within the covering letter you have received.
- 1.9 If you require a hard copy of this report or have any queries in relation to its contents or the Administration generally, please contact Paul Butterfield on 0161 838 4539, by email at **creditorreports@alixpartners.com**, or write to AlixPartners' office at The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB.

2. Summary of information for creditors

Estimated dividend for creditors

Description	Estimated debt £	Likely level of return £
Secured creditor	1,402,044	1,000,000
Preferential creditors	46,418	46,418
Unsecured creditors	1,621,145	Nil

Notes:

Secured creditor

Full details of Clydesdale Bank Plc's (the **Bank**) security is provided in section 7. The Bank is the Company's sole secured creditor.

Preferential creditors

The majority of the Company's staff were made redundant, either immediately following the appointment or shortly afterwards. The staff have been paid arrears of wages, however, there is a balance of unpaid holiday pay, which ranks preferentially in the Administration.

The parent company made a funding contribution to meet the cost of the outstanding pre-appointment payroll, which is detailed in the Administrators' Receipts and Payments account at Appendix B. The total value of the arrears of pay in this regard which ranks as preferential is £11,341. As a result, the parent company has a subrogated preferential claim for this sum. The balance of the parent company's claim, which totals £41, ranks as unsecured.

Based on current information, it is expected that the preferential creditors will be paid in full. However, this level of return is based on current estimates and is therefore subject to change.

Unsecured creditors

The Company's records indicate that unsecured creditors as at the date of appointment totalled £1.07 million. In addition, employee claims for notice and redundancy pay, together with the parent company's subrogated unsecured claim noted above, total approximately £553,000, bringing total unsecured claims to approximately £1.6 million. Based on current information, the Administrators do not anticipate there will be sufficient floating charge realisations to enable a dividend to be issued to the unsecured creditors.

General

Funds available for distribution and dividend rates are detailed after taking into account the estimated costs of making the distributions. The likely levels of return are based on estimates of the total realisations and costs in the Administration, and are therefore subject to change.

In respect of preferential and unsecured creditors, UK insolvency legislation stipulates that creditors of the same class should be treated equally. Hence any funds available for distribution are split on a pro-rata basis amongst all creditors of each class, regardless of the size of their claims.

Further information is provided at section 7 of this report.

3. Background and circumstances leading to the Administration

- 3.1 The Company is part of a wider group of five companies which is engaged in the provision of a range of glazing and flooring services to the construction and transportation sectors, both in the UK and overseas.
- 3.2 Incorporated in 1968, the Company operated three divisions under the trading names of "Harndec Flooring Company", "Reglit Glass Architecture" and more recently, "Lumaglass". The Company operated from premises in Rutherglen, Glasgow, and employed 49 members of staff.
- 3.3 Following an assessment of the Company's management accounts by the directors of the ultimate holding company, it was established that the Company's asset values and profitability were not accurately recorded in the accounts, meaning the accounts were overstated. As a result, it was determined that the Company was insolvent and would be unable to continue as a going concern without some form of financial restructuring or additional funding.
- 3.4 Subsequently, on 13 October 2017, the directors of the ultimate holding company approached AlixPartners Services UK LLP (**AlixPartners**) for advice in respect of the Company's financial position and the viability of continued trade. This confirmed that the Company would be unable to continue trading without significant financial restructuring and additional funding.
- 3.5 Neither the ultimate holding company or the Bank were in a position to provide the required funding. As a result, the directors considered it appropriate to appoint Administrators over the Company as soon as possible.
- 3.6 On 20 October 2017, Benjamin Browne, Elizabeth Mackay and Catherine Williamson were appointed as Administrators. Following which, the Company immediately ceased trading and the majority of the employees were made redundant.
- 3.7 The other entities in the wider group are not affected by the Administration and continue to trade.

4. The objective of the Administration

- 4.1 The first objective under the Administration regime is based on the survival of the Company through a Company Voluntary Arrangement (**CVA**) or Scheme of Arrangement (**Scheme**) under part 26 of the Companies Act 2006.
- 4.2 As noted in section 3, following the pre-appointment assessment of the business and the Company's financial position, it was determined that the Company would be unable to trade without financial restructuring and the introduction of additional funding. As the Company was unable to secure the necessary funding, the first objective cannot be achieved.
- 4.3 The Administrators do not think that there will be a better outcome for creditors than in a winding up scenario as the Company has ceased to trade. The Administrators are therefore unable to pursue the second objective of achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration).
- 4.4 The Administrators will therefore pursue the third objective of realising property in order to make a distribution to one or more secured or preferential creditors.
- 4.5 Full details of the proposed exit routes to the Administration are provided at Appendix G.

5. The Administration strategy and steps taken to date

- 5.1 It is proposed that the Administrators continue to manage the affairs of the Company in order to achieve the objective of the Administration detailed in section 4.
- 5.2 The Company's principal assets consist of its freehold property, stock, WIP and its debtor ledger. The Administrators ceased to trade the business immediately on appointment and the strategy is to realise the Company's assets as expediently as possible, achieving the maximum realisations possible whilst minimising the associated costs of the Administration.
- 5.3 It is anticipated that there will be sufficient realisations under the Bank's standard security to enable a distribution to be paid to the Bank. It is also anticipated that there will be sufficient realisations to pay the preferential creditors in full. However, the Administrators do not anticipate that there will be sufficient funds to enable a dividend to be paid to the unsecured creditors after the costs of the Administration.
- 5.4 The Administrators' strategy with regard to each class of asset is detailed below. In addition to their statutory objective, the Administrators have duties imposed by insolvency and other legislation and their regulating professional bodies. The Administrators intend to take the steps detailed below to fulfil their duties in this regard.

