

AM03 (Scot)

Notice of administrator's proposals



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number S C 2 2 6 4 0 1

Company name in full Advanced Tool Manufacture Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) James

Surname Stephen

3 Administrator's address

Building name/number 4 Atlantic Quay

Street 70 York Street

Post town Glasgow

County/Region

Postcode G 2 8 J X

Country

4 Administrator's name ①

Full forename(s) Kerry

Surname Bailey

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 3 Hardman Street

Street Spinningfields

Post town Manchester

County/Region


Postcode M 3 3 A T

Country

② Other administrator

Use this section to tell us about
another administrator.

AM03 (Scot)
Notice of Administrator's Proposals

6		Statement of proposals							
		<input checked="" type="checkbox"/>	I attach a copy of the statement of proposals						
7		Sign and date							
Administrator's Signature		Signature ✕  ✕							
Signature date		^d 2	^d 3	^m 1	^m 2	^y 2	^y 0	^y 2	^y 1

AM03 (Scot)

Notice of Administrator's Proposals



Presenter information

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

Contact name	James Stephen				
Company name	BDO LLP				
Address	5 Temple Square				
	Temple Street				
Post town	Liverpool				
County/Region					
Postcode	L	2		5	R H
Country					
DX					
Telephone	+44 (0) 1512 374 500				



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed and dated the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



Advanced Tool Manufacture Limited - In Administration ('the Company')

Statement to Creditors pursuant to Rule 3.35 of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018 ('the Rules') and Statement of Proposals under Paragraph 49 of Schedule B1 of the Insolvency Act 1986

James Stephen of BDO LLP, 4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX and Kerry Bailey of BDO LLP, 3 Hardman Street, Spinningfields, Manchester, M3 3AT, were appointed Joint Administrators on 04 November 2021. 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 Stephen is authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England and Wales. Office holder number 9273; and Kerry Bailey is authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England and Wales. Office holder number 8780.

The Joint Administrators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>.

The Joint Administrators are Data Controllers as defined by the General Data Protection Regulations. Personal data will be kept secure and processed only for matters relating to the Administration of Advanced Tool Manufacture Limited. Please see the privacy statement at <https://www.bdo.co.uk/en-gb/legal-privacy/privacy-notice>.

This report has been prepared by the Joint Administrators solely to comply with their statutory duty under the Insolvency Act and Scottish Rules 2018. This report is not suitable to be relied upon by any other person, or for any other purpose or in any other context including any decision in relation to the debt of or any financial interest in the Company. Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency Act and Scottish Rules 2018 does so at their own risk. Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for individual creditors.

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- I. Notice of Arranging a Decision Procedure by Correspondence
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- K. Statement of Claim Form

Advanced Tool Manufacture Limited - In Administration

Registered No: SC226401

Registered office situated at BDO LLP, 4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX (previously at Advanced Tool Manufacture Ltd, Hurlawcrook Road, East Kilbride, Glasgow, G75 0ZZ)

Trading Address: Hurlawcrook Road, East Kilbride, Glasgow, G75 0ZZ

In the Court of Session

1 Introduction

- 1.1 This report is addressed to the creditors of Advanced Tool Manufacture Limited ("the Company") and incorporates the Joint Administrators' proposals. The proposals are to be considered by the creditors via a deemed consent procedure (see Appendix H). We additionally attach a notice of decision procedure by correspondence to allow creditors to consider whether a creditors' committee should be formed, and resolutions regarding the Joint Administrators' remuneration (Appendix I).
- 1.2 In order to object to the Joint Administrators' proposals, a creditor must deliver to us, at the registered address, no later than 10 January 2022, a written notice that the creditor objects to the resolution. Additional information about the deemed consent procedure for approval of the proposals is contained in Appendix H, Notice of Deemed Consent.
- 1.3 Creditors may approve the Joint Administrators' proposals with or without modifications, subject to the Joint Administrators' agreement to any such modifications. If the creditors reject the Joint Administrators' proposals, a report will be sent to the Court of Session confirming that the creditors have rejected the Joint Administrators' proposals. The Court may then discharge the Administration and make consequential directions. Alternatively it may adjourn the hearing or make some other Order as it thinks fit.
- 1.4 If the Joint Administrators' proposals are approved by the creditors, the Joint Administrators will continue to control the business of the Company to the extent that it has not ceased or been transferred. We would at some later date arrange for the Company to exit from the Administration, as agreed by the creditors. Based on the information presently available and the current situation, our proposal is that the Company will be dissolved once all matters in the Administration have been finalised.
- 1.5 The management of this case is being undertaken in our Glasgow office. Should you wish to discuss the proposals the contact details are as follows:

Office Address: BDO LLP, 4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX**Case Manager:** David Reid
Email: BRCMTNorthandScotland@bdo.co.uk
Telephone: 0141 249 8422

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- 1.6 We are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this appointment. A copy of the code is at <http://www.icaew.com/en/members/regulations-standards-and-guidance/ethics/code-of-ethics-d>.
- 1.7 Creditors may access information setting out creditors' rights in respect of the approval of the Joint Administrators' remuneration at <https://www.r3.org.uk/what-we-do/publications/professional/fees>.
- 2 Events leading up to the Appointment of the Joint Administrators**
- 2.1 The company was incorporated on 18 December 2001. The Company operated from a head office in East Kilbride, Glasgow and operated in the design and manufacture of tools and metal forming machinery supplying parts largely for automotive production lines. Key customers included Jaguar Land Rover, sold via an intermediary, Sertec.
- 2.2 The Company is jointly and equally owned by the two directors, Brian John McCrory and Andrew Brown.
- 2.3 Whilst the Company traded profitably in the past, its operations were impacted by continual delays in orders for electric vehicles primarily as a result of the worldwide semiconductor shortage. Covid exacerbated these order delays leading to a rapidly diminishing order book.
- 2.4 The Company managed to continue trading throughout the challenging Covid period, with the support of the Bank of Scotland ("the Bank") and completed existing projects by mid September 2021 when tools were shipped to customers.
- 2.5 Staff were placed on furlough for the remainder of September 2021, however, when the funding scheme ended the Company supported October wage payments to the end of the month.
- 2.6 Although the Directors believed that new enquiries and significant orders for work may commence towards the latter part of the year no new contracts had materialised. The directors took advice from independent advisors to look into various funding options, and arranged a sale and lease back of the property at Hurlawcrook Road, East Kilbride, Glasgow, G75 0ZZ. The sale was to Industrial Maintenance & Property Services Limited registered at Calderdale Business Park. A sub lease was entered into between Caldervale Machine Tool Engineers Limited and the Company dated 19 October 2021.
- 2.7 From the sale proceeds the Company repaid the secured Bank debt in respect of both the property and EFG loans. It was the intention to establish if the remaining funds would be sufficient to restructure the business, and to complete ongoing orders which had been paid for in advance.
- 2.8 Following notification of a further delay in orders, the directors considered it would be inappropriate to expend the funds in continued trading, with no certainty of visibility.
- 2.9 On 4 November 2021, James Stephen and Kerry Bailey, both of BDO LLP, were appointed Joint Administrators. The appointment was made by the directors of the Company, Hurlawcrook Road, East Kilbride, Glasgow, G75 0ZZ, in terms of Paragraph 22 of Schedule B1 of the Insolvency Act 1986.

