

The Insolvency Act 1986

Administrator's progress report**R2.38**

Pursuant to Rule 2.38 of the Insolvency (Scotland) Rules 1986

Name of Company

Simclar Seating Technologies
Limited

Company number

SC276970

(a) Insert full
name(s) and
address(es) of
administrator(s)I/We (a)
John Charles Reid
Deloitte LLP
Lomond House
9 George Square
Glasgow
G2 1QQWilliam Kenneth Dawson
Deloitte LLP
PO Box 500
2 Hardman Street
Manchester
M60 2AT

administrator(s) of the above company attach a progress report for the period

from

to

(b) Insert date(s)

(b) 27 December 2012

(b) 26 June 2013

Signed

Joint / Administrator(s)

Dated

31/7/13

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

John Charles Reid
Deloitte LLP
Lomond House
9 George Square
Glasgow
G2 1QQ

DX Number DX: GW 223

Tel: 0141 204 2800
DX Exchange

TUESDAY



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The Insolvency Act 1986

Administrator's progress report**R2.38**

Pursuant to Rule 2.38 of the Insolvency (Scotland) Rules 1986

Name of Company

Simclar Group Limited

Company number

SC219243

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

We (a)
John Charles Reid
Deloitte LLP
Lomond House
9 George Square
Glasgow
G2 1QQ

William Kenneth Dawson
Deloitte LLP
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Adele MacLeod
Deloitte LLP
Lomond House
9 George Square
Glasgow
G2 1QQ

DX Number DX: GW 223

Tel: 0141 314 5942
DX Exchange

Companies House receipt date barcode

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The Insolvency Act 1986

Administrator's progress report**R2.38**

Pursuant to Rule 2.38 of the Insolvency (Scotland) Rules 1986

Name of Company

Simclar Seating Technologies
Limited

Company number

SC276970

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The Insolvency Act 1986

Administrator's progress report**R2.38**

Pursuant to Rule 2.38 of the Insolvency (Scotland) Rules 1986

Name of Company

Simclar International Limited

Company number

SC059937

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

We (a)
John Charles Reid
Deloitte LLP
Lomond House
9 George Square
Glasgow
G2 1QQ

William Kenneth Dawson
Deloitte LLP
PO BOX 500
2 Hardman Street
Manchester
M60 2AT

administrator(s) of the above company attach a progress report for the period

from

to

(b) Insert date(s)

(b) 27 December 2012

(b) 26 June 2013

Signed

Joint Administrator

Dated

31/7/13

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Simclar Group Limited

Court Case No. P701/2011

Simclar International Limited

Court Case No. P700/2011

Simclar Seating Technologies Limited

Court Case No. P699/2011

- All in Administration ("the Companies")

**SIX MONTHLY PROGRESS REPORT TO CREDITORS
PURSUANT TO RULE 2.38 OF THE INSOLVENCY (SCOTLAND) RULES 1986 (AS
AMENDED) AND THE INSOLVENCY (SCOTLAND) AMENDMENT RULES 2010**

31 July 2013

This report has been prepared for the sole purpose of updating the Creditors for information purposes. The report may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by Creditors for any purpose other than updating them for information purposes, or by any other person for any purpose whatsoever.

John Charles Reid and William Kenneth Dawson were appointed Joint Administrators of Simclar Group Limited, Simclar International Limited and Simclar Seating Technologies Limited on 27 June 2011. The affairs, business and property of the Companies are managed by the Joint Administrators. The Joint Administrators act as agents of the Companies and contract without personal liability.

All licensed Insolvency Practitioners of Deloitte LLP are licensed in the UK to act as Insolvency Practitioners.

**John C Reid & William K Dawson
Deloitte LLP
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2DB
Tel: 0131 535 7426
Fax: 0131 535 7777**

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ABBREVIATIONS

For the purpose of this report the following abbreviations shall be used:

"Administration"	The management of the affairs, business and property of the Company by a person appointed for the purpose of the Court, for a period as directed by an Administration Order
"Joint Administrators"	John Charles Reid & William Kenneth Dawson
"the Act"	Insolvency Act 1986 (as amended)
"the Bank" / "Secured Creditor"	Bank of Scotland Plc
"the Companies"	Simclar Group Limited, Simclar International Limited and Simclar Seating Technologies Limited
"the Court"	The Court of Session, Edinburgh
"the Directors"	Samuel Russell and Christina Russell (SGL & SIL), Samuel Russell, Christina Russell and Stephen Donnelly (SSTL)
"Deloitte"	Deloitte LLP
"D&W"	Dundas & Wilson CS LLP
"EOS"	Estimated Outcome Statement
"the Group"	Simclar Group Limited and its subsidiaries
"Insol"	Insol Group Plc
"SIL"	Simclar International Limited
"SGL"	Simclar Group Limited
"PP"	The Prescribed Part of the Company's net property subject to Section 176A of the Insolvency Act 1986 (as amended).
"the Rules"	Insolvency (Scotland) Rules 1986 (as amended) and the Insolvency (Scotland) Amendment Rules 2010
"SIP7 (Scotland) "	Statement of Insolvency Practice 7 (Scotland) - Preparation of Insolvency Officer Holders Receipts and Payments Accounts
"SIP9 (Scotland)"	Statement of Insolvency Practice 9 (Scotland) - Remuneration of Office Holder
"SIP13 (Scotland)"	Statement of Insolvency Practice 13 (Scotland) - Transactions with Directors and Persons Connected with Them
"SSTL"	Simclar Seating Technologies Limited
"Sweeney Kincaid"	Sweeney Kincaid Limited
"SWIP"	Scottish Widows Investment Partnership Limited

1. INTRODUCTION

1.1 Introduction

This report has been prepared in accordance with Rule 2.38 of the Rules to provide Creditors with an update on the progress of the Administrations of the Companies since the Joint Administrators' progress report dated 30 January 2013.