Employees

- 5.5 As detailed above, the Company immediately ceased trading on appointment and 40 employees were made redundant on the same day. Nine employees were initially retained to assist the Administrators with the orderly wind-down of operations and realisation of assets. Of the initially retained employees, seven were made redundant in line with ongoing staffing requirements. The remaining two employees have been retained to provide additional assistance with asset realisations. The Administrators will continue to assess this position on an ongoing basis.
- 5.6 The weekly payroll for non-salaried staff for the week ending 20 October 2017 was processed by the Administrators on 25 October 2017. The Company's parent company, Westcrowns Limited, provided funding to the Administrators to cover this cost. As a result, this transaction does not have any impact on the outcome to the Company's creditors. The parent company has a subrogated claim in the Administration totalling £11,382, £11,341 of which ranks preferentially and the balance of £41 ranks as unsecured.

Realisation of assets – standard security

Property

- 5.7 The Company owns the freehold premises at Ashbury House, 6 Ashton Road, Rutherglen, Glasgow, G73 1UB (the **Property**). On appointment, the Administrators instructed DM Hall LLP (**DMH**) to prepare a valuation and marketing report, which was completed on 10 November 2017. The Administrators and DMH will shortly commence the preferred sales and marketing strategy.
- 5.8 *As part of the wider asset realisation strategy, the Administrators have remained in occupation of the Property whilst they complete the asset realisations detailed below. The Administrators will work to implement this process as quickly as possible in order to minimise the occupation costs incurred in respect of the Property.*

Realisation of assets – floating charge

Cash at bank

- 5.9 Cash held in the Company's existing account of £6,753 was received after the appointment. This sum is detailed in the Receipts and Payments Account at Appendix C.

Debtors

- 5.10 An initial review of the Company's records indicated that the value of the debtor ledger totalled approximately £3.34 million. Following the completion of analysis work by the directors, the value of the debtor ledger has been revised to £1.6 million. This is a result of the adjustments made to the accounts to remove the revenue recognised in relation to contracts not yet commenced. In addition, further adjustments were required to ensure the ledger reflected the position as at the date of appointment in relation to write-offs and settlements.
- 5.11 The Administrators are working with the wider group and the retained employees to maximise realisations from this source.
- 5.12 Payments made by debtors into the Company's existing account after the appointment totalling £10,575 were transferred into the Administrators' account on 1 November 2017 and are detailed at Appendix C.

Stock and WIP

- 5.13 The Company's stock and WIP comprises of glass and flooring materials. Immediately on appointment, Sweeney Kincaid Limited (**SKL**) was instructed to prepare a formal valuation report. It has been established that the Company had 26 live contracts on appointment, 19 relating to glass and seven relating to flooring. It has also been established that approximately 11% of the stock by cost relates to live contracts and is therefore designed to individual customer specifications.

- 5.14 The Administrators are working to sell the stock relating to live contracts to the existing contractors as this represents the best outcome in respect of these assets. As at the date of this report, realisations in this regard total £26,921 and are shown at Appendix C.
- 5.15 With regards to the remainder of the stock, SKL have advised that the majority is specialist in nature and is likely to limit the number of potential purchasers. In addition, Retention of Title (**RoT**) claims have been received from a number of the Company's suppliers, including the key supplier and manufacturer of the glass products. It may be that commercial settlements are agreed on a contract by contract basis to achieve realisations in respect of the assets subject to RoT claims. The RoT claims are being reviewed on an ongoing basis and the Administrators are taking legal advice, as required.
- 5.16 When all RoT claims are finalised, the Administrators will formulate a disposal strategy for the remaining stock in conjunction with SKL. An update will be provided in the Administrators' first progress report.

Vehicles

- 5.17 The Company had use of ten vehicles, seven of which were owned and the remaining three were subject to lease agreements or hiring contracts. On appointment, the Administrators instructed SKL to locate and secure all of the Company's vehicles.
- 5.18 As none of the vehicles are required in the Administration, arrangements have been made to place the owned vehicles into auction and for the leased vehicles to be collected by the relevant third parties. The Administrators will confirm the realisations achieved in their next report once the auctions have taken place.

Plant and machinery

- 5.19 The Company's plant and machinery (**P&M**) consists of tools, floor fitting apparatus and glass conditioning equipment. SKL has completed a valuation and marketing report in respect of the P&M on both an in-situ and ex-situ basis. The Administrators are pursuing the recommended realisation strategy.

Fixtures and fittings

- 5.20 The Property contains fixtures and fittings consisting of office furniture and IT equipment. On appointment, the Administrators instructed SKL to prepare a valuation and marketing report in respect of the Company's assets, including the fixtures and fittings. Valuations have been completed and the Administrators are implementing the appropriate realisation strategy.
- 5.21 The Administrators and SKL have also identified that certain office equipment was leased to the Company by third parties. This equipment is not required and the Administrators are arranging collections with the relevant third parties.