- 2.10 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.
- 2.11 Prior to our appointment we had no professional dealings or prior relationship with Advanced Tool Manufacture Limited, however we did undertake an insolvency option review, and advised the Company regarding its Administration, and the timing thereof.
- 2.12 At Appendix A is a record of the names of the Company's director and Company secretary together with details of their shareholdings.
- 2.13 At Appendix B to this report is a summary of our Receipts and Payments Account, the contents of which we consider to be self-explanatory.
- 2.14 We engaged the services of GMG Asset Valuation Limited ("GMG") who carried out a pre appointment inventory of all assets, both owned and those subject to finance. They were appointed to carry out a valuation (both in situ and ex situ) of all assets, and to market assets as a whole for sale by Private Treaty. This being considered better in order to keep assets in situ in order that a business may recommence on site in future, failure of which will see a possible move to an individual auction sale.
- 2.15 GMG costs are a commission of 15% of sale value plus VAT, plus estimated costs of advertising and site clearance of £2,000 plus VAT and c£800 plus VAT respectively.
- 2.16 The Joint Administrators also engaged the services of Orbis to secure the site and access to the building and to carry out routine security inspections. Their costs are a set fee per inspection visit or matter they attend too.

3 Statement of Affairs and Statutory Information

- 3.1 In accordance with paragraph 47 of Schedule B1 of the Insolvency Act 1986, we served notice in the prescribed form requiring the Directors to provide a statement of affairs of the Company by 19 November 2021. Mr Brian McCrory has recently submitted his statement of affairs, and a statement of concurrence has been requested from Mr Andrew Brown.
- 3.2 Accordingly, we have included an extract of the Directors' Statement of Affairs of the Company, in accordance with Rule 3.35(1)(h) of the Rules and have attached this at Appendix C. The names and addresses of creditors have been attached to the estimate of the financial position. The Joint Administrators have not included the employees and consumer creditors' names and addresses in accordance with Rule 3.32(2) of the Rules. Employee claims will be dealt with by the Insolvency Service.
- 3.3 Please note that creditors' claims may differ from that shown on the Statement of Affairs and we would invite creditors to notify us of their claim using the statement of claim form attached to the proposals. In particular, if you have either recovered goods or received payment for the usage of goods used in the Administration trading period under retention of title, please submit an updated statement of claim accordingly. The Statement of Affairs does not account for the cost and expense of the Administration.

4 Creditors' Claims

Standard Securities

- 4.1 The Standard Security (Fixed Security) registered against the Company's assets are detailed in Appendix A. It is the Joint Administrators' understanding that this was satisfied following the sale of the property pre appointment, and that the Bank of Scotland Plc ('the Bank') has no outstanding debt due.

Preferential Creditors

- 4.2 The employee claims are currently being processed by the Insolvency Service. We estimate the preferential liability of unpaid wages and holiday pay to be £83,390. Further to this, HM Revenue & Customs are a preferential creditor, to whom the Company owes c£196.5k in respect of PAYE/ NIC and c£355.4k VAT.

Floating Charge Creditor

- 4.3 The Floating Charge registered against the Company is detailed in Appendix A. It is the Joint Administrators' understanding that this was satisfied following the sale of the property pre appointment, and that the Bank has no outstanding debt due.

Ordinary Creditors

- 4.4 The ordinary creditors' claims notified to us to date total approximately £194,463. Further claims are anticipated. We would ask any creditors who have a claim to provide a detailed account of the sum owing to them as at the date of Administration, together with details of any security held, on the Statement of Claim form attached to the Decision Notice issue with the proposals.

5 Prescribed Part

- 5.1 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 Bank of Scotland Plc was repaid under their fixed charge security and consequently there will be no prescribed part in this Administration.
- 5.2 Based on current information, no dividend will be available to unsecured ordinary creditors.

6 Achieving the purpose of the Administration

- 6.1 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). We would comment that this has not been possible due to the level of Company debt, and because the business did not have sufficient orders to allow a sale period against the given staffing and overhead costs.
 - (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). We are currently pursuing this objective. We may move on to the final objective of the Administration depending on realisations.
 - (c) The final objective is realising property in order to make a distribution to one or more secured or preferential creditors. We have not moved to this objective but may do so depending on realisations during the course of the Administration.

7 Management of the Company's affairs since the Joint Administrators appointmentInitial Actions

- 7.1 We have complied with all statutory requirements under the Insolvency Act 1986. Statutory information has been placed on file and we have notified all known creditors of our appointment.
- 7.2 We made 28 redundancies on 4 November 2021 which includes the two Directors. Letters advising of the appointment were sent to all 28 employees of the business. One employee has been contracted on a consultancy basis to assist the Joint Administrators with various administrative tasks including the compiling and sending of P45s to all employees.
- 7.3 We arranged for open cover insurance to be put in place and are liaising with the insurers to ensure that adequate insurance cover is in place.
- 7.4 A bordereau return has been submitted and Form AD01 has been lodged with Companies House to change the registered office of the Company to be that of the Joint Administrators' office.
- 7.5 We placed a notice in the Edinburgh Gazette of the appointment, in accordance with the provisions of the Rule 3.27(1) of the Rules 2018.
- 7.6 We have liaised with the appropriate parties in relation to returning third party assets, notably ROT stocks, and arranged for a day on site for uplift of goods.

