

The Insolvency Act 1986

Notice of deemed approval of proposals

Name of Company

Aaztec Coatings Limited

Company number

SC177103

In the
Glasgow Sheriff Court

(full name of court)

Court case number
L178 of 15(a) Insert full
name(s) and
address(es) of
administrator(s)We (a) James Bernard Stephen
BDO LLP
4 Atlantic Quay
70 York Street
Glasgow
G2 8JXFrancis Graham Newton
BDO LLP
1 Bridgewater Place
Leeds
LS11 5RU(b) Insert name and
address of
registered office of
companyhaving been appointed administrator(s) of (b) Aaztec Coatings Limited
4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX(c) Insert date of
appointment

on (c) 14 September, 2015

(d) Insert name of
applicant/appointer

by (d) Raymond McColl, director

hereby give notice that:

(e) Insert date

having made a statement under paragraph 52(1) of Schedule B1 and no meeting having been
requisitioned under paragraph 49 of that Schedule,
the proposals sent by me on (e) 20 October 2015
were deemed to have been approved on (e) 30 October 2015

Signed

Joint / Administrator(s)

Dated

Presenter's 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

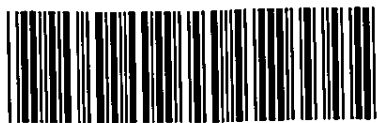
James Bernard Stephen
BDO LLP
4 Atlantic Quay
70 York Street
Glasgow
G2 8JX

LEGAL POST LP 55 Glasgow - 6

01412 483 761

When completed and signed please send it to the
Registrar of Companies at:Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge,
Edinburgh EH3 9FF
LP 4 - Edinburgh2

FRIDAY



SCT

S4JM5BM1

06/11/2015

#458

COMPANIES HOUSE



**Aaztec Coatings Limited - In Administration
(‘the Company’)**

**Statement to Creditors pursuant to Rule
2.25 of the Insolvency (Scotland) Rules 1986
and Statement of Proposals under Paragraph
49 of Schedule B1 of the Insolvency Act
1986**

Dated: 20 October 2015

**James Bernard Stephen
Joint Administrator**

James Bernard Stephen and Francis Graham Newton both of BDO LLP, 4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX, were appointed Joint Administrators on 14 September 2015. The business and assets of the company are now managed by the Joint Administrators. The Joint Administrators act as agents of the company, without personal liability.

James Bernard Stephen is authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants of England & Wales. Office holder number 9273. Francis Graham Newton is authorised to act as an insolvency practitioner in the UK by the IPA. Office holder number 9310.

2400(8)



Table of Contents

Introduction	3
Events leading up to the Appointment of the Joint Administrators	3
Statement of Affairs and Statutory Information.....	4
Prescribed Part	6
Achieving the purpose of the Administration.....	6
Management of the Company's affairs since the Joint Administrator's appointment	6
Rescue of the Company.....	8
Director's Conduct	8
EC Regulations on Insolvency Proceedings	8
Ethics & Complaints	9
Joint Administrators' Remuneration	9
Pre Appointment Time & Expenses	9
Possible outcomes for the Company and Creditors.....	9
Joint Administrators Discharge	10
Statement of proposals under Paragraph 49 of Schedule B1 of the Insolvency Act 1986	10

Appendices

- A. Statutory Information
- B. Joint Administrators' Receipts & Payments
- C. Joint Administrators' Estimated Statement of Affairs
- D. Form 2.32B(Scot)
- E. Summary of Time Costs and Category 2 Disbursements
- F. A Creditors' Guide to Joint Administrators' Fees
- G. BDO LLP Remuneration & Disbursements Policy
- H. Creditor Questionnaire
- I. Form to Request a Meeting of Creditors
- J. Creditor Claim Form (Form 4.7(Scot))
- K. Form 2.16B(Scot)



Aaztec Coatings Limited - In Administration

Registered No: SC177103

Registered office situated at 4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX (previously at 16 Royal Terrace, Glasgow, G3 7NY)

Trading Address: 39-41 Earl Haig Road, Hillington Park, Glasgow, G52 4JU

In Glasgow Sheriff Court, reference L178/2015

Introduction

- This report is addressed to the creditors of Aaztec Coatings Limited ("the Company") and incorporates the Joint Administrators' proposals. There will be insufficient assets to enable us to make any distribution to ordinary creditors other than through the prescribed part and consequently we do not propose to call a meeting of creditors to consider the proposal.
- Under Paragraph 52 of Schedule B1 of the Insolvency Act 1986 if at least 10% of creditors require us to call a meeting they must notify us in writing by 3 November 2015. Please note that before such a meeting can be held we will require a deposit towards the cost of convening the meeting. Such deposit may be repaid subject to the approval of the other creditors. Where no creditors' meeting is held to consider the Joint Administrators' proposals, the proposals will be deemed to have been approved. Should you wish a meeting to be convened please use the form attached at Appendix I.
- Should no meeting be requested, the Joint Administrators' proposals will be deemed to have been approved on the expiry of 8 business days. The Joint Administrators will continue to control the business of the Company. The Joint Administrators would at some later date arrange for the Company to exit from the Administration. Based on the information presently available, and the current situation, the Joint Administrators' proposal is that the Company will be dissolved once the Administration is complete.

Events leading up to the Appointment of the Joint Administrators

- The Company was incorporated on 9 July 1997. The Company traded from leased premises in Hillington, Glasgow, and operated as a paint coating business with 15 employees. Trading over the last few years has been difficult.
- The Company's major customer recently announced a major restructure, particularly within their Scottish operations. As a result the number of job orders from this source vastly reduced, leading to the drop in turnover. The reason for the Company's failure was due to a drop in turnover resulting in trading losses and cash flow difficulties.
- As a result it became apparent that unless the Company was able to secure additional financial support the cash flow position would continue to be strained. The Company's Bankers declined to provide further funding to the Company, and the Company's sole director sought advice from their accountants, Davidson Workman, Chartered Accountants, ("DW"), who in turn sought advice from James Bernard Stephen, of BDO LLP, on 31 August 2015.
- Upon our initial discussions with the Company's accountants it was concluded the Company should try to seek a sale and/or investment to secure a solvent solution. Unfortunately, despite detailed discussions the efforts to achieve this proved unsuccessful.
- We considered the insolvency options with the Director and concluded that Administration was preferable to Liquidation as there were indications that there was an Enterprise value that could be preserved from a going concern sale.
- Accordingly, the Company's director concluded that the Company was unable to continue trading, and the Company's sole director, Raymond McColl, filed a notice of intention to



appoint James Bernard Stephen and Francis Graham Newton as Joint Administrators on 2 September 2015.