Given the information previously provided to creditors in our earlier reports, we have not included detailed background information in respect of the Companies here and have focussed on progress of the Administrations subsequent to those reports.

The Administrators' Proposals for the Companies were deemed approved following the issue of a notice under Paragraph 52(1) of Schedule B1 of the Act on 17 August 2011 and the expiry of eight business days thereafter and are detailed in section 2.1 below.

The Joint Administrators applied to Court to extend the Administration of SIL and SGL for a further period of 12 months from 26 June 2013. The SIL extension was required since it holds property which would not have been sold before 26 June 2013. The SGL extension was required to allow SGL to conclude unresolved matters, the key matter being its claim in the liquidation of Simclar Ayrshire Limited.

The Administrators also applied for a 6 month extension of SSTL Administration to allow them to pay the PP Dividend to Creditors and then bring the Administration to a close, which was approved by the Court on 16 April 2013.

12 month extensions of the SIL and SGL Administrations to 26 June 2014 were granted by the Court on 18 June 2013. A 6 month extension of the SSTL Administration to 26 December 2013 was granted on 20 June 2013.

A schedule of statutory information in respect of the Companies is attached at Appendix 1.

1.2 Details of the appointment of the Administrators

John Charles Reid and William Kenneth Dawson of Deloitte were appointed Joint Administrators of the Companies by the Companies' Directors on 27 June 2011 following the filing of Notices of Appointment of Joint Administrators.

The Court having conduct of the proceedings for all three appointments is the Court of Session, Edinburgh. Case numbers are:

Simclar Group Limited	P701/2011
Simclar International Limited	P700/2011
Simclar Seating Technologies Limited	P699/2011

For the purposes of Paragraph 100(2) of Schedule B1 of the Act, the Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally.

The Joint Administrators were also appointed to Simclar Interconnect Technologies Limited, Court reference P702/2011 on 27 June 2011. This company did not hold any assets and the Administration ended on 26 June 2012.

1.3 Electronic communication with creditors

In an effort to reduce the costs of the Administrations, all communications with creditors, including updates and progress reports, will be posted onto a website, which has been set up specifically for this purpose. The web address is: <http://www.deloitte.com/uk/simclar>.

A letter will be issued to all creditors each time the website is updated with a statutory notice or report. All creditors' statutory notices will be retained on the website for a minimum of three months from being uploaded to the site.

2. JOINT ADMINISTRATORS' PROPOSALS

2.1 Introduction

As previously reported to creditors, the Companies had significant secured and unsecured creditor liabilities and therefore a restructuring of these creditors in each of the Companies would have been required to meet the objective set out in paragraph 3(a) of Schedule B1 of the Act, which is to rescue a company as a going concern. It was apparent that there was insufficient value placed on the Companies' assets by third parties to effect a restructuring of the Companies' debt. The Joint Administrators therefore concluded that the first objective was not possible to achieve.

Consequently, the Joint Administrators have performed their functions in relation to the Companies with the objective set out in Paragraph 3(b) of Schedule B1 of the Act, which is to achieve a better result for the company's creditors' as a whole than would be likely if the company was wound up (without first being in administration).

The Administrators' Proposals in order to achieve this objective, which, as noted above, were deemed approved following the issue of a notice under Paragraph 52(1) of Schedule B1 of the Act on 17 August 2011 and the expiry of eight business days thereafter are as follows:

1. the Administrators continue to manage the affairs and any remaining assets of the Companies and the settlement of all Administration expenses;
2. the Administrators continue with their enquiries into the conduct of the Directors of the Companies and continue to assist any regulatory authorities with their investigation into the affairs of the Companies;
3. the Administrators be authorised to agree the claims of the secured, preferential and unsecured creditors against each of the Companies unless the Administrators conclude, in their reasonable opinion, that a company will have no assets available for distribution;
4. the Administrators be authorised to distribute funds to the secured and preferential creditors as and when claims are agreed and funds permit and, in relation to distributions to unsecured creditors, if the Court gives permission following an appropriate application;
5. that, in the event the creditors of each company so determine, at meetings of creditors, a Creditors Committee be appointed in respect of each or any company comprising of not more than five and not less than three creditors of that company or Companies;
6. that, if a Creditors' Committee is not appointed, the secured and preferential creditors of each Company shall be asked to fix the basis of the Administrators' remuneration in accordance with Rule 2.39(9) of the Rules, be fixed by reference to the time properly given by the Administrators' and their staff in attending to matters arising in the Administrations, calculated at the prevailing standard hourly charge out rates used by Deloitte at the time when the work is performed, plus VAT. In addition those creditors shall also be asked to agree the Administrators' expenses of which the Administrators' expenses for mileage be calculated by reference to mileage properly incurred by the Administrators and their staff in attending to matters arising in the Administrations, at the prevailing standard mileage rate used by Deloitte at the time when the mileage is incurred, plus VAT where applicable;