- 7.7 We are liaising with valuation agents, GMG, in relation to a Private Treaty sale and have passed all enquiries regarding the assets to GMG. A date for offers has been set for 7 January 2022.
- 7.8 We appointed Harper Macleod LLP, Solicitors, Glasgow as legal agents to assist in the Administration. Their fees are based on a time cost basis.
- 7.9 Other agents have been appointed as noted in section 2 above.

Rescue of the Company

- 7.10 A rescue of the Company as a going concern was not possible given the level of liabilities and inability to service debt.

Trading during the Administration

- 7.11 No trading in Administration has taken place as there was no work in progress or debtors to allow a profitable cashflow.

SIP2 Investigations

- 7.12 We have a duty to investigate the affairs of the Company to establish if there are any actions that can be pursued for the benefit of the creditors as a whole, and also a duty to report on the conduct of the directors. In this latter respect, the Joint Administrators must submit a confidential report to the Secretary of State regarding the conduct of all directors and shadow directors during the three years before the Administration, within three months of appointment.
- 7.13 If creditors wish to bring to our attention any matters that merit investigation, they should contact the Joint Administrators c/o BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH quoting reference 00406994. If creditors wish to bring any matter to our attention please do so on the creditor's questionnaire attached to the proposals.
- 7.14 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.

Sale of Business

- 7.15 As mentioned above, it is the Joint Administrators' intention to market assets as a whole for sale by Private Treaty. Should this not be possible, we will instruct a move to an option sale
- 7.16 One of the former directors has indicated he may have an interest in the assets of the Company. No offer has been received at this time, however, should we receive one then the appropriate SIP 16 & SIP 13 disclosure will be made as required.

8 Other Matters

Creditors' Committee

- 8.1 Creditors may wish to establish a creditors' committee. A committee must comprise between three and five committee members. A guide to creditors' committees is available at <https://www.r3.org.uk/what-we-do/publications/professional/creditors-guides>. This provides guidance to allow creditors to know what the purpose of a committee is and be able to assess whether the creditor would like to be a committee member. An additional resolution is included in this respect, after the main proposals in section 14.

Insolvency Ethics & Complaints

- 8.2 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.

- 8.3 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.

9 EC Regulations on Insolvency Proceedings

- 9.1 We are required under the Rules 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.

10 Joint Administrators' Remuneration

- 10.1 Kindly note that under the terms of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018 ('the Rules') we are obliged to fix our remuneration in accordance with Rule 3.97. 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 work reasonably undertaken in attending to matters

arising in the Administration. The latter basis is normally by reference to the time spent attending to matters in the Administration. In respect of this case we will seek remuneration by reference to our time costs.

- 10.2 If no Creditors' Committee is formed, as there has not been a declaration in terms of Para 52(1)(b) of Sch B1 of the Insolvency Act, it will be for Creditors to determine the Administrators remuneration by means of a decision process in terms of Rule 3.96(a).
- 10.3 Attached at appendix D is a schedule that summarises the time that has been spent in administering this Administration from 4 November 2021 to 15 December 2021. This shows a total of 179.65 hours at an average charge out rate of £253.29, totalling £45,503.50. A resolution is included in the Proposals to determine an Interim Fee for the first accounting period of £45,503.50 and Category 2 outlays of £21.49, based on the time spent to 15 December 2021.
- 10.4 For your guidance the Joint Administrators attach at Appendices E & F a Creditors' Guide to Administrator's Remuneration Scotland and a document that outlines the policy of BDO LLP in respect of remuneration and expenses.

11 Pre Appointment Time & Expenses

- 11.1 Certain costs were incurred in preparing and planning for the Administration. The creditors may under Rule 3.52 of the Rules approve those costs to be paid from the Administration estate, as an expense of the Administration. These costs do not form part of our proposals, but are subject to a separate resolution. Allowable costs fall into the following categories:
- (i) the fees charged by the Joint Administrators;
 - (ii) the expenses incurred by the Joint Administrators;
 - (iii) the fees charged (to the Joint Administrators' knowledge) by any other person qualified to act as an insolvency practitioner.
 - (iv) the expenses incurred (to the Joint administrators' knowledge) by any other person qualified to act as an insolvency practitioner.
- 11.2 Under Rule 3.36(e) of the Rules, the table below summarises the outstanding costs for which approval is sought and also, where relevant, records payments received.

	Costs Incurred (£)	Payments Received (£)	Costs Outstanding (£)
(i)	8,750.60		8,750.60
(ii)	5,987.00		5,987.00
(iii)	nil		nil
(iv)	nil		nil
TOTAL	14,737.60		14,737.60

- 11.3 We now explain in more detail the facts behind the above. In respect of the fees and expenses incurred by the Joint Administrators prior to the Administration appointment, no formal engagement was entered into with the Company, however it is reasonable that our fees be based on time costs incurred.

(i) The fees charged by the Joint Administrators

- 11.4 As previously advised BDO were engaged prior to the Administration to conduct a limited scope review, set out the options available to the Company and consider the contingency planning steps that could be taken. The engagement in respect of this work was made with the director Brian McCrory. We also assisted with placing the Company into Administration and started preparation for the appointment by collating information we would need on day one of the appointment.
- 11.5 Our time costs to complete this work total £8,750.60. To date no sum has been paid by the Company in this regard which leaves outstanding pre-appointment fees of £8,750.60 to be paid. We have proposed to cap these costs at £5,000 plus VAT.

(ii) The expenses incurred by the Joint Administrators

- 11.6 In preparation for the Administration the following disbursements and expenses have been incurred by the Joint Administrators.
- 11.7 It was necessary to engage legal advisers to undertake a security review and prepare the appointment documentation. In this regard Harper Macleod LLP was appointed and was asked to undertake this work. In respect of the pre-appointment work carried out, it is estimated that costs in the sum of £5,987 have been incurred, and is proposed that these be paid in full upon receipt of detailed time costs information. An invoice has been received

recently for £7,800 plus VAT and disbursements £319 which also includes post appointment time for carrying out a review on the validity of the appointment, and a review of the License to Occupy.

- 11.8 The Joint Administrators' disbursements are reimbursement of precise costs we have had to meet. The expenses in respect of other professional fees are reasonable and have been necessary in preparation for the Administration. No payments have been received in respect of the pre-appointment expenses incurred by the Joint Administrators.

(iii) the fees charged (to the Joint Administrators' knowledge) by any other person qualified to act as an insolvency practitioner (and, if more than one, by each separately)

(iv) the expenses charged (to the Joint Administrators' knowledge) by any other person qualified to act as an insolvency practitioner (and, if more than one, by each separately)

- 11.9 The Joint Administrators are not aware of any other person qualified to act as an insolvency practitioner having acted in relation to the Company immediately preceding the appointment of the Joint Administrators.