Intellectual property (IP)

- 5.22 The Company holds a glass manufacturing patent as well as several website domains, however, no value was ascribed to these assets in the Company's accounts. As a result, the IP has been omitted from the Administrators' Estimated Financial Position (**EFPP**) at Appendix B. The Administrators will engage a specialist agent to value the IP and will deal with these assets based on the valuation and disposal advice received.

Administration (including statutory reporting)

- 5.23 In addition to their duties relating to realising and distributing the assets of the Company, the Administrators must comply with certain statutory compliance matters in accordance with the Insolvency Act 1986. These include notifying the stakeholders of the appointment, preparing bi-annual reports to creditors advising of the progress of the Administration and liaising with employees. The Administrators are also responsible for liaising with HM Revenue and Customs to determine the final position in respect of corporation tax, PAYE, VAT and other taxes that may be owed by or to the Company, and for filing tax returns for the duration of the Administration.
- 5.24 In order to ensure the matters of the Administration are being progressed sufficiently, the Administrators have a duty to conduct periodic case reviews and complete case checklists. In addition, the Administrators' treasury function will also comply with cash accounting requirements including raising payments, processing journal vouchers and posting receipts, preparing bank reconciliations and statutory returns.

Investigations

- 5.25 The Administrators will conduct investigations into the conduct of the directors and transactions entered into prior to the Company's insolvency, as required by the Company Directors Disqualification Act 1986, and Statement of Insolvency Practice 2 (Scotland) – Investigations by Office Holders in Administrations and Insolvent Liquidations. Based on the outcome of the investigations, further steps may need to be taken, details of which will be provided in the next report to creditors. The Administrators' duty is to conduct an initial review to determine whether there are matters which require further investigation, and if so, whether there is a realistic prospect of recovering assets for the insolvent estate for the benefit of creditors.
- 5.26 The Administrators also have a duty to consider the conduct of those who have been directors of the Company at any time during the last three years, and to provide information to the Insolvency Service in respect of that conduct and to the circumstances regarding the Company's insolvency. The Insolvency Service will use this information to assess whether there are matters that require them to take action against the directors to prevent them from controlling other companies. The information provided to the Insolvency Service is confidential and is not provided to creditors.

- 5.27 A questionnaire is available on AlixPartners' creditor portal (**www.alixpartnersinfoportal.com**) for completion by creditors to assist the Administrators in their investigations. If there are matters that you consider the Administrators should be aware of, please attach details to the questionnaire and return it to AlixPartners' offices at The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB. This request forms part of the Administrators' statutory duties and does not imply any criticism of the directors.

Creditors (claims and distribution)

- 5.28 The Administrators will provide reports to the secured creditor and respond to preferential and unsecured creditor correspondence, telephone calls and email queries. They will also agree the claims of the preferential creditors, calculate the dividend payable and issue the distribution. Should sufficient funds become available, the same work will be completed in order to issue a dividend to the unsecured creditors.

6. Financial position and Administrators' receipts and payments

Financial position

- 6.1 A statement of the Company's affairs has not yet been received although the directors have been reminded of their responsibilities in this regard. The Administrators have prepared an EFP in relation to the Company as at 20 October 2017, together with a list of all known creditors' names and addresses. The EFP is attached at Appendix B.
- 6.2 The Administrators have the following observations to make in relation to the EFP:
- In accordance with standard practice, the EFP has been prepared before providing for the costs of the Administration.
 - In respect of the Property, it should be noted that the book value assumes the open market value rather than a sale in an insolvency scenario. As a result, the estimated to realise value is likely to be less than book value.
 - In respect of the debtor ledger, as the majority of these debts are over 12 months old, the recoverability is uncertain; however, the Administrators will pursue the ledger in full. For prudence, there is considerable variance between the book value and estimated to realise value as a provision for bad debts has been made.
 - In respect of stock, there is significant variance between the book value and the estimated to realise value as the majority of the stock is of a bespoke nature with a limited market.
 - The EFP shows that funds are available to enable a dividend to be paid to the unsecured creditors of the Company. However, after providing for the costs of the Administration and realisation of the assets, it is unlikely that sufficient funds will be available for a dividend to be paid.

Administrators' Receipts and Payments Account

- 6.3 A summary of receipts and payments is attached at Appendix C.

7. Estimated outcome for creditors

Secured creditor – Clydesdale Bank Plc

- 7.1 The Company granted a standard security charge and a floating security charge to the Bank on 19 January 2006 and 13 November 1979, respectively. The Bank also holds an interlocking cross-guarantee structure with other entities within the wider group. However, it is not anticipated that the Company's contingent liability in this regard will crystallise in the Administration.
- 7.2 At the date of appointment, the Bank was owed £1.4 million (including accrued interest and charges) under its security. Based on current information, it is estimated that the secured creditor is likely to receive total distributions of approximately £1 million. This position is based on current estimates and is therefore subject to change.