- During the moratorium period that began on filing the notice of intention to appoint Administrators on 2 September 2015 the following was undertaken:
 - The Company instructed an independent valuer, Sweeney Kincaid, Hillington, Glasgow, to value the Company's owned and leased assets, which included plant and machinery on an insitu and ex-situ basis.
 - As part of a targeted marketing campaign undertaken by BDO LLP, a number of potential interested parties, including the Company's major competitors and major customers, were contacted with a view to securing a sale;
 - Initial contact with potential interested parties was made via telephone by BDO LLP;
 - Given the financial position of the Company, and the ability to fund only short term trading in Administration, interested parties were given an initial closing date of 18 September 2015 to submit their formal offers.
- On 14 September 2015, James Bernard Stephen and Francis Graham Newton, both of BDO LLP, were appointed Joint Administrators. The appointment was made by Raymond McColl ("the Director"), director in terms of Paragraph 22 of Schedule B1 of the Insolvency Act 1986.
- Pursuant to S100(2) of Schedule B1 of the Insolvency Act 1986 any one Joint Administrator may exercise all and/or any of the powers which are conferred on them as Joint Administrators.
- To preserve the Enterprise value the Company was traded in Administration from 14 September 2015 to 30 September 2015 and funded by pro-forma payments from customers. Only one party, Clanburn Properties Limited, the eventual purchaser of the business, was in a position to submit an offer.
- At Appendix A is a record of the names of the Company's director and secretary, together with details of their shareholdings.
- At Appendix B to this report is a summary of the Joint Administrators' Receipts and Payments Account, the contents of which the Joint Administrators consider to be self-explanatory.

Statement of Affairs and Statutory Information

- The Director has yet to submit a statement of affairs despite being requested to do so. The Joint Administrators have therefore prepared an estimated statement of affairs based on the information available to them and realisations to date. The estimated statement of affairs is attached this at Appendix C. The names and addresses of creditors have been attached to the statement of affairs. The Joint Administrators have not included the employee's names and addresses as any claims will be dealt with by the Department of Trade & Industry.
- The statement of affairs does not account for the cost and expense of the Administration process.
- The Joint Administrators have also attached an estimated outcome statement for creditor's information behind the statement of affairs. The estimated outcomes for the Administration and a Liquidation process are provided with variance analysis for your information. The assumptions utilised in the outcome statement reflect the going concern sale and are summarised below:

- Customer List / Goodwill - £18k

The Company did not enter into long term contracts but completed job orders for a number of customers. As such the value attributed to the customer base and goodwill of the business on a going concern was £18k. We believe this would have been lost if the business had closed.

- Equipment & Stock - £20k

An inventory and valuation of the stock and equipment was undertaken by Sweeney Kincaid, Auctioneers and valuers. The valuation is summarised as follows:

	Market Value Ex Situ	Market Value In Situ
Owned Plant & Machinery	£11,720	£70,990
Owned Stock	£1,000	£10,000
Owned Office Furniture	£585	£1,570
Sub Total	£13,305	£82,560
Financed Plant & Machinery	£3,550	£8,000
Total	£16,855	£90,560

Following the marketing of the business the sum realised was £20,000. We would have assumed the Ex Situ Value for the Liquidation Scenario.

- Book Debts - £177k

The majority of the Company's book debts are secured by Lloyds Banking Commercial Finance Limited ("LBCF"). We expect LBCF to recover their lending in full and that a balance of funds will flow into the Administration for the benefit of preferential and floating charge creditors.

There are a small number of unassigned trade debtors, with a total value of circa £7k.

On a Liquidation scenario we would have assumed a 65% recovery rate on book value.

- Floating Charge Holders

We have received a claim from Bank of Scotland plc ("BOS") in the sum of £54,488.18, in respect of their floating charge. We expect that a distribution will payable to BOS in respect of this security. We understand that the Company's director, Raymond McColl, has provided a personal guarantee to BOS in respect of the Company's term loan and overdraft facility.

LBCF hold a post Enterprise Act second ranking floating charge. (Details of the charges are at Appendix A.)

- Preferential Creditors

The three employee claims are currently being processed by the Redundancy Payments Service. We estimate the preferential liability to be £707.14. Based on present information we anticipate that preferential creditors will be paid in full.

On a Liquidation scenario we have assumed preferential claims of £12,000 for the comparison based on 15 employees.

- Unsecured Creditors

The unsecured claims notified to us to date total approximately £170k. Further claims are anticipated. Based on present information we do not anticipate a dividend to unsecured creditors.

Prescribed Part

- Under the provisions of Section 176A of the Insolvency Act 1986 the Joint Administrators must state the amount of funds available to unsecured creditors in respect of the prescribed part. This provision only applies where the Company has granted a floating charge to a creditor after 15 September 2003.
- The BoS floating charge pre dates 15 September 2003 and the prescribed part does not apply to this 1st ranking floating charge.
- As the Company granted a floating charge to a creditor, LBCF, after 15 September 2003, the prescribed part will apply in this Administration should funds be available to LBCF under its floating charge. However, based on present information no funds will be available to LBCF under the floating charge.
- We estimate the net assets available to the prescribed part as nil.

Achieving the purpose of the Administration

- The statutory purpose of an administration consists of three objectives, and the Joint Administrators now address the progress that has been made in this respect.
 - (a) The first objective is rescuing the Company as a going concern (i.e. restructuring the Company's business, resulting in the survival of the Company). The Joint Administrators would comment that this has not been possible due to the level of Company debt.
 - (b) With regard to 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), the position is that this objective was pursued as we traded the business in order to sell it as a going concern and maximise the recovery for creditors.

The appointment of Joint Administrators triggered a moratorium which protected the Company from creditors enforcing security, repossessing goods or commencing any legal proceedings against the Company, without the consent of the Joint Administrators or the leave of the Court, allowing the Company to continue to trade whilst it was marketed for sale as a going concern. If a liquidator(s) had been appointed contracts would have been terminated and a going concern sale would not have been possible.
 - (c) The final objective is realising property in order to make a distribution to one or more secured or preferential creditors and the Joint Administrators can advise that following the going concern sale we have moved to this objective.

Management of the Company's affairs since the Joint Administrator's appointment

- Upon our appointment the Joint Administrators attended the Company's principal place of business, at 39-41 Earl Haig Road, Hillington, Glasgow to secure the assets of the Company and advise the Company's employees of the Administration.
- We arranged for open cover insurance to be put in place and issued letters advising of the appointment to all known employees and creditors of the business. A notice was placed in the Edinburgh Gazette of the Administration appointment, in accordance with the provisions of the Insolvency Act 1986.
- We wrote to the Company's sole director to request that he complete a Statement of Affairs. The Company's suppliers were contacted to ensure that trading could continue. Discussions with suppliers took place in respect of materials required for ongoing trading.

- We opened bank accounts, and arranged for all funds in respect of assets realisations to be deposited in the Administration bank account.
- We liaised with employees and kept them up-to-date in respect of developments regarding the sale of the business. The Joint Administrators made 3 redundancies on 18 September 2015 on economic grounds. Letters were issued to all 3 employees confirming their redundancy, and employee claims have been processed and forwarded to the Redundancy Payments Service.
- A letter was sent to all remaining employees to advise them of their rights in terms of Transfer of Undertakings (Protection of Employment) Regulations 2006, in the event of a successful sale of the business and assets of the Company.
- We appointed MacDonald Henderson Limited, Solicitors, Glasgow ("MH"), as legal agents to assist in the Administration. MH's fees are based on a time cost basis.
- We contacted the Company's bankers and requested that any sums credited during the trading period be transferred to the Joint Administrators' bank account.
- We contacted the Company's invoicing factor, LBCF, and requested further information in respect of the account; in particular the outstanding debtors' ledger. We liaised with customers in respect of amounts owed to the Company and LBCF with regards to funding the ongoing trading of the business.
- Initial discussions with the interested parties, in respect of sale of the business and assets, took place and all queries raised were answered.
- We liaised with MH in respect of the terms of the sale of the business and assets and further queries raised by interested parties. A sale of the business and assets of the Company completed on 30 September 2015.
- All other statutory requirements within the Administration have been complied with.