7. that, following the realisation of assets and resolution of all matters in the Administrations, and as quickly and efficiently as is reasonably practicable, the Administrators implement the most cost effective steps to formally conclude the Administrations. This may include the distribution of funds to unsecured creditors (provided Court permission is obtained) and then the dissolution of the Companies or alternatively, seeking to put each or any of the Companies into Creditors' Voluntary Liquidation ("CVL") or Compulsory Liquidation, depending on which option will result in a better realisation for creditors;
8. that, if each or any of the Companies were to be placed into CVL, the Administrators propose to be appointed Liquidators and any Creditors' Committee appointed will become the Liquidation Committee pursuant to Rule 2.47(3) of the Rules. As per Paragraph 83(7) of Schedule B1 of the Act and Rule 2.47(3) of the Rules, the creditors may nominate a different person to be Liquidator(s) provided the nomination is made before the proposals are approved by creditors. For the purposes of Section 231 of the Act the Liquidators will each be authorised to carry out all functions, duties and powers either jointly or severally.
9. in the absence of Creditors' Committees, the secured and preferential creditors of each company agree that the Administrators be discharged from liability per Paragraphs 98 and 99 of Schedule B1 of the Act immediately upon the Administrators filing their final report to creditors and vacating office.

2.2 Amendments to proposals

No amendments have been made to the Administrators Proposals.

2.3 Progress on and achievement of the approved proposals

We have summarised below the progress and current status in respect of each of the approved proposals:

Proposal	Current status
1	Ongoing. Refer to section 3.3 for details of the assets which remain to be realised in respect of each of the Companies.
2	Concluded. The Administrators have discharged their statutory responsibilities with regards investigations into the Directors' conduct. Reports were submitted to the Insolvency Service on 21 December 2011 (SSTL) and 24 January 2012 (SIL & SGL)
3	Ongoing. Preferential Claims agreed in SIL.
4	Ongoing. A preferential dividend of 100p in the £ was paid from SIL in April 2013 in respect of its preferential Creditors.
5	No creditors meeting held.
6	Ongoing. No Creditors' Committees appointed.
7	Ongoing. Administrators will proceed to close the Administrations once all assets have been realised and distributions made to creditors in line with proposal 4. Intended exit route for each of the Companies is dissolution.
8	It is not intended to exit the Administrations to CVL.
9	Ongoing.

Further information in respect of the realisation of assets, the status of liabilities and the estimated outcome for creditors is contained in the following sections of this report.

3. JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT AND ESTIMATED OUTCOME STATEMENT

3.1 Introduction

Attached at Appendix 2 are Receipts and Payments accounts for the Companies covering the period from 27 June 2011 to 26 June 2013, together with details of the transactions in the interim period 27 December 2012 to 26 June 2013, in accordance with SIP7 (Scotland).

3.2 Asset Realisations

SGL

SGL received bank interest of £1.36 between 27 December 2012 and 26 June 2013. There were no other realisations in the period.

SIL

In the period 27 December 2012 and 26 June 2013, SIL received rent from tenants totalling £50,946.05, a repayment of a loan from Simclar Poland SP of £18,266.95, payment for the disposal of the recyclable waste of £29,851.00, a rates refund of £4,396.24 and bank interest of £1,767.68.

STTL

STTL received £91.05 of bank interest between 27 December 2012 and 26 June 2013. There were no other realisations in the period.

3.3 Estimated future realisations

SGL

There may be realisations in this case in connection with a claim lodged by SGL in the value of £4.4m submitted by SGL in the liquidation of Simclar Ayrshire Limited prior to SGL entering administration. The liquidators of Simclar Ayrshire Limited have not yet adjudicated on this claim. Therefore at this stage we are unable to advise whether there will be a realisation from this claim.

SIL

Property

As previously reported, SIL owns seven factory units at Pitreavie Business Park, Dunfermline. The Joint Administrators have appointed Graham & Sibbald as agents to market SIL's factory units for sale and are working with them to explore notes of interest in the properties from potential purchasers and tenants.

The level of expected realisations from property sales was not disclosed in the Administrators' Proposals in accordance with Rule 2.25(i)(k)(i)(bb) of the Rules and has not been disclosed in this report since this information is considered commercially sensitive. The Bank holds standard securities in respect of SIL's properties and given the level of the Bank's debt it is unlikely that there will be surplus available for other creditors from property realisations.

The Joint Administrators will provide details of any progress in respect of property sales in future progress reports, or once they are completed.

Rent

Continued rental income from SIL's existing tenants is expected. However, the level of these receipts is dependent on whether tenants remain in occupation and the timing of any property sales.

S TTL

An EOS for S TTL as at 26 June 2013 is attached at Appendix 3. No future realisations are expected, other than repayment of input VAT.

3.4 Estimated outcome for creditors

S GL

Any future realisations in S GL are not expected to be sufficient to allow a dividend to be paid to unsecured creditors as a result of the level of the Bank's claim as Secured Creditor of S GL and the level of preferential claims in S GL.

S IL

There will be no funds available to pay a dividend to the unsecured creditors of S IL based on estimated future realisations from the sale of S IL's property assets and the level of the Bank's claim as Secured Creditor in the Administration.

S TTL

Section 176A(2)(a) of the Act applies to S TTL, and as such a PP of c. £17,000 is expected to be available for unsecured creditors of S TTL. Further details are given at section 4.3 below.

4. DISTRIBUTIONS TO CREDITORS

4.1 Secured creditors

The Companies' total Bank debt stated in the Directors' Statement of Affairs is £28,081,300.