Preferential creditors

- 7.3 Based on current information, the total value of the preferential creditors is £46,418. It is anticipated that preferential creditors will be paid in full, however, the level of return is based on anticipated realisations and is therefore subject to change.

Unsecured Creditors' Fund

- 7.4 Where there is a floating charge which was created on or after 15 September 2003, the Administrators are required to create a fund from the Company's net property available for the benefit of the unsecured creditors (**Unsecured Creditors' Fund**), also known as the 'Prescribed Part'.
- 7.5 However, as the floating charge granted by the Company pre-dates 15 September 2003, there is no requirement to create an Unsecured Creditors' Fund.

Unsecured creditors

- 7.6 Based on current information, there is not expected to be sufficient funds to enable a distribution to the unsecured creditors. Therefore, creditors are not invited at this stage to submit their claims. Please also note that the Administrators are unable to acknowledge receipt of individual claims, however, they will be held on file. Should creditors wish to submit claims to the Administrators, a Statement of Claim form is available to download on the AlixPartners creditor portal.
- 7.7 If funds become available for distribution to the unsecured creditors as a result of enhanced asset realisations, the Administrators will invite creditors to submit their claims. In these circumstances, the Administrators will make an application to court to distribute the funds in the Administration in order to avoid the additional costs of a liquidation and maximise the return to creditors.

8. What happens next

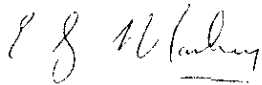
Meeting of creditors

- 8.1 The Administrators think that the Company has insufficient property to enable a dividend to be issued to the unsecured creditors. In accordance with paragraph 52(1)(b) of schedule B1 of the Insolvency Act 1986, an initial meeting of the Company's creditors is therefore not being convened.
- 8.2 The Administrators are required to hold an initial creditors' meeting if 10% in value of the creditors request it. If you wish for a meeting to be held, you must notify us in writing in the prescribed manner (as set out in rule 7.6) on or before 4 December 2017. If a meeting is not requisitioned by creditors by this date the proposals will be deemed to have been approved and creditors will be notified accordingly.

Progress report

- 8.3 The Administrators are required to provide a progress report within six weeks of the end of each six month period following their appointment, or upon conclusion of the Administration, if sooner.

For and on behalf of
Westcrowns Contracting Services Limited



Elizabeth Mackay
Administrator

Encs

Appendix A. Statutory information

Company information

Company name	Westcrowns Contracting Services Limited
Registered number	SC045884
Registered office	c/o AlixPartners, Cornerstone, 107 West Regent Street, Glasgow, G2 2BA
Former registered office	Quay House, Quay Road North, Rutherglen, Glasgow, G73 1LD
Trading address	Ashbury House, 6 Ashton Road, Rutherglen, Glasgow, G73 1UB
Trading names	Harndec Flooring Company Lumaglass Reglit Glass Architecture
Court details	Court of Session, 11 Parliament Square, Edinburgh, EH1 1RQ
Court Reference	None provided

Details of the Company's directors, secretary and shareholders as at the date of appointment are as follows:

	Date appointed	Number of shares held	Percentage of shareholding
Directors			
Mr Alasdair William Brown	6 April 2004	N/a	N/a
Mr John Fraser Haran	1 April 1995	N/a	N/a
Mr John William Haran	31 December 1988	15,958	7.11
Ms Lindsay Elizabeth Mary Haran	9 November 2001	N/a	N/a
Ms Sarah Haran	31 December 1988	15,958	7.11
Mr William Anthony Marco McBride	1 June 2000	22,422	9.99
Mr Alisdhair Douglas McIndoe	6 April 2004	N/a	N/a
Secretary			
Mr Robert James Heggie	1 May 2015	N/a	N/a
Shareholder			
Westcrowns Limited	N/a	170,084	75.79

Appointor's information

Name	Address	Position
Mr John Fraser Haran	c/o Quay House, Quay Road North, Rutherglen, Glasgow, G73 1LD	Director

Administrators' information

Name	Address	Name of Authorising Body
Benjamin James Browne	AlixPartners, Cornerstone, 107 West Regent Street, Glasgow, G2 2BA	Insolvency Practitioners Association
Elizabeth Galbraith Mackay	AlixPartners, The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB	Insolvency Practitioners Association
Catherine Mary Williamson	AlixPartners, The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB	Insolvency Practitioners Association

The validity of the security and the appointment is being confirmed by the Administrators' legal advisor, Burness Paul LLP.

The EC Regulation on Insolvency Proceedings 2000 applies to the Administration. The proceedings are main proceedings as defined by article 3 of the Regulation. The Company is based in the UK.

In accordance with paragraph 100(2) of schedule B1 of the Insolvency Act 1986, all functions of the Administrators are to be exercised by any or all of the Administrators. All references to the Administrators should be read as the Joint Administrators.