- 11.10 At the end of our formal proposals below, we include resolutions in respect of these pre-administration costs. In the absence of a requisitioned meeting the secured creditor(s) or, if preferential creditors will receive a distribution, the creditors will be responsible for approval of the pre-administration costs.

12 Possible outcomes for the Company and Creditors

- 12.1 The Insolvency Act 1986 and Insolvency (Scotland) Rules 2018 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.

- 12.2 It is our recommendation and proposal, as detailed below, that once all assets have been realised and distributed in the Administration that we arrange for the Company to be dissolved.

13 Joint Administrators Discharge

- 13.1 As we have not made a statement under paragraph 52(1)(b) we will seek our discharge from liability in respect of any action during the Administration from creditors in terms of paragraph 98(2)(b) of Schedule B1 of the Insolvency Act 1986. This is normally requested by a decision process towards the conclusion of the Administration.

14 Statement of proposals under Paragraph 49 of Schedule B1 of the Insolvency Act 1986**Formal Proposals - the Joint Administrators propose that:**

- (a) they continue to manage the Company's business and realise assets in accordance with objective (b), the second objective of the statutory purpose of the Administration.
- (b) 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.
- (c) they exit the Administration by way of dissolving the Company under Paragraph 84 of Schedule B1 of the Insolvency Act 1986.

Other Resolutions to Be Considered by a Qualifying Decision Process

- (d) A creditors' committee be established if sufficient creditors are willing to be members (such committee must comprise of between 3 and 5 creditors).

In the absence of a creditors' committee:

- (e) That the Joint Administrators' remuneration be approved on a time cost basis.
- (f) That the Joint Administrators' category 2 Disbursements be approved on the basis of the mileage scale approved by HMRC, being 45p per mile unless otherwise disclosed to creditors.
- (g) That the Joint Administrators' interim fee and category 2 outlays request from the date of appointment on 4 November 2021 to 15 December 2021 be determined at £45,503.50 (Excluding VAT) and £21.49 (excluding VAT) respectively.
- (h) That the unpaid Pre Appointment Costs of £5,000 and outlays of £nil, as detailed in the proposals, be authorised as an expense of the Administration.

- 14.1 Resolutions (a), (b) and (c) (Formal Proposals, above) will be dealt with using the deemed consent procedure. Unless 10% in value of the creditors of the Company object by the decision date, the resolutions will be deemed to have been made on the decision date. Creditors, including those claiming a small debt (£1,000 or less), who wish to object must send us a statement of claim with written notice of their objection. Creditors who

have a small debt of £1,000 or less must send us a statement of claim in order to object, even though they may receive dividends without sending a statement of claim. Further information regarding the deemed consent procedure is set out in Appendix H, Notice of Deemed Consent.

- 14.2 Resolutions (d) to (h) will be dealt with using the decision by correspondence procedure. The decision date for the resolutions (d) to (h) is **10 January 2022**. Please return the Decision by Correspondence resolution form attached before close of business on the decision date. If you have not already done so, you will need to send me a statement of claim for your postal resolutions to be included in the decision. Creditors with a 'small debt' of £1,000 or less must send a statement of claim for their postal resolution to count, even though they may receive dividends without sending a statement of claim. The relevant Notice of the Creditors Decision by Correspondence, a Decision by Correspondence resolution form and a Statement of Claim have been enclosed with the proposals.

You may also request that a physical meeting be held to consider the Deemed Consent and/or Decision by Correspondence. If, by no later than eight business days after delivery of this notice, either (i) 10% or more in value of Creditors, (ii) 10% or more in number of Creditors or (iii) 10 or more Creditors who are entitled to vote in a decision procedure request a physical meeting in writing and provide a proof of debt form (unless previously submitted), the deemed consent procedure will terminate and a physical meeting convened.

Dated: 23 December 2021



James Stephen
Joint Administrator

Appendix A - Statutory Information

Advanced Tool Manufacture Limited - In Administration

Company Number:	SC226401	
Date of Incorporation:	18 December 2001	
Address of Registered Office:	Currently: BDO LLP, 4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX Previously: Advanced Tool Manufacture Ltd, Hurlawcrook Road, East Kilbride, Glasgow, G75 0ZZ	
Directors:	Andrew Brown Brian John McCrory	
Company Secretary:	Andrew Brown Brian John McCrory	
Nominal Share Capital:	Shares @ £1	
Registered Shareholder	15,000 - Ord Shares - Brian John McCrory 15,000 - Ord Shares - Andrew Brown	
Date of Administration appointment:	4 November 2021	
Administrators' names and addresses:	James Stephen of BDO LLP, 4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX	Kerry Bailey of BDO LLP, 3 Hardman Street, Spinningfields, Manchester, M3 3AT
Securities:	Floating Charge Creditor The Bank of Scotland Plc - created 2.10.2013, registered 17.10.13, over all property or undertakings of the Company This charge was satisfied pre appointment further to the property sale, however it has still to be removed from Companies House. Standard Security The Bank of Scotland PLC - created 8.10.2013, registered 15.10.2013, over all and whole plot of ground as LAN198842. This charge was satisfied pre appointment further to the property sale, however it has also still to be removed from Companies House.	

Appointer's / applicant names and address:	the directors of the Company, Hurlawcrook Road, East Kilbride, Glasgow, G75 0ZZ				
Objective being pursued by the 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)				
Division of the 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:	We anticipate a small dividend on unsecured claims of £478,403				
Estimated values of the prescribed part and the Company's net property:	<table> <tr> <td>Net Property</td><td>Nil</td></tr> <tr> <td>Prescribed Part</td><td>Nil</td></tr> </table>	Net Property	Nil	Prescribed Part	Nil
Net Property	Nil				
Prescribed Part	Nil				

	Filed Accounts 31/03/20	Filed Accounts 31/03/19
Extract of Last Available Accounts	£	£
Tangible Assets	3,047,353	3,229,511
Debtors	86,536	446,901
Stock	1,049,921	638,307
Cash at Bank	Nil	nil
Creditors < 1yr	(1,286,519)	(1,260,534)
Creditors > 1yr	(1,138,831)	(1,259,900)
Provisions and accruals	(146,105)	(166,057)
Total Assets Less Liabilities	1,612,355	1,628,228
Called up share Capital	30,000	30,000
Profit & Loss Account	1,582,355	1,598,228
Revaluation Reserve	nil	nil
	1,612,355	1,628,228