Subsequently, the Bank has advised that its debt at 27 June 2011 was £28,301,080, comprised as follows:

Account balances	£ 6,221,251
Sterling Loans + interest	£ 17,361,544
Sterling equivalent of \$ loan + interest	<u>£ 4,718,285</u>
Grand total	£ 28,301,080

4.2 Preferential creditors

Preferential claims in SIL have now been reviewed, adjudicated on and paid in full. The total distribution was £83,587.08.

There are preferential claims of £13,000 in SGL. At this stage the Administrators are unable to confirm whether funds may be available to allow a distribution to preferential creditors given the status of SGL's claim in the Simclar Ayrshire Limited liquidation.

4.3 Prescribed Part

The Prescribed Part (section 176A of the Insolvency Act 1986 (Prescribed Part) Order 2003) applies where there are floating charge realisations, net of costs to be set aside for unsecured creditors. This equates to:

- 50% of net property up to £10,000;
- Plus, 20% of net property in excess of £10,000.
- Subject to a maximum of £600,000.

Of the Companies, this Section of the Act only applies to SSTL.

As noted above at Section 3.4 of this report, and shown in the EOS at Appendix 4, the Joint Administrators expect c. £17,000 to be available for the unsecured creditors of SSTL under the PP, resulting in a small dividend of less than 1p in the £ to SSTL's unsecured creditors.

4.4 Unsecured creditors

The unsecured creditors' position as at 27 June 2011 outlined in the Directors' Statements of Affairs for each company (excluding any shortfall to floating charge holders) is summarised in the table below:

	£
SGL	15,300,00
SIL	3,200,00
SSTL	<u>2,100,00</u>
TOTAL	<u>20,600,00</u>

After discharging the costs of the Administrations, there will be insufficient realisations from floating charge assets to fully repay the Bank. Accordingly, there will therefore be no funds available to make a distribution to unsecured creditors, other than by virtue of the PP in SSTL.

4.5 Claims process

SSTL creditors were invited to submit claims in the Administrators' six monthly progress reports dated 2 February 2012 and 30 January 2013.

Claims in SSTL have been reviewed and adjudicated on. The PP dividend will be paid once final costs in relation to the case have been settled and a repayment of a final claim in connection with input VAT received.

5. OTHER MATTERS AND INFORMATION TO ASSIST CREDITORS

5.1 Extensions to the initial appointment period

In accordance with the provisions of the Act, all Administrations automatically come to an end after one year, unless an extension is granted.

The Joint Administrators applied to Court to extend the Administrations for a period of 12 months from 26 June 2012, which was granted by the court extending the Administration to 26 June 2013.

The Joint Administrators applied to Court to extend the Administration of SIL and SGL for a further period of 12 months from 26 June 2013. The SIL extension was required since it holds property which would not have been sold before 26 June 2013. The SGL extension was required to allow SGL to conclude unresolved matters, the key matter being its claim in the liquidation of Simclar Ayrshire Limited.

The Joint Administrators also applied for a 6 month extension of SSTL Administration to allow them to pay the PP Dividend to Creditors and then bring the Administration to a close, which was approved by the Court on 16 April 2013.

12 month extensions of the SIL and SGL Administrations to 26 June 2014 were granted by the Court on 18 June 2013. A 6 month extension of the SSTL Administration to 26 December 2013 was granted on 20 June 2013.

5.2 Investigations into the Directors Conduct

As part of the Joint Administrators' statutory duties, an investigation into the conduct of the Companies' Directors was completed and confidential final reports were submitted to The Insolvency Service on 21 December 2011 (SSTL) and 24 January 2012 (SIL and SGL).

5.3 SIP2 (Scotland) – Initial Assessment of Potential Recoveries

As part of our duties as Joint Administrators, we are obliged shortly after our appointment to review all of the information available to us and conduct an initial assessment of whether there are any matters that might lead to a recovery for the benefit of creditors. This initial assessment included enquiries into any potential claims that may be brought against parties either connected to or who have had past dealings with the Companies.

Having completed this review, we identified the assets and actions as detailed in section 3 of this report.

If you have any information that you feel we should be made aware of in relation to the above, please contact us as a matter of urgency.

5.4 Exit

Proposal 7 of the Joint Administrators' Proposals details the exit routes available to the Joint Administrators. The Administrators anticipate that exit via dissolution will be the most appropriate exit route for each of the Companies and will be discharged from liability upon the Administrators filing their final report to creditors and vacating office.

5.5 SIP13 (Scotland) – Transactions with connected parties

In accordance with the guidance given in SIP13 (Scotland), we confirm that there have been no transactions with connected parties during the period of this report and we are not aware of any aware of any transactions with connected parties in the two years prior to the Joint Administrators' appointment.

5.6 EC Regulations

As stated in the Administration Order in respect of the Companies, Council Regulation (EU) No 1346/2000 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

6. PRE-ADMINISTRATION COSTS

Pre-Administration costs are defined as the remuneration charged and expenses incurred by the Administrator (or other person qualified to act as such) before a company enters into Administration but with a view to its doing so. There were no pre-Administration costs in connection with the Administrations of the Companies.

7. JOINT ADMINISTRATORS' REMUNERATION AND EXPENSES

7.1 Joint Administrators' Remuneration

There will be no funds available to the unsecured creditors other than in SSTL by virtue of Section 176A(2)(a) of the Act; therefore, fixing of the Administrators' remuneration will be approved in accordance with Rule 2.39(9) of the Rules, which is outlined as follows:

- Where the Administrators have made a statement under Paragraph 52(1)(b) of Schedule B1 of the Act the Administrators' remuneration may be fixed by the approval of:
 - each secured creditor; or
 - if the Administrators intend to make a distribution to preferential creditors, with the approval of each secured creditor and 50% of preferential creditors who respond to an invitation to consider approval.