Appendix B. Estimated Financial Position of the Company as at 20 October 2017

	Book value of assets £	estimated to realise £
Freehold property	1,254,000	1,200,000
Total realisations		1,200,000
Standard security liabilities		
Secured creditor		(1,402,044)
Shortfall to secured creditor		(202,044)
Floating charge assets		
Cash at bank	6,100	17,328
Debtors	1,600,000	417,000
Stock and WIP:	1,530,000	
Non-contract related		7,000
Live contracts		82,000
Vehicles	12,300	12,000
Plant and machinery	4,300	16,000
Fixtures and fittings	-	3,500
Estimated total assets available for preferential creditors		554,828
Floating charge liabilities		
Preferential creditors		(46,418)
Estimated surplus as regards preferential creditors (net property)		508,410
Estimated total assets available for floating charge holders		508,410
Debts secured by floating charges		(202,044)
Estimated surplus of assets after floating charges		306,366
Unsecured claims	(1,621,145)	
Estimated deficiency as regards unsecured creditors		(1,314,779)
Estimated deficiency as regards creditors		(1,314,779)
Issued and called up share capital		(224,422)
Total deficiency		(1,539,201)

Secured creditor – Clydesdale Bank Plc

Schedule of securities

Security	Creation date	Delivery date
Standard security	19 January 2006	24 January 2006
Floating charge	13 November 1979	28 November 1979

Preferential creditor schedule

Name	Address 1	Address 2	Address 3	Address 4	Address 5	Amount £
Alisdhair McDoe	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	1,428.28
Andrew McFarlane	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	420.54
Barry Smith	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	1,171.51
Christine McCabe	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	687.78
Christopher McDonald	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	1,415.05
Christopher Milligan	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	913.86
Colin Harrison	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	923.68
Conor Kennedy	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	989.84
Craig Dobbin	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	632.79
Daniel Brewster	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	698.62
Daniel Coen	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	595.54
David Peebles	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	626.89
Derek McIlreavy	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	1,129.84
Donald McLean	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	954.31
Donald Wright	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	561.60
Gary Connelly	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	946.99
Gavin Nelson	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	1,034.40
Graham Dempsey	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	849.92
Hugh Murray	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	611.90
James Milligan	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	792.33
John Divers	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	854.95
John Paterson	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	829.46
Martin O'Donnell	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	650.86
Niall Glen	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	554.22
Norman Harrison	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	938.59
Paul Wilson	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	732.30
Peter McGowan	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	440.95
Robert Craig	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	298.82
Robert Winning	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	639.53
Robyn Quinn	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	116.28
Ronald MacDonald	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	250.00
Scott McKay	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	327.49
Sean McElroy	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	838.95
Westcrowns Limited	Quay House	Quay Road North	Rutherglen	Glasgow	G73 1LD	11,340.97
William Craig	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	558.42
William Johnston	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	1,133.72
William McBride	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	8,527.13
TOTAL						46,418.30