Appendix B - Joint Administrators' Receipts & Payments -

**Advanced Tool Manufacture Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £	From 04/11/2021 To 15/12/2021 £	From 04/11/2021 To 15/12/2021 £
HP ASSETS		
455,000.00 Plant & Machinery	Nil	Nil
(280,925.00) Haydock	Nil	Nil
136,000.00 Plant & Machinery	Nil	Nil
(147,755.00) Lombard	Nil	Nil
	Nil	Nil
ASSET REALISATIONS		
87,789.00 Cash at Bank	Nil	Nil
1,810.00 Furniture & Equipment	Nil	Nil
41,750.00 Motor Vehicles	12,000.00	12,000.00
177,740.00 Plant & Machinery	Nil	Nil
	12,000.00	12,000.00
COST OF REALISATIONS		
Agents' Fees - ERA	1,295.00	1,295.00
Agents' Fees - GML Valuers	1,300.00	1,300.00
	(2,595.00)	(2,595.00)
PREFERENTIAL CREDITORS		
(5,500.00) Pension Schemes	Nil	Nil
(59,490.00) Preferential E.P.A.	Nil	Nil
(3,400.00) Preferential H.M. Pay	Nil	Nil
(196,536.00) Preferential H.M.C. / P.A.E	Nil	Nil
(355,454.00) Preferential H.A.T.	Nil	Nil
(15,000.00) Preferential Wages	Nil	Nil
	Nil	Nil
UNSECURED CREDITORS		
(90,000.00) Director Loans	Nil	Nil
(46,750.00) HP Unsecured Claims	Nil	Nil
(478,404.00) Trade & Expense Creditors	Nil	Nil
(270,000.00) Unsecured E.P.A.	Nil	Nil
(5,000.00) Unsecured Employees	Nil	Nil
	Nil	Nil
DISTRIBUTIONS		
30,000.00 Ordinary Shareholders	Nil	Nil
	Nil	Nil
(1,024,125.00)	9,405.00	9,405.00
REPRESENTED BY:		
Floating Current Account		8,886.00
Input VAT		519.00
		9,405.00

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

Appendix C - Directors' Statement of Affairs

STATEMENT as to the affairs of the company on the 04 November 2021

Please do not write on this margin.
Please complete legibly, preferably in block type, or hand block lettering.

	Estimated Realisable Values £
ASSETS	
Assets not specifically secured (as per List "A")	369 K
Assets specifically secured (as per List "B")	
Estimated realisable value	591 K
Less: Amount due to secured creditors	(429 K)
Estimated Surplus	162 K
Estimated Total Assets available for preferential creditors, holders of floating charges and unsecured creditors	471 K
LIABILITIES	
Preferential creditors (as per List "C")	(653 K)
Estimated balance of assets available for holders of floating charges and unsecured creditors	(182 K)
Estimated prescribed part of net property where applicable (to carry forward)	
Holders of floating charges (as per List "D")	0%
Estimated surplus/deficiency as regards holders of floating charges	
Estimated prescribed part of net property where applicable (brought down)	
Unsecured Creditors	
Trade accounts (as per List "E")	478 K
Consumer and Employee (as per List "F")	293 K
Bills payable (as per List "G")	
Contingent or other liabilities (as per List "H")	237 K
Estimated deficiency after floating charge where applicable (brought down)	
Total unsecured creditors	1,008,000 (1,011,000)
Estimated surplus/deficiency as regards creditors	1,199,000
Issued and Called-up Capital	30,000
Estimated Surplus/Deficiency as regards members	1,169,000

These figures must be read subject to the following:-

*delete, as appropriate

*[a] There is no unpaid capital liable to be called up.

*[b] The amount of estimated unpaid capital liable to be called up is estimated to produce £ which is/ is not charged in favour of the holder of the floating charge(s).

The estimates are subject to the expenses of the administration and to any surplus or deficiency outstanding pending realisation of the Assets.



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Joint Administrators' Proposals for Advanced Tool Manufacture Limited - In Administration

Please do not write in this margin

Please complete legibly, preferably in black type, or bold black lettering

Statement of affairs LIST 'A'
Assets not specifically secured

Particulars of assets	Book value £	Estimated to produce £
Balance at bank	51,759	57,789
Cash in hand	N/A	
Marketable securities (as per Schedule I)	N/A	
Bills receivable (as per Schedule II)	N/A	
Trade debtors (as per Schedule III)	N/A	
Loans and advances (as per Schedule IV)	N/A	
Unpaid calls (as per Schedule V)		
Stock in trade	N/A	
Work in progress	N/A	
Heritable property	N/A	
Leasehold property	N/A	
Plant, machinery and vehicles	495,600	219,490
Furniture and fittings, etc.	11,358	1,810
Patents, trade marks, etc.		
Investments other than marketable securities		
Other property		
Total	594,747	309,089

Signed

Date

08/12/21

Lot B
**EQUIPMENT SCHEDULE
NUMBERED H12052168**
**Haydock
Finance**

Between Owner: Haydock Finance Ltd, whose registered office is at Challenge House,
Challenge Way, Greenbank Business Park, Blackburn, BB1 5QB. Company Registration
Number 01526882

and Hirer: Advanced Tool Manufacture Ltd, whose registered office is at Hurlawcrook Road,
East Kilbride, Glasgow, G75 0ZZ. Company Registration Number SC226401

ASSET DESCRIPTION	REG NO	CHASSIS / SERIAL NO	YOM / DOR
SMTCP 400 AF T5 Coil Feeder	N/A	601028	2001
Doosan DNM 500 CNC Mill	N/A	DNM5000258	2010
Dugard ECO 1000 VMC CNC Mill	N/A	1213321402	2012
Dugard 1350E VMC Faruc O/MD Control CNC Mill	N/A	PV14130077	2014
Agie Charmilles Cut 400 Wire EDM Wire Machine	N/A	5910640010035	2012
Agie Charmilles Robofil 640cc Wire Machine	N/A	941024	2007
Daewoo Minix 540 CNC Vertical Machine c/w 41 Axis	N/A	AVSE2250	2006
Dugard 1350E VMC CNC Mill	N/A	PV14140086	2014
Benelli PMT 1000 Tonne Press	N/A	1208	1987