SGL

No remuneration has been drawn from this case.

SIL

The Administrators time costs to 26 June 2013, total £973,462.00 which represents 2,942.40 hours at an average hourly rate of £330.84.

Time costs in the period 27 December 2012 to 26 June 2013 were £130,323.50 which represents 403.70 hours at an average hourly rate of £322.82.

To date the Administrators have drawn fees in respect of their total time costs to date of £435,000 and expenses of £6,716.34 with approval from the Bank as Secured Creditor and over 50% of preferential creditors who responded to an invitation to provide approval. The Joint Administrators have drawn £90k in this period.

This time is charged in six minute increments. These are shown in the Receipts and Payments accounts at Appendix 2.

A SIP 9 detailing this is attached at Appendix 4.

SSTL

The Administrators total time costs to 26 June 2013 total £24,247.75 which represents 65.40 hours at an average hourly rate of £370.76.

Time costs in the period 27 December 2012 to 26 June 2013 were £10,506.50 which represents 28.50 hours at an average hourly rate of £368.65.

To date the Administrators have drawn fees in respect of their costs to date of £10,000 and expenses of £25 following approval from the Bank as secured creditor. The Joint Administrators have drawn £5k in this period.

This time is charged in six minute increments. These are shown in the Receipts and Payments accounts at Appendix 2.

A SIP 9 detailing this is attached at Appendix 4

The work has been categorised into the following task headings and sub categories:

- **Administration and planning** includes case planning, case set-up, notification of appointment, maintenance of our case files and insolvency case record, statutory reporting, compliance, cashiering and accounting.
- **Investigations** includes investigating the Company's affairs and in particular any antecedent transactions and also reporting on the conduct of its directors.
- **Realisation of Assets** includes identifying, securing and insuring assets, sale of business, transition of contracts, property issues, disposal of stocks, collection of debts, realisation of other fixed assets and VAT and taxation matters.
- **Trading** includes planning, identifying strategy, preparation of trading forecasts, monitoring of performance against the forecasts, managing operations, dealing with supplier and landlord issues to ensure continuity of operations, accounting and employees (including pensions and other staff benefits).
- **Creditors** includes set-up of creditor records, creditor communications, preferential claims, unsecured claims, secured and employee claims.
- **Case specific matters** includes Tax & VAT matters.

"A Creditors' Guide to Administrators' Remuneration" is available for download at www.deloitte.com/uk/sip-9-scotland

Should you require a paper copy, please send your request in writing to the Administrators at the address on the front of this report and this will be provided to you at no cost.

7.2 Expenses

In this reporting period Administrators' accrued expenses related to SIL only and these are as follows:

Nature of expenses	Total £
Travel	202.16
Postage	168.43
Total	370.59

To date we have drawn expenses of £6,716.34 following approval from the Bank as Secured Creditor and over 50% of preferential creditors who responded to an invitation to provide approval.

Please note that Deloitte policy is to seek approval of both Category 1 and 2 expenses and therefore there is no need to distinguish between the two. Disclosure is required where we have incurred Category 2 expenses such as mileage and internal copying.

Mileage is calculated at the prevailing standard mileage rate of presently up to 45p used by Deloitte at the time when the mileage is incurred.

7.3 Charge out rates

The range of charge out rates for the separate categories of staff is based on our 2012 charge out rates as summarised below. Manager rates include all grades of assistant manager.

Grade	£ 2012 (Jan-Aug)	£ 2012 / 2013 (Sept-Aug 2013)
Partners/Directors	585 to 920	605 to 950
Managers	295 to 700	305 to 720
Assistants and Support Staff	150 to 295	155 to 305

The above bands are specific to the Restructuring Services department partners and staff. In certain circumstances the use of specialists from other Deloitte departments such as Tax/VAT, Corporate Finance or Deloitte Real Estate (formerly Drivers Jonas Deloitte) may be required on the case. These departments may charge rates that fall outside the Restructuring Services department bands quoted above so, where such specialists have performed work on the case, average rates may also fall outside the Restructuring Services department bands.

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

7.4 Other professional costs

As previously advised, the Group have instructed D&W, a firm of lawyers with the appropriate expertise and experience in dealing with these types of Administrations to advise on legal matters as necessary.

Sweeney Kincaid, a firm of plant and machinery agents, were instructed by the Group to undertake inventories and valuations of plant and equipment, fixtures and fittings and other chattel assets where appropriate. Sweeney Kincaid also conducted a number of auctions of SIL assets and supervised the clearance of factories.

Graham and Sibbald have been appointed as property agents.

The Administrators instructed SWIP to conduct an options analysis in respect of strategies for realising the properties held by SIL in April 2013.

SitexOrbis have been appointed to deal with site security and insurance requirements.

Insol were appointed to deal with the winding up of a pension scheme of which SIL was a trustee. This matter is now concluded.

Professional costs to date are summarised in the table below; these were all incurred by SIL the exception of the D&W fees which relate to SIL, SGL and SSTL.

All professional costs are reviewed and analysed before payment is approved.

Name of lawyer/agent	NET £	VAT £	TOTAL £
D&W	46,377.07	9,258.01	55,635.08
Sweeney Kincaid*	62,056.50	12,411.30	74,467.80
Graham & Sibbald	7,956.78	1,580.00	9,536.78
SitexOrbis**	13,930.00	2,771.55	16,701.55
Insol***	14,950.00	2,990.00	17,940.00
SWIP	2,100.00	420.00	2,520.00
Total	147,370.35	29,430.86	176,801.21

* Agents Costs in relation to factory clearance supervision (£1,500 net) are included within factory clearance costs in the SIL Receipts and Payments account at Appendix 2.