Unsecured creditor schedule

Name	Address 1	Address 2	Address 3	Address 4	Address 5	Amount £
Aaxtec Coatings Hillington Ltd	39-41 Earl Haig Road	Hillington	Glasgow		G52 4JU	1,709.51
Abacus Agents Ltd	Feraday Street		Dryburgh Industrial Estate	Dundee	D02 3UG	455.21
Adt Fire & Security Plc	Adt House	Tannochside Park	Uddingston		GLASGOW	4,059.24
Aff-Uplift Ltd	2nd Floor West Wing Diamond House	Diamond Business Park	Thornes Moor Road	Wakefield	WF2 8PT	3,360.35
Aluminum Bending Specialists Ltd	Unit 1, Ventura Court	Lowmoor Business Park	Kirkby In Ashfield		NG17 7DF	7,358.57
Architecture Today Plc	161 Rosebery Avenue	London			EC1R 4QX	840.00
Barbour Abi Uhm (Uk) Ltd	Hinderton Point	Uroyd Drive		Cheshire Oaks	CHESHIRE	3,329.28
Bauglasiendustrie GmbH	Postfach 1080	66833	Schmelz/Saar		GERMANY	184,300.28
Benholm	Melons Place	Falkirk			FK2 0BT	83.49
Boxes And Packaging Glasgow Ltd	Goldie Road	Bothwell Industrial Estate	Uddingston	Glasgow	G71 6NZ	1,643.40
Bwc Aluminium Ltd	Unit 33-34 Sunningdale House	Caldecotte Lake Drive	Caldecotte	Milton Keynes	M17 8UF	30,814.13
C. R. Lawrence Europe Ltd	Charles Babbage Avenue		Kingsway Business Park	Rochdale	OL16 4NW	3,427.56
Ca Mediaprint Ltd	16 Unillthgow Place	East Kilbride			G74 1PW	468.00
Caelius Calin	3 East Avenue	Syston	Leicester		LE7 2EH	200.00
Calum Grieve	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	585.00
Capital Aluminium Extrusions Ltd	Leconfield Industrial Estate	Cleator Moor	Cumbria		CA25 5QB	1,853.08
Carpet & Flooring	231 Maclellan Street,	Kinning Parkway Estate,	Glasgow		G41 1RR	301,240.58
Citb Construction Skills	4 Fountain Avenue	Inchinnan Industrial Estate	Inchinnan		PA4 8RQ	6,455.00
City Building Engineering Ltd	Caledonia House	Lawmood Street	Glasgow		G5 0US	714.00
Conspec Contracts Ltd	1010 Westcott Venture Park	Westcott	Aylesbury	Buck	HP18 0XB	9,413.58
Construction Line	P.O. Box 6441	Basingstoke			RG21 7FN	990.00
Cpa Engineering Solutions Ltd	Calderhead Road	Shotts	Lanarkshire		M17 4EQ	2,561.41
Creative Resins International Ltd	Unit 17C Dolphin Park	Upper Field Road	Eurolink Ind Estate	Sittingbourne	KENT	
Cromwell Group Holdings Ltd	Gorman House	Righead Industrial Estate	Beilshill	Glasgow	M14 3LU	69.58
Crossey Consult Ltd	Dunstons	Shermanbury Road	Partridge Green	Horsesham West Sussex	RH13 8EU	1,710.00
Crown UK Trucks Ltd	Finance Department	Rutherford Road	Basingstoke	Hampshire	RG24 8PD	2,280.00
Currie & Brown UK Ltd	Fortuna House	South Fifth Street	Central Milton Keynes	Bucks	MK9 2PQ	42,876.00
Currie European Transport Ltd	Edinburgh Road	Heathhall	Dumfries		G61 3NX	828.00
Deaseo Ltd	Hitching Court	Abingdon Business Park	Abingdon	Oxon	OX14 1RB	23,126.39
Digital Business Systems	Park Lane House	47 Broad Street	Glasgow		G40 2OW	734.40
Driver Hire East Kilbride	The Stroud Business Centre	14 Stroud Road	East Kilbride		G75 0YA	1,092.93
Eden Kafeyend	3 Livingstone Boulevard	Hamilton International	Technology Park	Blantyre	G73 0BP	291.06
Eden Springs UK Ltd	Unit B 3 Livingstone Boulevard	Hamilton International Park	Blantyre		G72 0BP	585.94
Ege Carpets Ltd	Rochester House	Ackhurst Business Park	Chorley	Lancs	PR7 1NY	101,701.91
Electrical Direct	East Street	Brantree			CM7 3JW	498.55
Employees - redundancy and notice pay	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	553,270.06
Enterprise Flex-E-Rent	Burnt Tree Group Ltd	39-41 Nuneaton Street	Glasgow			1,916.70
Ernst & Young Up	1 More London Place	London			SE1 2AF	1,992.00
Euro Shell UK Oil Products Ltd	Rowlandsway House	Rowlandsway	Manchester		M22 5SB	2,906.88
Fast Lane Roadmarkings Ltd	162 Woodhall Road	Edinburgh			EH13 0PL	2,100.00
Fayze UK Ltd	Unit 17E	Burnhouse Industrial Estate	Wiltburn		EH47 0LL	2,494.80
Forbo Flooring UK Ltd	P.O. Box 1	Den Road	Kirkcaldy		KY1 2SB	67,105.00
H B Humphries & Co. Ltd	4 Telford Way	Telford Industrial Estate	Kettering		NN16 8UN	8,604.74
Hilti (Gt Britain) Ltd	1 Trafford Wharf Road	Manchester			M17 1BY	1,339.26
Holmasters Scotland Ltd	114 Main Street	Chapelhall	Airdrie	Lanarkshire	M16 8SB	2,057.40
Ian Fraser	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	585.00