Trading during the Administration

- We continued to trade the business in Administration in order to sell it as a going concern and maximise the amount available for creditors. Trading was funded by proforma payments from customers and funds provided by BDO LLP. A sale of the business completed on 30 September 2015, preserving 12 jobs.

SIP2 Investigations

- We are currently reviewing the pre appointment records of the Company to ascertain if there are any antecedent transactions that require action. Should we find any challengeable transactions we will notify creditors. If creditors wish to bring any matter to our attention please do so on the creditor's questionnaire attached at Appendix H.

Sale of Business and Assets

- As Joint Administrators, we considered that the trading of the business in Administration was required in order to achieve a sale as a going concern. Should we have ceased to trade the business upon our appointment a sale of the business as a going concern would not have been possible, and this would have resulted in reduced realisations, increased creditor claims and the redundancy of all 15 employees.
- We considered that the sale of the business had to take place as quickly as possible, due to the uncertainty of future customer orders and concerns with staff securing new employment.
- Had the sale following our appointment not taken place we considered that the only option would be for the Company to cease trading and for the assets to be sold on a break up basis. This would have led to reduced realisations, increased creditor claims and the redundancy of all employees.

- The most significant creditor in the Administration is the Company's Secured Creditor, LBCF. We consulted LBCF who were supportive of the strategy and sale as a going concern.
- We would advise you that, following our appointment on 30 September 2015, we completed a sale of the business and assets of the Company to Clanburn Properties Limited ("the Purchaser"), for a total consideration of £38,000, which was paid in full on completion. Clanburn Properties Limited is not a connected Company and has no common shareholders or directors with Aaztec Coatings Limited.

A break-down of the sale proceeds is as follows:

Asset	Consideration (£)
Customer List / Goodwill	18,000
Equipment & Stock	20,000
Total	38,000

There are no options, buy back arrangements, or similar conditions, included in the sale contract.

- As can be seen from the estimated outcome statement the sale of the business assets helped achieve the objective of Administration; 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). Due to the following:
 - The sum paid was above the ex situ valuation by Sweeney Kincaid;
 - The transaction preserved the employment of 12 of the staff minimising employee claims, preferential and unsecured;
 - As part of the sale agreement the Purchaser was granted a licence to occupy the premises whilst the Purchaser negotiates terms with the landlord in respect of a new lease. This minimises the unsecured claim of the Landlord.
 - Under the terms of the sale agreement any finance agreements currently in place will be novated across to the Purchaser, mitigating unsecured claims for shortfalls under finance agreements;
 - As at the date of our appointment, the Company had a book debt ledger of circa £177k, of which approximately £170k is factored to LBCF. As part of the sale agreement, the purchaser did not purchase these debts. The book debts are not included in the sale agreement. By ensuring continuity of service to the Company's customers, we are confident that the majority of the sales ledger will be collected;

Rescue of the Company

- A rescue of the Company was not possible due to the level of Company debt.

Director's Conduct

- The Joint Administrators are obliged to consider the conduct of the Director of the Company during the last 3 years. If there are any matters you wish to bring to the Joint Administrators attention, please supply details on the attached questionnaire located at Appendix H.

EC Regulations on Insolvency Proceedings

- The Joint Administrators are required under the Insolvency (Scotland) Rules 1986 to state whether and if so the extent to which the above Regulations apply to this Administration. In

this particular case, the EC Regulation will apply and these proceedings will be main proceedings as provided by Article 3 of the aforesaid Regulations.

Ethics & Complaints

- As Insolvency Practitioners we are bound by the Insolvency Code of Ethics. The fundamental principles are:

- Integrity
- Objectivity
- Professional competence and due care
- Confidentiality
- Professional behaviour

A full copy of the code of ethics is available at:

<http://www.insolvency-practitioners.org.uk/regulation-and-guidance/ethics-code>.

- The Insolvency Service has established a central gateway for considering complaints in respect of insolvency practitioners. In the event that you make a complaint to us but are not satisfied with the response from us then you should visit <https://www.gov.uk/complain-about-insolvency-practitioner> where you will find further information on how you may pursue the complaint.

Joint Administrators' Remuneration

- Kindly note that under the terms of the Insolvency (Scotland) Rules 1986 the Joint Administrators are obliged to fix their remuneration in accordance with Rule 2.39 of the Insolvency (Scotland) Rules 1986. This permits remuneration to be fixed either as a percentage of the value of the property with which the Joint Administrators have to deal or alternatively by reference to the time the Joint Administrators and their staff have spent attending to matters in this Administration. In respect of this case the Joint Administrators will seek remuneration by reference to their time costs.
- As there will be no distribution to ordinary creditors beyond the prescribed part, the remuneration and outlays will be approved by the secured creditors and 50% of the preferential creditors.
- Attached at appendix E is a schedule that summarises the time that has been spent in administering this Administration up to 9 October 2015. This shows a total of 97.4 hours at an average charge out rate of £199.65, totalling £19,446.55.
- For your guidance the Joint Administrators attach at Appendices F & G a Creditors' Guide to Administrator's Remuneration Scotland, and a document that outlines the policy of BDO LLP in respect of remuneration and disbursements.

Pre Appointment Time & Expenses

- We have not charged for the pre appointment advice.
- As noted above, the Company instructed an independent valuer, Sweeney Kincaid ("SK"), to value the Company's owned and leased assets, prior to our appointment. SK's bill, which was based on a set fee of £750 (plus VAT). Approval is sought from the secured creditors of the Company to treat this as an expense of the Administration.

Possible outcomes for the Company and Creditors

- The Insolvency Act 1986 and Insolvency (Scotland) Rules 1986 provide a variety of options regarding the possible exit routes for the Company from the Administration, being primarily a Company Voluntary Arrangement, Liquidation or dissolution of the Company. It is the Joint Administrators' recommendation and proposal, as detailed below, that once all assets have been realised and distributed in the Administration that the Joint Administrators arrange for the Company to be dissolved.

Joint Administrators Discharge

- As the Joint Administrators have made a statement under paragraph 52(1)(b) they will need to seek their discharge from liability in respect of any action during the administration from each secured creditor of the Company and preferential creditors in terms of paragraph 98 (3) of Schedule B1 of the Insolvency Act 1986. This is normally requested at the conclusion of the Administration.

Statement of proposals under Paragraph 49 of Schedule B1 of the Insolvency Act 1986

- In accordance with Paragraph 49 of Schedule B1 of the Insolvency Act 1986 the Joint Administrators make the following proposals for achieving the purpose of the Administration. The proposals will be deemed as being approved should no creditors requisition a meeting of creditors within 8 business days from the date of the proposals (Rules 2.25 (3) and 2.31 of the Insolvency (Scotland) Rules).
- Based on present information there will not be a dividend to ordinary creditors by way of the prescribed part.

Formal Proposals - the Joint Administrators propose that:

- I. they continue to manage the Company's business and realise assets in accordance with objectives 2 & 3 of the statutory purpose of the Administration.
- II. they may investigate and, if appropriate, pursue any claims the Company may have under the Companies Act 1985 and 2006 or Insolvency Act 1986 or otherwise. In addition, the Joint Administrators shall do all such other things and generally exercise all their powers as Joint Administrators as they in their discretion consider desirable in order to achieve the purpose of the Administration or to protect and preserve the assets of the Company or to maximise their realisations or for any other purpose incidental to these proposals.
- III. they make payments to secured and preferential creditors and if necessary, they distribute funds to ordinary creditors under the prescribed part.
- IV. they exit the Administration by way of dissolving the Company under Paragraph 84 of Schedule B1 of the Insolvency Act 1986, but in any event, may use any or a combination of 'exit route' strategies in order to bring the Administration to an end.