** Included within security, property costs and property inspections in the SIL Receipts and Payments account at Appendix 2.

*** Included within the property costs in the SIL Receipts and Payments account at Appendix 2.

**SIMCLAR GROUP LIMITED, SIMCLAR INTERNATIONAL LIMITED, AND SIMCLAR SEATING TECHNOLOGIES LIMITED
(ALL IN ADMINISTRATION)**

STATUTORY INFORMATION

Company Name	Simclar Group Limited	Simclar International Limited	Simclar Seating Technologies Limited
Proceedings	In Administration	In Administration	In Administration
Court	Court of Session	Court of Session	Court of Session
Court Reference	P701/2011	P700/2011	P699/2011
Date of Appointment	27 June 2011	27 June 2011	27 June 2011
Joint Administrators	John Charles Reid and William Kenneth Dawson Deloitte LLP Saltire Court 20 Castle Terrace Edinburgh EH1 2DB	John Charles Reid and William Kenneth Dawson Deloitte LLP Saltire Court 20 Castle Terrace Edinburgh EH1 2DB	John Charles Reid and William Kenneth Dawson Deloitte LLP Saltire Court 20 Castle Terrace Edinburgh EH1 2DB
Registered office Address	c/o Deloitte LLP Saltire Court 20 Castle Terrace Edinburgh EH1 2DB	c/o Deloitte LLP Saltire Court 20 Castle Terrace Edinburgh EH1 2DB	c/o Deloitte LLP Saltire Court 20 Castle Terrace Edinburgh EH1 2DB
Company Number	SC219243	SC059937	SC276970
Incorporation Date	16 May 2001	30 April 1976	3 December 2004
Company Secretary	N/A	N/A	N/A
Bankers	Bank of Scotland Plc	Bank of Scotland Plc	Bank of Scotland Plc
Auditors	Grant Thornton UK LLP	Grant Thornton UK LLP	Grant Thornton UK LLP
Appointment by	The directors - under Paragraph 22 of Schedule B1 of the Insolvency Act 1986 (as amended)	The directors - under Paragraph 22 of Schedule B1 of the Insolvency Act 1986 (as amended)	The directors - under Paragraph 22 of Schedule B1 of the Insolvency Act 1986 (as amended)
Directors at date of Appointment	Samuel Russell Christina Russell	Samuel Russell Christina Russell	Samuel Russell Christina Russell Stephen Donnelly
Directors' Shareholdings	Samuel Russell: 450,000 £1 Ordinary Shares Christina Russell: 50,000 £1 Ordinary shares	N/A	N/A

Simclar Group Limited (In Administration)			
Joint Administrators' Receipts and Payments Account 27 June 2011 to 26 June 2013			
	Statement of Affairs Estimated to Realise £	Interim Period 27/12/12 to 26/06/13 (£)	Cumulative to date (£)
RECEIPTS			
Returned Funds from Third Party			360.50
Bank Interest Gross		1.36	3.19
		<u>1.36</u>	<u>363.69</u>
PAYMENTS			
Advertising			84.22
Specific Bond			10.00
Legal Fees			13,800.12
		<u>0.00</u>	<u>13,894.34</u>
Balance		<u>1.36</u>	<u>(13,530.65)</u>
REPRESENTED BY:			
IB Current A/C			363.69
Due to SIL			(13,894.34)
			<u>(13,530.65)</u>

Note that the Statement of Affairs for SGL shows nil expected realisations from its Assets

Simclar International Limited (In Administration)			
Joint Administrators' Receipts and Payments Account 27 June 2011 to 26 June 2013			
RECEIPTS	Statement of Affairs Estimated to Realise £	Interim Period 27/12/12 to 26/06/13 (£)	Cumulative to date (£)
Sales			704,201.87
Simclar Inc Management Charges			154,881.78
Miscellaneous Income			4,519.82
Simclar Poland Sp Loan Repayment		18,266.95	18,266.95
Utility Refund			30,654.13
IF Motorsports Telephone Costs			14.94
Plant & Machinery	606,040.00		623,421.00
Motor Vehicles	Included in Plant & Machinery		8,236.00
Stock	229,754.00		77,348.70
Book Debts	327,263.00		290,744.13
Rent		50,946.05	206,589.09
Proceeds from Recycling		29,851.00	29,851.00
Unum			210.32
Bank Interest Gross		1,767.68	8,642.13
Rates Refund		4,398.24	4,398.24
		<u>106,227.92</u>	<u>2,161,867.08</u>
PAYMENTS			
Purchases (Vatable)			13,236.97
Sub Contractors			3,316.37
Direct Labour			365,642.83
Rents			400.00
Rates			117,505.84
Heat & Light		218,140.44	268,980.57
IT Costs			1,114.44
Telephone & Internet			8,788.12
Carriage			400.00
Insurance		7,263.04	92,247.62
Hire of Equipment			4,800.00
Repairs & Maintenance			208.97
Sundry Expenses			2,778.20
Employee Expenses			637.80
Simclar Inc Expenditure			148,836.59
Security Costs			64,551.38
ROT Costs			9,616.71
Water Services		17,470.49	27,628.08
Simclar Group Limited Expenditure			868.54
Property Costs		1,926.00	35,166.00
Property Inspections		975.00	2,475.00
Other Property Costs			1,505.00
Movement of Green Plugs			2,610.00
Pension Trustees			14,950.00
Factory Clearance Costs			13,500.00
Specific Bond			335.00
Printer Hire			118.00
Administrators' Fees		90,000.00	435,000.00
Administrators' Expenses			6,716.34
Repair Costs			3,541.94
Agents Fees - Property		6,936.78	12,486.78
Agents/Valuers Fees			60,568.60
Legal Fees			30,294.83
Legal Fees paid on behalf of SITL			2,376.34
Telephone Telex & Fax			77.31
Data Release			250.00
Storage Costs		576.09	1,257.57
Postage & Redirection			433.27
Statutory Advertising			2,811.21
Bank Charges		20.00	305.00
Preferential Dividend		63,587.08	63,587.08
		<u>426,894.92</u>	<u>1,841,988.10</u>
Balance		<u>(321,687.00)</u>	<u>319,868.98</u>
REPRESENTED BY:			
Utilities Deposit			42,856.33
VAT Control Account			(7,822.82)
Floating IB Current Account			270,411.73
RBS IB Current Account			19.40
Due from SGL			13,894.34
Petty Cash Float			500.00
			<u>319,868.98</u>