Instyle Ltd	32 Main Street	Willoughby	Waterleys	Leicester	LE6 6UF	1,164.00
J.T.T. Industrial Products Ltd	16 Melford Road	Righead Industrial Estate	Beilshill		M14 3LR	351.74
John Knapton Consulting Engineers Ltd	85 Monkseaton Drive	Whitley Bay			NE25 3QX	9,687.96
Kimberly Rentals Group Ltd	Accounts Dept.	17 & 18A Bradley Hall Estate	Bradley Lane Standish	Wigan	WN6 0DO	2,945.33
Levy & Moore Solicitors Lp	Pacific House	70 Wellington Street	Glasgow		G2 6UA	40,074.81
Link Cable Assemblies Ltd	Unit 6 Mallard Way	Strathclyde Business Park	Beilshill		M14 3BF	2,741.48
Lyreco UK Ltd	Deer Park Court	Donnington Wood	Telford	Shropshire	TF2 7NB	367.98
Macroberts Lp	Capella	60 York Street	Glasgow		G2 8JX	18,919.56
Mark Poulton	c/o AlixPartners	The Zenith Building	26 Spring Gardens	Manchester	M2 1AB	11,769.60
Mel Dust & Fume Extraction Ltd	3 Napier Court	Wardpark	Cumbernauld	North Lanarkshire	G68 0LG	1,344.00
Mercedes Benz Finance	Tongwell	Milton Keynes			MK15 8BA	1,666.04
Milliken Industrials Ltd	Beech Hill Plant	Gidlow Lane	Wigan		WN6 8RN	66,386.94
Millmeran Research & Mircea Flores Calin	Manufacturing Associates Ltd	Unit 5 Heathfield Units	Battle Road Heathfield Estate	Newton Abbot	TQ12 6RY	1,553.63
Modulyss	3 East Avenue	Syston	Leicester		LE7 2EH	50.00
Nationwide Fuels Up	Zevensterstraat 21	B-9240 Zele	Belgium			6,272.70
NCS Group	P.O. Box 585	Bury			BL8 9LA	1,469.69
Network Vehicles Ltd	55 Rodney Street	Glasgow			G4 9SQ	345.13
Northern Services	165 Bath Road	Slough	Berkshire		SL1 4AA	18.00
Pattersons Waste Management Ltd	Unit 3	Langlands Gate	East Kilbride		G75 0ZY	330.00
Peter Bryson Packaging Scotland Ltd	101 Kenmuir Road	Mount Vernon	Glasgow		G32 8JP	1,104.43
Polyscot Polystyrene	Unit 1B	Clyde Industrial Estate	Cunninghame Road Rutherglen	Glasgow	G73 1PP	319.33
Protec International Ltd	4 Craiguscar Road	Dunfermline	Fife		KY12 9JA	489.46
Provincial Floors Ltd	c/o Smith Partnership Solicitors	Heritage Gate	Friary Street	Derby	DE1 1LS	8,457.66
Quattro Contracting Pennth Ltd	Unit 8	29 Montrose Avenue	Hillington Ind. Estate	Glasgow	G52 4LA	73.98
Rapid Electronics Ltd	Unit 5/6 Ullswater Business Pk	Ullswater Road	Pennrith	Cumbria	CA11 7EH	403.96
Rapid-Eps	Severalls Lane	Colchester	Essex		CO4 5JS	199.97
Riba Enterprises Ltd	143 Woodville Street	Ibex	Glasgow		G51 2RQ	1,853.72
Ryder Plc	Finance Department	The Old Post Office	St Nicholas Street	Newcastle Upon Tyne	NE1 1RH	7,854.00
Scot Industrial Products Ltd	Sandyford Avenue	Newhouse Ind. Estate	Blantyre		M11 5RX	5,741.48
Scottish Architectural	3 Rosendale Way	Auchinraith Trading Estate	Blantyre		G2 0NJ	271.02
Scottish Integrated Reprographics	Block 15	Mosshall Road	Newhouse Ind. Estate	Motherwell	M11 5RX	489.62
Search Consultancy Ltd	4 Carron Place	Kelvin	East Kilbride	South Lanarkshire	G75 0YL	159.39
Securitas Security Services UK Ltd	8th Floor Campbell House	215 West Campbell Street	Glasgow		G2 4TT	804.03
Shaw Contract Group	Unit 4 Cuckoo Wharf	Uchfield Road	Birmingham		B6 7SS	7,072.40
Siemens Financial Services Ltd	Hub 22	33 Great Sutton Street	London		EC1V 0DX	12,054.38
Smiths Equipment Hire Ltd	Sefton Park	Bells Hill Stoke Poges	Buckinghamshire		SL2 4JS	83.22
South Lanarkshire Council	15-16 The Pavilions	1 Leachlee Road	Blackpool		FY4 2DP	18,292.80
Speedy Asset Services Ltd	Finance Services	16 The Parks	Hamilton		M13 0XB	836.99
Stanmore Contractors Limited	Chase House	Newton La Willows	Erith		WA12 0JQ	836.99
T.M.S. Analysis Ltd	Stanmore House	Church Manorway	Erith	Kent	DA8 1DE	130,143.06
The Architects Journal	Unit 1	Morley Street	Daybrook	Nottingham	NG5 6JX	20.40
Tnt Uk Ltd	The Prow	1 Wilder Walk	London		W1B 5AP	2,280.00
Vodafone Limited	P.O. Box 4	Ramsbottom	Bury		BL0 9AR	390.17
Wacotech GmbH & Co. Kg	Po Box 549	Newbury			RG14 2DQ	739.29
William Tracey Ltd	Nobelstrasse 432051 Herford	Germany			PA3 3BD	26,105.18
Wipe Clean Supplies	59 Burnbrae Road	Unwood			S63 3GP	563.76
X-Met Fabrication Ltd	c/o Rps Invoice Finance Limited	Po Box 598	Rotherham		PA3 3GP	2,090.55
TOTAL	Unit 106/107 Block 11	Howden Avenue	Newhouse Ind. Estate	Motherwell	M11 5RX	7,553.36
						1,621,145.19