Dated: 20 October 2015



James Bernard Stephen
Joint Administrator

APPENDIX A - STATUTORY INFORMATION

Aaztec Coatings Limited - In Administration

Company Number:	SC177103
Date of Incorporation:	9 July 1997
Address of Registered Office:	Currently: 4 Atlantic Quay 70 York Terrace Glasgow G2 8JX Previously: 16 Royal Terrace Glasgow G3 7NY
Director:	Raymond McColl
Company Secretary:	Irene McColl
Nominal Share Capital:	100 Ordinary shares @ £1
Registered Shareholders:	Raymond McColl - 95 Ordinary Shares Irene McColl - 5 Ordinary Shares
Date of Administration appointment:	14 September 2015
Joint Administrators' names and addresses:	James Bernard Stephen, of BDO LLP, 4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX, and Francis Graham Newton, of BDO LLP, 1 Bridgewater Lane, Leeds, LS11 5RU
Securities:	Floating Charges BOS - created 23 February 1998, registered 5 March 1998, over the whole assets of the Company. LBCF - created 24 November 2009, registered 10 December 2009, over all property and assets present and future, including uncalled capital.
Appointor's / applicant names and address:	Raymond McColl, director
Objectives being pursued by the Joint Administrators:	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) and Objective 3 - realising property in order to make a distribution to one or more secured or preferential creditors
Division of the Joint Administrators' responsibilities:	Pursuant to S100(2) of Schedule B1 of the Insolvency Act 1986 any one Joint Administrator may exercise all and/or any of the powers which are conferred on them as Joint Administrators.
Proposed end of the Administration:	Dissolution of Company.
Estimated dividend for unsecured creditors:	Nil



Estimated values of the
prescribed part and the
Company's net property:

Prescribed Part - Nil
Net Property - Nil

Extract of Last Available Accounts

Fixed Assets

Current Assets

Creditors < 1yr

Creditors > 1yr

Total Assets Less Liabilities

Called up share Capital

Profit & Loss Account

Filed Accounts

31/05/2015

£

42,488

269,605

(456,374)

(43,887)

(188,168)

100

(188,268)

(188,168)

Filed Accounts

31/10/2014

£

48,402

287,423

(391,998)

(53,897)

(110,070)

100

(110,170)

(110,070)



APPENDIX B - JOINT ADMINISTRATORS' RECEIPTS & PAYMENTS

**Aaztec Coatings Limited
(In Administration)
Joint Administrators' Trading Account**

Statement of Affairs	From 14/09/2015 To 16/10/2015	From 14/09/2015 To 16/10/2015
POST APPOINTMENT SALES		
Sales (2)	<u>2,624.87</u>	<u>2,624.87</u>
	2,624.87	2,624.87
COST OF SALES		
Direct Labour	9,035.36	9,035.36
Material Purchases	<u>2,637.36</u>	<u>2,637.36</u>
	(11,672.72)	(11,672.72)
TRADING EXPENSES		
Hire of Equipment	<u>120.62</u>	<u>120.62</u>
	(120.62)	(120.62)
<hr/> TRADING SURPLUS/(DEFICIT)	<hr/> <u>(9,168.47)</u>	<hr/> <u>(9,168.47)</u>



Aaztec Coatings Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments

Statement of Affairs	From 14/09/2015 To 16/10/2015	From 14/09/2015 To 16/10/2015
FIXED CHARGE ASSETS		
(118,459.00) Secured Creditor - LBCF	Nil	Nil
145,000.00 Book Debts - Secured	Nil	Nil
Uncertain Book Debts	Nil	Nil
20,000.00 Equipment & Stock	Nil	Nil
18,000.00 Customer List / Goodwill	Nil	Nil
	<u>Nil</u>	<u>Nil</u>
FIXED CHARGE CREDITORS		
(54,488.14) Secured Creditor - Bank of Scotland	Nil	Nil
	<u>Nil</u>	<u>Nil</u>
ASSET REALISATIONS		
Book debts	677.60	677.60
Interest Gross	0.04	0.04
Trading Surplus/(Deficit)	(9,168.47)	(9,168.47)
	<u>(8,490.83)</u>	<u>(8,490.83)</u>
COST OF REALISATIONS		
Legal Fees & Disbs	8,623.22	8,623.22
Irrecoverable VAT	471.83	471.83
Registers of Scotland	15.00	15.00
Statutory Advertising	84.60	84.60
Bank Charges	42.37	42.37
	<u>(9,237.02)</u>	<u>(9,237.02)</u>
PREFERENTIAL CREDITORS		
(707.14) Preferential Hol. Pay	Nil	Nil
	<u>Nil</u>	<u>Nil</u>
UNSECURED CREDITORS		
(235,446.93) Trade & Expense Creditors	Nil	Nil
(22,491.86) Unsecured Employees	Nil	Nil
	<u>Nil</u>	<u>Nil</u>
DISTRIBUTIONS		
(100.00) Ordinary Shareholders	Nil	Nil
	<u>Nil</u>	<u>Nil</u>
(248,693.07)	<u>(17,727.85)</u>	<u>(17,727.85)</u>
REPRESENTED BY		
Trade Debtors		342.00
Input VAT		1,801.68
The Royal Bank of Scotland		(10,205.17)
Output VAT		(524.97)
PAYE/NIIC		(1,760.11)
Other Deductions		(10.00)
BDO Holding Account		(3,856.17)
LBCF Holding Account		(2,547.11)
Liquidator's holding account		(800.00)
Misc Holding Account		(168.00)
		<u>(17,727.85)</u>

The Company is VAT registered. Receipts and payments are shown net of VAT.



APPENDIX C - JOINT ADMINISTRATORS' ESTIMATED STATEMENT OF AFFAIRS
Insolvency Act 1986

Aaztec Coatings Limited
Estimated Statement Of Affairs as at 14 September 2015

	Book Value £	Estimated to Realise £	£
ASSETS			
Secured Creditor - LBCF		(118,459.00)	
Book Debts - Secured	169,759.00	145,000.00	
Surplus c/d		<u>26,541.00</u>	
Book Debts	7,632.00		Uncertain
Equipment & Stock	20,000.00		20,000.00
Customer List / Goodwill	18,000.00		18,000.00
Surplus b/d			<u>26,541.00</u>
			64,541.00
LIABILITIES			
PREFERENTIAL CREDITORS:-			
Preferential Hol. Pay		707.14	
			<u>707.14</u>
			63,833.86
DEBTS SECURED BY FLOATING CHARGE PRE 15 SEPTEMBER 2003			
OTHER PRE 15 SEPTEMBER 2003 FLOATING CHARGE CREDITORS			
Secured Creditor - Bank of Scotland		54,488.14	
			<u>54,488.14</u>
			9,345.72
Estimated prescribed part of net property where applicable (to carry forward)			<u>NIL</u>
			9,345.72
DEBTS SECURED BY FLOATING CHARGE POST 15 SEPTEMBER 2003			
			<u>NIL</u>
			9,345.72
Estimated prescribed part of net property where applicable (brought down)			<u>NIL</u>
			9,345.72
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)			
Trade & Expense Creditors		235,446.93	
Unsecured Employees		<u>22,491.86</u>	
			257,938.79
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)			<u>(248,593.07)</u>
			(248,593.07)
Issued and called up capital			
Ordinary Shareholders		100.00	
			<u>100.00</u>
TOTAL SURPLUS/(DEFICIENCY)			<u><u>(248,693.07)</u></u>

Notes to the Statement of Affairs

- The Joint Administrators have prepared the statement of affairs from information available. The Joint Administrators await the Director's statement of affairs.