*Utilities Deposit – this is in regards to EDF's continued supply of Gas and Electricity at the property's.

** Due from SGL – this is for legal fees that have been paid on behalf of the Company through SIL.

Simclar Seating Technologies Limited (In Administration)			
Joint Administrators' Receipts and Payments Account 27 June 2011 to 26 June 2013			
RECEIPTS	Statement of Affairs Estimated to Realise £	Interim Period 27/12/12 to 26/06/13 (£)	Cumulative to date (£)
Plant & Machinery			9,004.56
Stock	5,378.00		500.00
Book Debts	70,192.00		76,431.91
Bank Interest Gross		91.05	884.01
		<u>91.05</u>	<u>86,820.48</u>
PAYMENTS			
Advertising			84.22
Specific Bond			10.00
Administrators' Fees		5,000.00	10,000.00
Administrators' Expenses			25.00
Cost of moving tooling			240.00
Legal Fees			2,282.12
		<u>5,000.00</u>	<u>12,641.34</u>
Balance		<u>(4,908.95)</u>	<u>74,179.14</u>
REPRESENTED BY:			
VAT Receivable			2,005.00
Floating IB Current Account			72,274.14
VAT Payable			(100.00)
			<u>74,179.14</u>

Simclar Seating Technologies Limited (In Administration) Estimated Outcome Statement as at 26 June 2013			
	To Date £000	Future £000	Estimated Final £000
ASSETS SUBJECT TO FLOATING CHARGE			
Trade debtors	76	-	76
Plant & Equipment	9	-	9
Other Realisations	1	2	3
<i>Gross floating charge realisations</i>	86	2	88
COST OF REALISATIONS			
Administrators fees and expenses	(10)	-	(10)
Legal expenses	(2)	(4)	(6)
Other expenses	(2)	(1)	(3)
Gross Realisations	(14)	(5)	(19)
Net property available for PP distribution	72	(3)	69
Prescribed part of net property	-	(17)	(17)
Available to the Bank as floating charge holder	72	(20)	52
Distribution to Floating charge holder	-	52	52

Simclar International Limited
(In Administration)