CONFIRMED BY HIRER (FULL NAME)	SIGNATURE
BRIAN MCCREY	<i>B. McCrey</i>
POSITION	DATE
MANAGING DIRECTOR	20.10.2020



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Joint Administrators' Proposals for Advanced Tool Manufacture Limited - In Administration

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Nature of claim	Total amount of claim	Amount ranking as preferential	Balance not preferential carried to List 16
Arrears of Pay	£37,391.29		
Holiday Pay	£58,595.76		
VAT	£355.8		
PFYE	£262.8		
Total	£652,966		

Signed *[Signature]*

Date *22/07/21* *12/07/21*

Note: Any employee addresses will be redacted prior to lodging the Statement of Affairs at Companies House

Notes to the Estimated Financial Statement

1. The Directors have prepared the attached Statement of Affairs.
2. The Statement of Affairs takes no account of the cost and expense of the Administration process.
3. The Directors 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 (excluding employees and consumer creditors) are attached below. The Joint Administrators anticipate that further creditor claims to be intimated.



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Joint Administrators' Proposals for Advanced Tool Manufacture Limited - In Administration

BDO LLP
Advanced Tool Manufacture Limited
Company Registered Number: SC226401
B - Company Creditors

Key	Name	Address	£
CA00	UTS LTD T/A ABT MACHINE TOOLS	LINDEN HOUSE, 9 LINDEN PLACE, GLASGOW, G13 1EF	6,720.14
CA01	AILSA MACHINERY LTD	9 COLVILLES PLACE, KELVIN INDUSTRIAL ESTATE, EAST KILBRIDE, SOUTH LANARKSHIRE, G75 0PZ	8,730.00
CA02	AQUAID	Unit 7, Block 6, Fullwood Industrial Estate, Burnbank Road, Hamilton, ML3 9AZ	20.40
CA03	AUTOFORM ENGINEERING B.V.	INDUSTRIEWEG 2, KANTORENFLAT STORMPOLDER, NL-2921 LB KRIMPEN AN DEN USSEL, THE NETHERLANDS	6,599.75
CA04	AW PRECISION LTD	COSFORD LANE, RUGBY, WARWICKSHIRE, CV21 1QN	12,272.68
CA05	AALBERTS SURFACE TECHNOLOGIES	BLACKBURN PLANT, WHITEBIRK IND ESTATE, BLACKBURN, BB1 5RE	3,948.29
CB00	BAS LUBRICANTS LTD	ALLANDER HOUSE, 11 HENRIETTA STREET, GALSTON, KA4 8HN	2,469.42
CB01	BERGER TOOLS LTD	B1-B2 CHAUCER BUSINESS PARK, WATERY LANE, KEMSING, KENT, TN15 6QY	20,890.59
CB02	BIFFA	CORONATION ROAD, CRESSEX, HIGH WYCOMBE, BUCKS, HP12 3TZ	159.98
CC00	CALDERVALE MACHINE TOOL ENGINEERS	UNIT 1A,CALDERVALE BUSINESS PARK, DUNROBIN ROAD, AIRDRIE, NORTH LANARKSHIRE, ML6 8LS	450.96
CC01	COASTAL ABRASIVE TECHNOLOGIES	TONDERGHIE, 19 PRESTBURY AVENUE, CRAMLINGTON, NORTHUMBERLAND, NE23 3TZ	1,161.60
CD00	DL INDUSTRIAL SUPPLIES LTD	UNIT 9, PEEL PARK PLACE, COLLEGE MILTON, EAST KILBRIDE, G74 5LW	350.22
CD01	DVLA	Swansea, SA99 1ZZ	264.66
CE00	ENGINEERING SUPPLY CO (SCOT) LTD	BLOCK 3, UNIT 5, THORNIEBANK INDUSTRIAL ESTATE, GLASGOW, G46 8TU	10,001.77
CF00	FREDERICK FOLLOWS		831.60
CG00	GALAXY	UNIT 2/3, 1 REDWOOD CRESCENT, EAST KILBRIDE, G74 5PA	2,412.00
CG01	GF MACHINING SOLUTIONS LTD	NORTH VIEW, COVENTRY, CV2 2SJ	26,973.58
CG02	GRINDING CENTRE LTD	8 ERSKINE SQUARE, HILLINGTON PARK, GLASGOW, G52 4BJ	1,427.45
CH01	HANDLEY STEEL	31 SCHOOL LANE, SHARES HILL, WOLVERHAMPTON, WV10 7LE	18,602.80
CH02	HMRC VAT	HM Revenue and Customs, BX9 1WR, United Kingdom	355,453.70
CH03	HMRC PAYE	Benton Park View, Newcastle Upon Tyne, NE98 1ZZ, United Kingdom	202,597.52
CJ00	J & L INDUSTRIAL SUPPLY (MSC)	7 PACIFIC AVENUE, WEDNESBURY, WEST MIDLANDS, WS10 7WP	1,322.33
CK00	KALLER	UNIT 4, GROSVENOR BUSINESS CENTRE, VALE PARK, WR11 1GS	5,438.78
CK01	KELVIN SMITH & CO	34 STANLEY STREET, KINNING PARK, GLASGOW, G41 1JB	4,577.26
CL00	LEYTON	HARMSWORTH HOUSE, 13-15 BOUVERIE STREET, LONDON, EC4Y 8DP	27,505.07
CM00	MAYD4U	3 ALBION WAY, EAST KILBRIDE, G75 0YN	211.88

Signature _____



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Joint Administrators' Proposals for Advanced Tool Manufacture Limited - In Administration

BDO LLP
Advanced Tool Manufacture Limited
Company Registered Number: SC226401
B - Company Creditors