2. The statement of affairs takes no account of the cost and expense of the Administration process.
3. The Joint Administrators have estimated the employee preferential claim and ordinary claim based on average per employee. The final amounts can only be calculated once all employee claims are processed.
4. The inclusion of any creditor in the statement of affairs is not an admission of liability. All claims will be subject to adjudication.
5. The known creditors' details are attached below. The Joint Administrators anticipate further creditor claims to be intimated.

BDO LLP
Aaztec Coatings Limited
B - Company Creditors

Key	Name	Address	£
CA00	ALD Automotive Ltd t/a Mazda Contract Hire	Oakwood Park, Lodge Causeway, Fishponds, Bristol, BS16 3JA	0.00
CB00	Barrhead Shotblasting Limited	99 Blackbyres Road, Barrhead, Glasgow, G78 1TJ	1,044.00
CB01	Blast Off Scot Limited	99 Blackbyres Road, Barrhead, Glasgow, G78 1HG	2,864.40
CB02	Buck & Hickman	7130 Glasgow, 70 Lancefield Street, Finneston, Glasgow, G3 8JD	22.80
CB03	Bank of Scotland	Level 6, 110 St Vincent Street, Glasgow, G2 5ER	54,488.14
CC00	Clyde Garage Equipment	Unit 3, Lady Lane, Paisley, PA1 2LJ	660.61
CC01	Craig & Rose Plc	172 Leith Walk, Edinburgh, EH6 5EB	11.52
CC02	Cromadex (Glasgow)	Unit 1, Kinning Park Way Industrial Estate, 43 MacLellan Street, Glasgow, G41 1RR	18,700.20
CC03	Clear Business Water	Waverley House, Caird Park, Hamilton Business Park, Hamilton, ML3 0QA	0.00
CC04	CBRE	Sutherland House, 7th Floor, 149 St Vincent Street, Glasgow, G2 5HW	0.00
CD00	Davidson & Workman	16 Royal Terrace, Glasgow, G3 7HY	4,986.36
CD01	Dingbro Limited	7 Whitemyres Avenue, Mastrick Industrial estate, Aberdeen, AB16 6HQ	2,365.16
CD02	Diverse Products (Scotland) Limited	HSBC Invoice Finance (UK) Ltd, Farmcombe Road, Worthing, West Sussex, BN11 2BW	5,198.17
CD03	Dupont Powder Coatings UK Limited	Whessoe Road, Darlington, County Durham, DL3 0XH	121.50
CE00	CBRE Richard Ellis	Pacific House, 70 Wellington Street, Glasgow, G2 6JA	28,580.11
CF00	Fab 24 Limited	Units 2, 3 & 4, Drumoyne Industrial Estate, 326 Drumoyne Road, Glasgow, G51 4DX	54.84
CF01	FX Signs Limited	17 Kelvin Avenue, Hillington Industrial estate, Hillington, Glasgow, G52 4LT	180.00
CF02	Fuel Card Services Limited	Kingsway House, Kingsway, Burnley, BB11 1BJ	0.00
CH00	HMRC	Enforcement and Insolvency Services (EIS) Worthing, Durrington Bridge House, Barrington Road, Worthing, BN12 4SE	50,000.00
CH01	Hargon Limited	Leintwardine, Craven Arms, Shropshire, SY7 0HB	117.85
CH02	HB Training Limited	Aspect House, Aspect Business Park, Benerley Road, Nottingham, NG6 8WR	263.20
CI00	Industrial Finishing Plant	Brenton Business Complex, Unit 7, Bond Street, Bury, Lancs, BL9 7BE	459.60
CI01	Industrial Paint & Powder Limited	Units 1 & 3, 101 High Street, Bonnyrigg, Midlothian, EH19 2EJ	48,396.77
CJ00	William Johnston & Co	9 Spiersbridge Terrace, Thornliebank Industrial Estate, Glasgow, G46 8JH	428.88
CK00	Kelvin Power Tools Limited	Kelvin Avenue, Hillington Industrial Estate, Glasgow, G52 4LT	25.31
CL00	Lloyds Bank Commercial Finance	4th Floor, 110 St Vincent Street, Glasgow, G2 5ER	118,459.00
CL01	Lloyds Bank Commercial Finance	4th Floor, 110 St Vincent Street, Glasgow, G2 5ER	6,627.48
CM00	McColl Painters	39-41 Earl Haig Road, Hillington Park, Glasgow, G52 4JU	9,283.08
CH00	Hetham Limited	11 Riccarton Avenue, Paisley, PA2 6BQ	120.00
CH01	HiPower.com	PO Box 8007, Oldbury, B69 2AL	1,264.29
CH02	Hi Power	PO Box 177, Houghton le Spring, DH4 9AQ	0.00
CO00	Office Shop Glasgow	1-3 Erskine Square, Hillington Industrial Estate, Glasgow, G52 4BJ	89.13
CP00	P & R Services (Glasgow) Limited	31 Herschell Street, Glasgow, G13 1HR	9.00
CP01	Pankhurst	Direct Light Haulage Specialists, 8 Almond Drive, Banknock, Bonnybridge, FK4 1JZ	99.62
CP02	PHS Group	Block B, Western Industrial Estate, Caerphilly, CF83 1XH	370.08
CP03	Plascoat Limited	Trading Estate, Farnham, Surrey, GU9 9HY	827.28
CP04	Purchase Power	PO Box 6570, Harlow, Essex, CM20 2GZ	400.28
CP05	TPS Weldtech Ltd	Loreny Industrial Estate, Kilmarnock, KA1 5LE	71.10
CR00	Robb & Son Garage	Kirkstyle Garage, High Street, Heilston, East Renfrewshire, G78 3HH	29.46
CR01	Renfrewshire Council	Renfrewshire House, Cotton St, Paisley, PA1 1WB	0.00
CS00	Scottish Power Plc	Energy Supply, PO Box 3871, Glasgow, G44 4GW	0.00
CS01	Scottish Gas	Spinneyside, Penman Way, Leicester, LE19 1SZ	48,634.40
CS02	Scott's Stores	44 Main Street, Barrhead, East Renfrewshire, G78 1RE	33.95
CS03	Stewart Design & Engineering	Unit B3-1-B, 15 Edison Street, Hillington Park, Glasgow, G52 4JW	276.00
CS04	Scottish Gas	Cathcart Business Park, Spean St, Glasgow, G44 4BE	0.00
CT00	Taylor HMG Scotland Limited	19 Elm Road, Burnside, Glasgow, G73 4JR	191.30
CT01	William Tracey Limited	Bumbræ Road, Linwood, PA3 3BD	432.66
CT02	Tradeforms Scotland Limited	401-403 Hillington Road, Hillington Park, Glasgow, G52 4BL	202.80
CT03	Trinite Scotland Limited	38 Welbeck Road, Darnley Industrial Estate, Glasgow, G53 7RG	1,698.32
CV00	H Varley Limited	Unit 5, Century Park, Pacific Road, Broadheath, Altrincham, Cheshire, WA14 5BJ	305.42
90 Entries Totalling			408,394.07