Appendix C. Administrators' Receipts and Payments Account for the period 20 October 2017 to 15 November 2017

Statement of Affairs £	£
Floating charge assets	
Receipts	
Cash at bank	6,753
Debtors	10,575
Funding contribution - outstanding weekly payroll	11,382
Stock	26,921
	55,631
Payments	
Category 1 disbursements:	
Stationery and postage	192
Redirection of mail	303
Statutory advertising	85
Wages and salaries:	
Retained employees	4,955
Outstanding weekly payroll	11,382
Bank charges	7
	(16,924)
Total balance	38,707
Represented by	
Interest bearing account	42,968
VAT payable	(4,261)
	38,707

Notes:

The above is subject to small rounding differences.

Statement of Insolvency Practice 7 states the headings used in the Receipts and Payments account should follow those used in any prior Statement of Affairs (**SoA**) or estimated outcome statement. However, the SoA is currently awaited from the Company's directors and therefore a comparison by category cannot be made.

Appendix D. Time Analysis and details of time spent

Total time costs for the Period are £102,667. This represents 390 hours at an average rate of £263 per hour.

Activity category	Hours incurred	Blended rate per hour £	Time cost £
Realisation of assets	214	290	61,793
Administration (including statutory reporting)	153	241	36,886
Investigations	5	205	1,066
Creditors (claims and distribution)	18	160	2,922
Total	390	263	102,667

Appendix E. Administrators' fees and pre-administration costs

Administrators' fees

The basis of the Administrators' fees may be fixed on one or more of the following bases, and different bases may be fixed for different duties performed by the Administrators:

- a percentage of the value of the assets with which they have to deal;
- by reference to time properly spent by them and their staff dealing with matters arising in the Administration; or
- as a set amount.

On this assignment, it is proposed that the basis of the Administrators' fees shall be fixed by reference to the time properly spent by the Administrators and their staff on matters arising in the Administration.

If a creditors' meeting is held or requested, and creditors resolve to establish a committee, it shall as part of the committee's duties to determine the basis or bases of the Administrators' remuneration and authorise their disbursements.

Rule 2.39 (9) of the Insolvency (Scotland) Rules 1986 provides that if there is no creditors' committee, or the committee fails to determine the remuneration payable, such remuneration may be fixed with the approval of each secured creditor of the Company, or, where a distribution to preferential creditors is paid, or proposed, with the approval of each secured creditor and preferential creditors whose debts amount to more than 50% of the preferential debts of the Company, disregarding those preferential creditors who do not respond to an invitation to give or withhold approval.

Subject to the approval of the relevant creditors, it is proposed that the Administrators will draw remuneration when funds are available.

Pre-administration costs

There are no pre-administration costs in this case.

Appendix F. Additional information in relation to the Administrators' fees pursuant to Statement of Insolvency Practice 9 (Scotland)

Policy

Detailed below is AlixPartners' policy in relation to:

- staff allocation and the use of sub contractors;
- professional advisors; and
- disbursements.

Staff allocation and the use of sub-contractors

The Administrators' general approach to resourcing assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The case team will usually consist of a managing director or director, a vice president, an associate and an analyst. The exact case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. On larger, more complex cases, several staff at all grades may be allocated to meet the demands of the case. The Administrators' charge-out rate schedule below provides details of all grades of staff and their experience level.

With regard to support staff, the Administrators advise that time spent by our Treasury department in relation to specific tasks on an assignment is charged. The Administrators only seek to charge and recover secretarial time if a large block of time is incurred, eg report compilation and distribution.

The following service is being provided on this assignment by an external sub contractor:

Service type	Service provider	Basis of fee arrangement	Cost paid to date £
Employee claim processing	Insol Group Limited	Fixed fee plus additional rate per employee	Nil

Professional advisors

On this assignment the Administrators have used the professional advisors listed below. The Administrators have also indicated the basis of their fee arrangement with them, which is subject to review on a regular basis.

Name of professional advisor	Basis of fee arrangement
Burness Paull LLP (legal advice)	Hourly rate and disbursements
Willis Towers Watson Limited (insurance)	Risk based premium
Sweeney Kincaid Limited (valuation and disposal advice)	Percentage of realisations – 7.5% of realisations if less than or equal to £50,000; 5% if realisations exceed £50,000
DM Hall LLP (valuation and disposal advice)	1% of realisations in respect of the Property

The Administrators' choice was based on their perception of the professional advisors' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of their fee arrangement with them.

Disbursements

Category 1 disbursements do not require approval by creditors. Category 1 disbursements may include external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by the Administrators and their staff.

Category 2 disbursements do require prior approval by creditors before they are paid. If they are incurred, they will be drawn in accordance with the Administrators' proposals. Category 2 disbursements that may be incurred are as follows:

- photocopying – charged at the rate of 10 pence per sheet for notifications and reports to creditors and other copying;
- printing – charged at the rate of 10 pence per sheet for black and white printing and 15 pence per sheet for colour; and
- business mileage for staff travel, charged at the rate of 45 pence per mile.

Appendix G. Exit routes

Dissolution of the Company

Based on present information, the Administrators think that the Company has no property which might permit a dividend to be paid to its unsecured creditors. In this situation, the Administrators will file a notice together with their final progress report at court and with the Registrar of Companies for the dissolution of the Company once all funds have been distributed. The Administrators will send copies of these documents to the Company and its creditors. The appointment will end following the registration of the notice by the Registrar of Companies.

In the event that funds become available to the unsecured creditors, if considered appropriate, usually due to the fact this will be more cost effective, the Administrators will submit an application to court for approval to make the distribution to unsecured creditors in the Administration rather than move the Company into Creditors' voluntary liquidation (**CVL**).

Court liquidation

A liquidator of a company has greater powers to investigate, and if required, take action on behalf of a company to recover funds for the benefit of creditors, if, prior to its insolvency, transactions had been entered into by a company without commercial justification and which diminished its net assets. If the Administrators become aware of transactions requiring further investigation and potential action by a liquidator, but it is not possible or appropriate to place the Company into CVL, they may make an application to court to end the Administration and request that the court places the Company into compulsory liquidation. The Administrators will send notice of any such application to the Company and its creditors.

Discharge from liability

Subject to the approval of the relevant creditors, the Administrators will be discharged from liability under paragraph 98 of schedule B1 to the Insolvency Act 1986 directly after their appointment as Administrators ceases to have effect.