Key	Name	Address	£
CM01	METROL SPRINGS LTD	5 CLAYFIELD CLOSE, MOULTON BUSINESS PARK, NORTHAMPTON, NN3 6QF	6,403.43
CM02	MISC PURCHASES		578.40
CM03	MISUMI EUROPE GmbH	KATHARINA-PAULUS-STR. 6, 65824 SCHWALBACH, GERMANY	4,638.53
CN00	NON STANDARD SOCKET SCREW LTD	360 FARM STREET, HOCKLEY, BIRMINGHAM, B19 2TZ	2,295.37
CN01	NPOWER	PO Box 177, Houghton-Le-Spring, DH4 9AQ	49,771.20
CO00	O2 (UK) LIMITED	260 BATH ROAD, SLOUGH, BERKSHIRE, SL1 4DX	89.78
CP00	PRESTIGE FABRICATIONS	20-22 CARRON PLACE, EAST KILBRIDE, SOUTH LANARKSHIRE, G75 0YL	1,895.59
CRPT	RANDALLS (PROFILES) LTD	CRANFORD STREET, SMETHWICK, WEST MIDLANDS, B66 2SB, B66 2SB	76,866.15
CRPU	RENOVO SOLUTIONS	UNIT 11A, TANFIELD NORTH IND EST, STANLEY, DURHAM, SH9 9UU	22,160.84
CRPV	RUSSELL DUCTILE CASTINGS	DAWES LANE, SCUNTHORPE, DN15 6UW	3,613.20
CS00	SIG INDUSTRIAL INDUSTRIAL GAS SUPPLIES	SEATH ROAD, RUTHERGLEN INDUSTRIAL ESTATE, GLASGOW, G73 1RW	97.30
CS01	SOUTH LANARKSHIRE COUNCIL	1 LEECHLEE ROAD, HAMILTON, ML3 0XB	132,046.85
CS02	STEEL EXPRESS	UNIT 19, HOLLIES INDUSTRIAL ESTATE, GRAISELEY ROW, WOLVERHAMPTON, WV2 4HE	9,236.40
CS03	SURTEC	UNIT 25, ENTERPRISE CITY, GREEN LANE IND EST, SPENNYMOOR, DURHAM, DL16 6JF	2,478.00
CT00	TMS MOTOR SPARES LTD	UNIT 10, WILSON PLACE, EAST KILBRIDE, G74 4QD	44.86
CT01	TNT UK LTD	PO BOX 4, RAMSBOTTOM, BURY, LANCs, BL0 9AR	15.97
CT02	TOOLMAKER SUPPLIES LIMITED	UNIT 1, BRITANNIA BUSINESS CENTRE, BRITANNIA WAY, MALVERN, WR14 1GZ	2,737.60
CT03	TV LICENSING		90.65
44 Entries Totalling			1,036,454.55

Signature _____

Appendix D - Summary of Joint Administrators' Time Costs for Period 4 November 2021 to 15 December 2021

Activity	Partner	Director	Senior Manager	Manager	Senior Executive	Executive	Total hours	Time Costs £	Av. Rate £/h
Steps on appointment			4.05	22.30	7.10	0.60	34.05	7,330.30	215.28
Planning and strategy	0.85	1.30		9.25			11.40	3,083.20	270.46
Statutory reporting and decisions			1.50	6.80	3.25		11.55	2,219.00	192.12
General / administration	7.00	1.80	0.10	15.05	2.70		26.65	7,630.35	286.32
Assets	11.00	2.40		36.30			49.70	15,349.70	308.85
Investigations				8.05			8.05	1,649.75	204.94
Employees and pensions		0.60	0.40	9.20			10.20	2,499.20	245.02
Creditors				23.95	2.25		26.20	5,355.65	204.41
Post appointment taxation				1.85			1.85	386.35	208.84
Total	18.85	6.10	6.05	132.75	15.30	0.60	179.65	45,503.50	253.29
Total Time Costs £	9,661.65	2,598.60	1,718.20	29,582.25	1,897.20	45.60		45,503.50	253.29

The table below summarises the cumulative expenses incurred.

Description	£
Category 1	
Statutory Advertising	88.00
Category 2	
Mileage	21.49
Total	109.49

Mileage was for one return trip to the site at Hurlawcrook Road, East Kilbride: 49.6 miles at a rate of 0.45p per mile being the applied rate for a driver and passenger.

A creditor's guide to office holder remuneration can be accessed via: <https://www.icas.com/technical-resources/creditor-guides-to-office-holder-remuneration>

Appendix E - A Creditors' Guide to Administrators' Remuneration (Scotland)

This guide applies to all appointments on or after 6 April 2006.

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 intromissions 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



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Joint Administrators' Proposals for Advanced Tool Manufacture Limited - In Administration

Appendix F - BDO LLP Remuneration and Expenses 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 - Scotland	£
Partner	508-609
Director	340-426
Senior Manager	284-355
Manager	156/195-259
Senior Executive	124/156-181
Executive	76-95

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.

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

Time spent on casework is recorded directly to the relevant case 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

Under each of the above categories the work is recorded in greater detail in sub categories. Please note that the 10 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.

Expenses

Expenses including disbursements (costs incurred in the case which have been paid by the firm and are recharged to the estate) can be divided into two categories.

a) Category 1 Expenses

These are expenses relating directly to the estate incurred by an independent third party. In addition to professional fees and expenses, such expenses may include items such as bonding, advertising, insurance, external printing and postage costs, couriers, travel (by public transport), company and land registry searches, fees in respect of swearing legal documents and storage of the Company's records.

For cost effectiveness, ERA work is sub-contracted to ERA Solutions Limited who are experienced specialists in this area.

Creditor approval is not required to pay category 1 expenses.

a) Category 2 Expenses

These are expenses relating directly to the estate which have been incurred by an associated party or which have an element of shared costs.

We propose to recover from the estate the cost of travel where staff use either their own vehicles or company cars in travelling connected with the Company. In these cases a charge of 45p per mile is raised which is in line with the HM Revenue & Customs Approved Mileage Rates (median - less than 10,000 miles per annum) which is the amount the firm pays to staff.

Creditor approval is required to pay category 2 expenses from the estate.

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

Appendix G - Creditor's 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 H

The Insolvency Act 1986 - Notice of Deemed Consent Procedure

Pursuant to Rules 5.7 and 5.8 of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018 ('the Rules')

To approve the Joint Administrators' proposals dated 23 December 2021.

Name of Company Advanced Tool Manufacture Limited	Company number SC226401
In the Court of Session Parliament House, Parliament Square, Edinburgh, EH1 1RQ	Court case number [unknown]

The Joint Administrators are James Stephen (Officeholder No: 9273) of BDO LLP, 4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX and Kerry Bailey (Officeholder No: 8780) of BDO LLP, 3 Hardman Street, Spinningfields, Manchester, M3 3AT, who were appointed on 4 November 2021. The Joint Administrator, James Stephen, may also be contacted Rebecca Thompson, by emailing BRCMTNorthandScotland@bdo.co.uk.