Aaztec Coatings Limited (In Administration)
Estimated Outcome Statement
As at 19 October 2015

	Receipts / Payments £	Anticipated Movements £	Estimated Outcome (Admin) £	Estimated Outcome (Liq) £	Variance £
Secured Assets					
Book Debts	-	145,000	145,000	110,343	34,657
	-	145,000	145,000	110,343	34,657
Less:					
Administrators Fees	-	(5,000)	(5,000)	(5,000)	-
Administrators Outlays	-	(500)	(500)	(500)	-
Available to secured creditor - LBCF	-	139,500	139,500	104,843	34,657
Due to LBCF	-	-	(118,459)	(118,459)	
Surplus/ (Deficit) following sale of secured assets	-	139,500	21,041	(13,616)	34,657
Floating Charge Assets					
Trading Profit/(Deficit)	(8,890)	(1,044)	(9,935)	-	(9,935)
Surplus re secured assets	-	21,041	21,041	-	21,041
Customer List / Goodwill	-	18,000	18,000	-	18,000
Equipment & Stock	-	20,000	20,000	16,855	3,145
Book Debts - Non-factored	462	7,170	7,632	4,961	2,671
Bank Interest	0	100	100	50	50
Less:					
Administrators fees	-	(20,000)	(20,000)	(25,000)	5,000
Administrator's outlays	(571)	(429)	(1,000)	(1,000)	-
Legal fees & outlays	(8,623)	0	(8,623)	(4,000)	(4,623)
Corporation Tax	-	(20)	(20)	(10)	(10)
Bank Charges	(42)	-	(42)	(42)	-
Net Assets	(17,665)	44,819	27,196	(8,144)	35,340
Preferential Claims	-	-	(707)	(12,000)	11,293
Surplus / (Deficit) following settlement of Pref Claims			26,489	(20,144)	46,633
Due to Floating Charge Holder - BOS (pre-EA '03)			(54,488)	(54,488)	-
Deficit to Floating Chargeholder - Pre Enterprise Act			(27,999)	(74,632)	46,633
Net Assets - For Prescribed Part			-	-	-



APPENDIX D - FORM 2.32B (SCOT)

Paragraph 115 of Schedule B1

Form 2.32B(Scot)

The Insolvency Act 1986

B1/115

**Notice of insufficient property
for distribution to unsecured
creditors other than by virtue
of s.176A(2)(a)**

Pursuant to paragraph 115 of Schedule B1 to the Insolvency Act 1986

Name of Company

Aaztec Coatings Limited

Company number

SC177103

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

We (a) James Bernard Stephen
BDO LLP
4 Atlantic Quay
70 York Street
Glasgow
G2 8JX

Francis Graham Newton
BDO LLP
1 Bridgewater Place
Leeds
LS11 5RU

(IP No(s). 9273 9310)

administrator(s) of (b)

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

(b) Aaztec Coatings Limited, 4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX

hereby give notice pursuant to paragraph 115(2) of Schedule B1 to the Insolvency Act 1986 that we consider that the above company has insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of section 176A(2)(a) of that Act.

Signed

Dated

20 October 2015

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

James Bernard Stephen
BDO LLP
4 Atlantic Quay
70 York Street
Glasgow
G2 8JX

DX Number LP 55 Glasgow - 6

01412 483 761
DX Exchange

Companies House receipt date barcode

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

APPENDIX F - A CREDITORS' GUIDE TO ADMINISTRATORS' REMUNERATION (SCOTLAND)

This guide applies to all appointments on or after 6 April 2006. Any creditor requiring guidance on a case where the Insolvency Practitioner was appointed prior to 6 April 2006 should refer to the previous guide, which should have been issued to all creditors at the time of appointment.

1 Introduction

When a company goes into administration the costs of the proceedings are paid out of the company's assets in priority to creditors' claims. The creditors, who hope eventually to recover some of their debts out of the assets, therefore have a direct interest in the level of costs, and in particular the remuneration of the insolvency practitioner appointed to act as administrator. The insolvency legislation recognises this interest by providing mechanisms for creditors to determine the basis of the administrator's remuneration. This guide is intended to help creditors be aware of their rights under the legislation to approve and monitor remuneration and outlays and explain the basis on which remuneration and outlays are fixed.

2 The Nature of Administration

Administration is a procedure which places a company under the control of an insolvency practitioner and the protection of the court with the objective of:

- (a) rescuing the company as a going concern, or
- (b) 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
- (c) realising property in order to make a distribution to one or more secured or preferential creditors

Administration may be followed by a company voluntary arrangement or liquidation.

3 The Creditors' Committee

Where a meeting is held by the Administrator the creditors have the right to appoint a committee with a minimum of 3 and a maximum of 5 members. One of the functions of the committee is to determine the basis of the administrator's remuneration. The committee is established at the meeting of creditors which the administrator is required to hold within 10 weeks of the administration order (or longer with the consent of the court) to consider his proposals. The administrator must call the first meeting of the committee within 3 months of its establishment, and subsequent meetings must be held either at specified dates agreed by the committee, or when a member of the committee asks for one, or when the administrator decides he needs to hold one. The committee has power to summon the administrator to attend before it and provide such information as it may require.

4 Fixing the Administrator's Fees

The basis for fixing the administrator's remuneration is set out in Rule 2.39 of the Insolvency (Scotland) Rules 1986 which states that it may be a commission calculated by reference to the value of the company's property with which he has to deal. It is for the creditors' committee (if there is one) to fix the remuneration and Rule 2.39 says that in arriving at its decision the committee shall take into account:

- the work which, having regard to the value of the company's property, was reasonably undertaken by the administrator; and
- the extent of his responsibilities in administering the company's assets.

Although not specifically stated in the rules, the normal basis for determining the remuneration will be that of the time costs properly incurred by the administrator and his staff.

If there is no creditors' committee, or the committee does not make the requisite determination, the administrator's remuneration will be fixed by the creditors.

Where no meeting is held, the administrator's remuneration is approved by each secured creditor of the company or where a distribution to the preferential creditors is proposed by each secured creditor and 50% in value of the preferential creditors disregarding those who do not respond or withhold approval.

5 What Information should be Provided by the Administrator?

Claims by the administrator for the outlays reasonably incurred by him and for his remuneration shall be made in accordance with Rule 2.39 of the Insolvency (Scotland) Rules 1986 which provides that within two weeks

after the end of an accounting period, the administrator shall submit to the creditors' committee or if there is no creditors' committee, to a meeting of creditors:

- his accounts of intrusions for audit;
- a claim for the outlays reasonably incurred by him and for his remuneration, broken down into category 1 disbursements, being those costs where there is specific expenditure relating to the administration of the insolvent's affairs and referable to payment to an independent third party, and category 2 disbursements, which are costs which include elements of shared or allocated costs, and are supplied internally by the administrator's own firm and

The administrator may at any time before the end of an accounting period submit to the creditors' committee or a meeting of creditors an interim claim for category 1 and 2 disbursements reasonably incurred by him and for his remuneration.

When seeking agreement to his fees and disbursements, the administrator should provide sufficient supporting information to enable the committee or the creditors to form a judgement as to whether the proposed fee and disbursements are reasonable having regard to all circumstances of the case. The nature and extent of the supporting information which should be provided will depend on:

- the nature of the approval being sought;
- the stage during the administration of the case at which it is being sought; and
- the size and complexity of the case.