Time costs for the period 27/06/2011 to 26/06/2013

Appendix 4

	Partners & Directors		Managers		Assistants & Support		TOTAL		Average Hourly Rate Cost/£
	Hours	Cost/£	Hours	Cost/£	Hours	Cost/£	Hours	Cost/£	
Administration and Planning									
Cashiering and Statutory Filing	0.60	488.50	73.00	31,222.25	48.60	12,294.00	120.20	44,004.75	366.10
Case Supervision, Management and Closure	10.50	6,180.00	91.50	34,656.50	95.70	19,458.00	197.70	60,294.50	304.96
Initial Actions (e.g. Notification of Appointment, Securing Assets)	1.00	834.75	53.00	23,305.00	22.50	1,125.00	76.50	25,264.75	330.26
General Reporting	18.00	11,700.00	80.20	30,908.00	66.50	13,292.50	164.70	55,900.50	339.41
Liaison with Other Insolvency Practitioners	-	-	-	-	-	-	-	-	-
	30.10	19,203.25	297.70	120,091.75	231.30	46,169.50	559.10	185,464.50	331.72
Investigations									
Investigations	10.00	6,600.00	-	-	7.50	1,500.00	17.50	8,100.00	462.86
Reports on Directors' Conduct	4.00	2,760.00	36.30	14,015.00	-	-	40.30	16,775.00	418.25
	14.00	9,360.00	36.30	14,015.00	7.50	1,500.00	57.80	24,875.00	430.36
Trading									
Day 1 Control of Trading	-	-	8.50	2,465.00	4.00	760.00	12.50	3,225.00	258.00
Ongoing Trading	7.50	4,200.00	511.00	184,670.00	64.10	12,182.00	582.60	201,052.00	345.09
Monitoring Trading	20.00	13,200.00	154.50	59,205.00	-	-	174.50	72,405.00	414.93
Closure of Trade	-	-	6.00	2,244.00	0.50	100.00	6.50	2,344.00	360.62
	27.50	17,400.00	680.00	248,584.00	68.60	13,042.00	776.10	279,026.00	359.52
Realisation of Assets									
Book Debts	-	-	35.00	14,510.00	-	-	35.00	14,510.00	414.57
Other Assets (e.g. Stock)	36.00	21,260.00	117.10	45,787.00	3.00	572.50	156.10	67,639.50	427.83
Plant and Equipment, Fixtures and Fittings and Vehicles	-	-	7.10	2,516.50	-	-	7.10	2,516.50	354.44
Property - Freehold and Leasehold	10.00	6,600.00	116.50	49,385.50	273.50	55,130.00	400.00	111,115.50	277.79
Retention of Title	-	-	39.90	12,693.00	250.50	47,595.00	290.40	60,288.00	207.60
Sale of Business / Assets	72.00	47,820.00	87.70	37,015.50	4.50	855.00	164.20	65,690.50	521.87
Third Party Assets	-	-	50.50	22,920.00	-	-	50.50	22,920.00	453.88
	120.00	75,700.00	453.80	184,827.50	531.50	104,152.50	1,105.30	384,680.00	328.94
Creditors									
Employees	-	-	7.80	2,664.00	153.50	29,989.50	161.30	32,653.50	202.44
Preferential	-	-	4.70	1,916.00	8.70	1,754.50	13.40	3,670.50	273.92
Secured	-	-	95.00	38,764.50	-	-	95.00	38,764.50	408.05
Shareholders	-	-	-	-	-	-	-	-	-
Unsecured	1.00	690.00	39.50	14,557.00	98.40	19,035.50	138.90	33,282.50	239.61
	1.00	690.00	147.00	57,901.50	260.60	49,779.50	408.60	106,371.00	265.23
Other Matters Include:									
Litigation	-	-	1.00	390.00	-	-	1.00	390.00	390.00
Pensions	-	-	2.40	908.00	-	-	2.40	908.00	378.33
Tax and VAT	-	-	16.60	6,615.00	15.50	3,132.50	32.10	9,747.50	303.66
	-	-	20.00	7,913.00	15.50	3,132.50	35.50	11,045.50	311.14
TOTAL HOURS & COST	192.60	122,353.25	1,634.80	633,332.75	1,115.00	217,776.00	2,942.40	973,462.00	330.84

TOTAL FEES DRAWN TO DATE

435,000.00

Simlar Seating Technologies Limited
(In Administration)

Time costs for the period 27/06/2011 to 26/06/2013

Appendix 4

	Partners' Director		Manager		Assistant & Support		TOTAL		Average Hourly Rate Cost/£
	Hours	Cost/£	Hours	Cost/£	Hours	Cost/£	Hours	Cost/£	
Administration and Planning									
Castling and Statutory Filing	-	-	8.10	3,265.75	4.40	1,245.50	12.50	4,511.25	360.90
Case Supervision, Management and Closure	1.00	660.00	13.40	5,281.50	3.70	881.00	18.10	6,822.50	376.93
Initial Actions (e.g. Notification of Appointment, Securing Assets)	-	-	-	-	-	-	-	-	-
General Reporting	-	-	2.60	1,001.00	-	-	2.60	1,001.00	385.00
Liaison with Other Insolvency Practitioners	-	-	-	-	-	-	-	-	-
	1.00	660.00	24.10	9,548.25	8.10	2,126.50	33.20	12,334.75	371.53
Investigations									
Investigations	-	-	-	-	-	-	-	-	-
Reports on Directors' Conduct	-	-	1.50	555.00	-	-	1.50	555.00	370.00
	-	-	1.50	555.00	-	-	1.50	555.00	370.00
Trading									
Day 1 Control of Trading	-	-	-	-	-	-	-	-	-
Ongoing Trading	-	-	-	-	-	-	-	-	-
Monitoring Trading	-	-	-	-	-	-	-	-	-
Closure of Trade	-	-	-	-	-	-	-	-	-
Realisation of Assets									
Book Debts	-	-	4.50	1,785.00	-	-	4.50	1,785.00	396.67
Other Assets (e.g. Stock)	-	-	2.10	807.00	-	-	2.10	807.00	384.29
Plant and Equipment, Fixtures and Fittings and Vehicles	-	-	0.60	222.00	-	-	0.60	222.00	370.00
Property - Freehold and Leasehold	-	-	-	-	-	-	-	-	-
Retention of Title	-	-	-	-	-	-	-	-	-
Sale of Business / Assets	-	-	4.20	1,738.00	-	-	4.20	1,738.00	413.81
Third Party Assets	-	-	-	-	-	-	-	-	-
	-	-	11.40	4,552.00	-	-	11.40	4,552.00	399.30
Creditors									
Employees	-	-	0.10	45.00	-	-	0.10	45.00	450.00
Preferential	-	-	-	-	-	-	-	-	-
Secured	-	-	1.40	518.00	-	-	1.40	518.00	370.00
Shareholders	-	-	-	-	-	-	-	-	-
Unsecured	-	-	10.30	4,036.00	4.00	807.00	14.30	4,843.00	338.67
	-	-	11.80	4,599.00	4.00	807.00	15.80	5,406.00	342.15
Other Matters Include:									
Litigation	-	-	-	-	-	-	-	-	-
Pensions	-	-	-	-	-	-	-	-	-
Tax and VAT	-	-	3.50	1,400.00	-	-	3.50	1,400.00	400.00
	-	-	3.50	1,400.00	-	-	3.50	1,400.00	400.00
TOTAL HOURS & COST	1.00	660.00	52.30	20,654.25	12.10	2,933.50	65.40	24,247.75	370.76

TOTAL FEES DRAWN TO DATE

10,000.00