Where, at any creditors' committee meeting or meeting of creditors, the administrator seeks agreement to the terms on which he is to be remunerated, he should provide the meeting with details of the charge-out rates of all grades of staff, including principals, which are likely to be involved on the case.

Where the administrator seeks agreement to his remuneration during the course of the administration, he should always provide an up to date receipts and payments account. Where the proposed remuneration is based on time costs the administrator should disclose to the committee or the creditors the time spent and the charge-out value in the particular case, together with, where appropriate, such additional information as may reasonably be required having regard to the size and complexity of the case. The additional information should comprise a sufficient explanation of what the administrator has achieved and how it was achieved to enable the value of the exercise to be assessed (whilst recognising that the administrator must fulfil certain statutory obligations that might be seen to bring no added value for creditors) and to establish that the time has been properly spent on the case. That assessment will need to be made having regard to the time spent and the rates at which that time was charged, bearing in mind the factors set out in paragraph 4.1 above. To enable this assessment to be carried out it may be necessary for the administrator to provide an analysis of the time spent on the case by type of activity and grade of staff. The degree of detail will depend on the circumstances of the case, but it will be helpful to be aware of the professional guidance which has been given to insolvency practitioners on this subject. The guidance suggests the following areas of activity as a basis for the analysis of time spent:

- Administration and planning
 - Investigations
 - Realisation of assets
 - Trading
 - Creditors
 - Any other case specific matters
- The following categories are suggested as a basis for analysis by grade of staff:
- Partner
 - Manager
 - Other senior professionals
 - Assistants and support staff

The explanation of what has been done can be expected to include an outline of the nature of the assignment and the administrator's own initial assessment, including the anticipated return to creditors. To the extent applicable it should also explain:

- Any significant aspects of the case, particularly those that affect the amount of time spent.
- The reasons for subsequent changes in strategy.
- Any comments on any figures in the summary of time spent accompanying the request the administrator wishes to make.
- The steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, time recording, or the drawing, or agreement of remuneration.

- Any existing agreement about remuneration.
- In cases where there are distributable funds available to unsecured creditors by means of the creditors' prescribed part, how the administrator has allocated remuneration and costs with regard to dealing with the administration of and agreeing of unsecured creditors' claims. Remuneration in respect of time spent dealing with issues specific to the funds for ordinary creditors will be applied against the creditors prescribed part, prior to the funds being distributed, and will not be applied against the total funds available to all creditors, including those available to the floating charge holder.
- Details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees.

It should be borne in mind that the degree of analysis and form of presentation should be proportionate to the size and complexity of the case. In smaller cases not all categories of activity will be relevant, whilst further analysis may be necessary in larger cases.

Where the remuneration is charged as a commission based on the value of the company's property with which the administrator has had to deal, the administrator should provide details of any work which has been or is intended to be contracted out which would normally be undertaken directly by the administrator or his staff.

Any claim for outlays must be approved in the same way as remuneration. Professional guidance issued to Insolvency Practitioners requires that where the administrator proposes to recover costs which, whilst being in the nature of expenses or disbursements may include an element of shared or allocated costs (such as room hire, document storage or communication facilities) they must be approved as if they were remuneration. Such disbursements must be directly incurred on the case and subject to a reasonable method of calculation and allocation. A charge for disbursements calculated as a percentage of the amount charged for remuneration is not allowed.

Payments to outside parties in which the office holder or his firm or any associate has an interest should be disclosed to the body approving remuneration and should be treated in the same way as payments to himself. They therefore require specific approval as remuneration prior to being paid.

6 What If a Creditor is Dissatisfied?

If the administrator's remuneration has been fixed by the creditors' committee or by the creditors, by virtue of Rule 2.39A of the Insolvency (Scotland) Rules 1986, any creditor or creditors of the company representing in value at least 25 per cent of the creditors may apply to the court not later than eight weeks after the end of an accounting period for an order that the administrator's remuneration be reduced, on the grounds that it is, in all the circumstances excessive.

Notwithstanding the fact that the statutory time limit for appealing expires eight weeks from the end of the accounting period concerned, it is normal practice to advise the creditors that they may appeal within 14 days of being notified of the determination in cases where this extends beyond the statutory appeal period.

7 What if the Administrator is Dissatisfied?

If the administrator considers that the remuneration fixed by the creditors' committee or by resolution of the creditors is insufficient he may apply to the court for an order increasing its amount or rate. If he decides to apply to the court he must give at least 14 days' notice to the members of the creditors' committee and the committee may nominate one or more of its members to appear or be represented on the application. If there is no committee, the administrator's notice of his application must be sent to such of the company's creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid as an expense of the administration.

8 Other Matters Relating to Fees

Where there are joint administrators it is for them to agree between themselves how remuneration payable should be apportioned. Any dispute arising between them may be referred to the court, the creditors' committee or a meeting of creditors.

September 2013

APPENDIX G - BDO LLP REMUNERATION AND DISBURSEMENTS POLICY

In accordance with best practice we provide below details of policies of BDO LLP in respect of fees and expenses for work in relation to the above insolvency.

The current charge out rates per hour of staff within our firm who may be involved in working on the insolvency follows:

Charge Out Rates by Staff Grade	From 04/07/2014	From 01/02/2014	From 11/05/2013	From 01/05/2012
	£	£	£	£
Partner1	449	428	428	345
Director/ Senior Manager	288-311	252-296	274 - 296	273
Manager	198-224	189-213	252 - 274	214
Assistant Manager	179	170	189 - 213	170
Cashier/Senior Cashier	134-179	128-189	170	159
Senior Administrator	134-167	128-170	170	145
Administrator	62-122	59-159	128 - 170	128
Support staff/Secretary	62	59-63	59 - 159	58

This in no way implies that staff at all such grades will work on the case. The rates charged by BDO LLP are reviewed each year and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. Units of time can be as small as 3 minutes. BDO LLP records work in respect of insolvency work under the following categories:-

- Pre Appointment
- Steps upon Appointment
- Planning and Strategy
- General Administration
- Asset Realisation/Management
- Trading Related Matters
- Employee Matters
- Creditor Claims
- Reporting
- Distribution and Closure
- Other Issues

Under each of the above categories the work is recorded in greater detail in sub categories. Please note that the 11 categories provide greater detail than the six categories recommended by the Recognised Professional Bodies who are responsible for licensing and monitoring insolvency practitioners.

Where an officeholder's remuneration is approved on a time cost basis the time invoiced to the case will be subject to VAT at the prevailing rate.

Where remuneration has been approved on a time costs basis a periodic report will be provided to any committee appointed by the creditors or in the absence of a committee to the creditors. The report will provide a breakdown of the remuneration drawn and will enable the recipients to see the average rates of such costs.



Other Costs

Where expenses are incurred in respect of the insolvent estate they will be recharged. Such expenses can be divided into two categories.

Category 1

This heading covers expenses where BDO LLP has met a specific cost in respect of the insolvent estate where payment has been made to a third party. Such expenses may include items such as advertising, couriers, travel (by public transport), land registry searches, fees in respect of swearing legal documents etc. In each case the recharge will be reimbursement of a specific expense incurred.

Category 2

Insolvency practice additionally provides for the recharge of expenses such as postage, stationery, photocopying charges, telephone, fax and other electronic communications, which cannot be economically recorded in respect of each specific case. Such expenses, which are apportioned to cases, must be approved by the creditors in accordance with the Insolvency Rules 1986, before they can be drawn, and these are known as category 2 disbursements. The current policy of BDO LLP is to recharge this expense on the basis of a figure based upon the number of creditors with whom we have to communicate and report during the insolvency. This is the method of calculation that was historically provided under statutory orders for the Official Receiver.

In respect of the Administration we propose to charge £12.50 (plus VAT) for the first year and £6.25 (plus VAT) for each subsequent year, per creditor. This will cover the disbursement costs of for postage and stationery for all reports and letters, together with all copying charges and telephone and email costs. Creditors will be invited to approve a resolution to this effect. During the first year the Joint Administrators will issue 3 reports and in successive years 2 reports.

A further disbursement under this heading is the cost of travel where staff use either their own vehicles or company cars in travelling connected with the insolvency. In these cases a charge of 45p per mile is raised which is in line with the Inland Revenue Approved Mileage Rates (median - less than 10,000 miles per annum) which is the amount the firm pays to staff. Where costs are incurred in respect of mileage, approval will be sought in accordance with the Insolvency Rules 1986 to recover this disbursement.

Where applicable, all disbursements will be subject to VAT at the prevailing rate.



APPENDIX H - CREDITOR QUESTIONNAIRE

1. Name of Creditor (Your Name)

2. How long have you been supplying the Company?

3.
 - a) On what date did you last supply goods to the Company?

 - b) What is the age of the oldest debt?

4. What were the agreed credit terms with the Company?

5. On what date did the Company first exceed the agreed credit terms?

6. Did you at any time refuse to continue supplying the Company on credit, or seek to recover goods not paid for?

7. Were any payments from the Company not honoured?

8. What, if any, action did you take to obtain payment, e.g. issuing a writ?

9. What was the Company's reaction to any action you have indicated you took under question 7?



APPENDIX I - FORM TO REQUEST CREDITORS MEETING

Name of Company Aaztec Coatings Limited	Company Number SC177103
Court Glasgow Sheriff Court	Court Case Number L178/2015

(a) Insert full name and address of the creditors making the request

Request a meeting of creditors of

Aaztec Coatings Limited
c/o BDO LLP
4 Atlantic Quay
70 York Street
Glasgow
G2 8JX

(b) Insert amount of claim

My claim in the Administration is (b) £

(c) Insert full names and addresses of creditors concurring with the request (if any) and their claims in the Administration if the requesting creditor's claim is below the required 10%

(c)

Concur with the above request, and attach copies of their written confirmation of concurrence.

(d) Insert details of purpose of the meeting

The purpose of the meeting is (d)

Signed: _____

Dated: _____

APPENDIX J - CREDITOR CLAIM FORM

Rule 4.15 The Insolvency Act 1986

Form 4.7 (Scot)

Statement of Claim by Creditor

Pursuant to Rule 4.15(2)(a) of the Insolvency (Scotland) Rules 1986

WARNING

It is a criminal offence

- for a creditor to produce a statement of claim, account, voucher or other evidence which is false, unless he shows that he neither knew nor had reason to believe that it was false; or

- for a director or other officer of the company who knows or becomes aware that is false to fail to report it to the liquidator within one month of acquiring such knowledge.

On conviction either the creditor or such director or other officer of the company may be liable to a fine and/or imprisonment.

Notes

(a) Insert name of company

(a) Aaztec Coatings Limited - In Administration

(b) Insert name and address of creditor

(b)

(c) Insert name and address, if applicable, of authorised person acting on behalf of the creditor

(c)

(d) Insert total amount as at the due date (see note (e) below) claimed in respect of all the debts, the particulars of which are set out overleaf.

I submit a claim of (d) £ _____ in the administration of the above company and certify that the particulars of the debt or debts making up that claim, which are set out overleaf, are true, complete and accurate, to the best of my knowledge and belief.

(e) The due date in the case of a company

(i) which is subject to a voluntary arrangement is the date of a creditors' meeting in the voluntary arrangement;

(ii) which is in administration is the date on which the company entered administration;

(iii) which is in receivership is the date of appointment of the receiver; and

(iv) which is in liquidation is the commencement of the winding up.

Signed _____
Creditor/person acting on behalf of creditor

The date of commencement of the winding up is

(i) in a voluntary winding up the date of the resolution by the company for winding up (sect. 86 or 98); and

(ii) in a winding up by the court, the date of the presentation of the petition for winding up unless it is preceded by a resolution for voluntary winding up (section 129)

Date _____

Rule 4.15

From 4.7 (Scot) (contd.)

PARTICULARS OF EACH DEBT**Notes**

A separate set of particulars should be made out in respect of each debt.

- | | |
|--|--|
| <p>1. Describe briefly the debt, giving details of its nature, the date when it was incurred and when payment became due</p> <p>Attach any documentary evidence of the debt, if available.</p> <p>2. Insert total amount of the debt, showing separately the amount of principal and any interest which is due on the debt as at the due date (see note (e)). Interest may only be claimed if the creditor is entitled to it. Show separately the VAT on the debt and indicate whether the VAT is being claimed back from HM Customs and Excise.</p> <p>3. Insert the nature and amount of any preference under Schedule 6 to the Act claimed in respect of the debt.</p> <p>4. Specify and give details of the nature of any security held in respect of the debt, including:-</p> <p style="margin-left: 20px;">(a) the subjects covered and the date when it was given;</p> <p style="margin-left: 20px;">(b) the value of the security</p> | <p>1. Particulars of debt</p> <p>2. Amount of debt</p> <p>3. Preference claimed for debt</p> <p>4. Security for debt</p> |
|--|--|

Security is defined in section 248(b) of the Insolvency Act 1986 as meaning 'any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off)'. For claims in administration procedure security also includes a hire purchase agreement, agreement for the hire of goods for more than three months and a conditional sale agreement (see Rule 2.33).

In liquidation only the creditor should state whether he is surrendering or undertakes to surrender his security; the liquidator may at any time after 12 weeks from the date of commencement of the winding up (note (e)) require a creditor to discharge a security or to convey or assign it to him on payment of the value specified by the creditor.

- | | |
|--|---------------------------------------|
| <p>5. In calculating the total amount of his claim in a liquidation, a creditor shall deduct the value of any security as estimated by him unless he surrenders it (see note 4).</p> | <p>5. Total amount of debt</p> |
|--|---------------------------------------|



Rule 4.15

From 4.7 (Scot) (contd.)

PARTICULARS OF EACH DEBT

Notes

A separate set of particulars should be made out in respect of each debt.

- | | |
|--|-----------------------------|
| 6. In the case of a member state liquidator creditor, specify and give details of underlying claims in respect of which he is claiming as creditor | 6. Underlying claims |
|--|-----------------------------|



APPENDIX K - FORM 2.16B (SCOT)

Rule 2.25

The Insolvency Act 1986

Form 2.16B(Scot)

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

Aaztec Coatings Limited

Company number

SC177103

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

We (a)
James Bernard Stephen
BDO LLP
4 Atlantic Quay
70 York Street
Glasgow
G2 8JX

Francis Graham Newton
BDO LLP
1 Bridgewater Place
Leeds
LS11 5RU

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) 20 October 2015

Signed

Joint / Administrator(s)

Dated

20 October 2015

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

James Bernard Stephen
BDO LLP
4 Atlantic Quay
70 York Street
Glasgow
G2 8JX

DX Number LP 55 Glasgow - 6

01412 483 761
DX Exchange

Companies House receipt date barcode

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