NOTICE IS GIVEN, pursuant to Paragraph 51 of Schedule B1 to the Insolvency Act 1986 that the administrator's proposals will be dealt with by deemed consent by the Decision date: **10 January 2022**

The Joint Administrators' proposals are that:

- (a) They continue to manage the Company's business and realise assets in accordance with objective (b), the second objective of the statutory purpose of the Administration.
- (b) 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.
- (c) They exit the Administration by way of dissolving the Company under Paragraph 84 of Schedule B1 of the Insolvency Act 1986.

For the avoidance of doubt: Other resolutions within the Joint Administrators report accompanying the proposals will be approved by a decision procedure by correspondence.

In order to object to the administrator's proposals a creditor must deliver to me at the address below, by no later than **10 January 2022**, a written notice stating that the creditor objects to the proposals. The objection must be accompanied by a proof of debt (form attached) otherwise the creditor's objection will be disregarded. A creditor with a 'small debt' £1,000 or less must still submit a proof of debt if submitting a notice of objection. The threshold is 10% in value of the creditors who are entitled to vote.

It is the convenor's responsibility to aggregate the objections to see if the threshold is met. If the threshold is met the deemed consent procedure will terminate. It will then be necessary for the convenor to arrange for a meeting of creditors to decide on the resolutions put to creditors. If less than 10% in value of creditors object, the creditors are treated as having approved the decisions, above.

Appeals against decisions (Rule 5.32): Creditors may appeal to the court in respect of the convenor's decision. Any appeal must be made within 21 days of the Decision date stated above.

Date of Decision Notice: 23 December 2021

A handwritten signature in black ink, appearing to read 'J. Stephen', written in a cursive style.

James Stephen
Joint Administrator and Convenor of the decision process

Objections to the administrator's proposals, together with a proof of debt must be forwarded to James Stephen, c/o BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH, by no later than **10 January 2022**. Alternatively, they may be emailed to BRCMTNorthandScotland@bdo.co.uk.

Extract of Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018 that are Relevant to A Deemed Decision Process

Deemed consent

[Note: the deemed consent procedure cannot be used to make a decision on remuneration of any person, or where the Act, these Rules, any other legislation or a court order requires a decision to be made by a decision procedure.]

- 5.7** (1) This rule makes further provision about the deemed consent procedure to that set out in section 246ZF.
(2) A notice seeking deemed consent must, in addition to the requirements of section 246ZF, comply with the requirements of rule 5.8 so far as applicable and must also contain—
 (a) a statement that in order to object to the proposed decision a creditor must have delivered a notice, stating that the creditor so objects, to the convener not later than the decision date together with a statement of claim and documentary evidence of debt in accordance with these Rules, failing which the objection will be disregarded;
 (b) a statement that it is the convener's responsibility to aggregate any objections to see if the threshold is met for the decision to be taken as not having been made; and
 (c) a statement that if the threshold is met the deemed consent procedure will terminate without a decision being made and if a decision is sought again on the same matter it will be sought by a decision procedure.
(3) In this rule, the threshold is met where the appropriate number of relevant creditors (as defined in section 246ZF(7)) have objected to the proposed decision.
(4) For the purpose of aggregating objections, the convener may presume the value of relevant creditors' claims to be the value of claims by those creditors who, in the convener's view, would have been entitled to vote had the decision been sought by a decision procedure in accordance with this Part, even where those creditors had not already met the criteria for such entitlement to vote.
(5) Rules 5.28, 5.29 and 5.30 apply to the admission or rejection of a claim for the purpose of the convener deciding whether or not an objection should count towards the total aggregated objections.
(6) A decision of the convener on the aggregation of objections under this rule is subject to appeal under rule 5.32 as if it were a decision under Chapter 7 of this Part.

S246ZF of the Insolvency Act 1986

- (1) The deemed consent procedure may be used instead of a qualifying decision procedure where a company's creditors or contributories are to make a decision about any matter, unless—
 (a) a decision about the matter is required by virtue of this Act, the rules, or any other legislation to be made by a qualifying decision procedure, or
 (b) the court orders that a decision about the matter is to be made by a qualifying decision procedure.
(2) If the rules provide for a company's creditors or contributories to make a decision about the remuneration of any person, they must provide that the decision is to be made by a qualifying decision procedure.
(3) The deemed consent procedure is that the relevant creditors (other than opted-out creditors) or (as the case may be) the relevant contributories are given notice of—
 (a) the matter about which they are to make a decision,
 (b) the decision that the person giving the notice proposes should be made (the "proposed decision"),
 (c) the effect of subsections (4) and (5), and
 (d) the procedure for objecting to the proposed decision.
(4) If less than the appropriate number of relevant creditors or (as the case may be) relevant contributories object to the proposed decision in accordance with the procedure set out in the notice, the creditors or (as the case may be) the contributories are to be treated as having made the proposed decision.
(5) Otherwise—
 (a) the creditors or (as the case may be) the contributories are to be treated as not having made a decision about the matter in question, and
 (b) if a decision about that matter is again sought from the creditors or (as the case may be) the contributories, it must be sought using a qualifying decision procedure.
(6) For the purposes of subsection (4) the "appropriate number" of relevant creditors or relevant contributories is 10% in value of those creditors or contributories.
(7) "Relevant creditors" means the creditors who, if the decision were to be made by a qualifying decision procedure, would be entitled to vote in the procedure.

(8) "Relevant contributories" means the contributories who, if the decision were to be made by a qualifying decision procedure, would be entitled to vote in the procedure.

(9) In this section references to creditors include creditors of a particular class.

(10) The rules may make further provision about the deemed consent procedure.

Appendix I

The Insolvency Act 1986 - Notice of Convening a Creditors Decision Procedure by Correspondence

Pursuant to Rule 5.8 Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018

To consider qualifying resolutions contained in the Joint Administrators' proposals dated 23 December 2021.

Name of Company Advanced Tool Manufacture Limited (In	Company number SC226401
In the Court of Session Parliament House, Parliament Square, Edinburgh, EH1 1RQ	Court case number [unknown]

The Joint Administrators are James Stephen (Officeholder No: 9273) of BDO LLP, 4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX and Kerry Bailey (Officeholder No: 8780) of BDO LLP, 3 Hardman Street, Spinningfields, Manchester, M3 3AT, who were appointed on 4 November 2021. The Joint Administrator, James Stephen, may also be contacted via Rebecca Thompson, by emailing BRCMTNorthandScotland@bdo.co.uk.

NOTICE that the Creditors of the above named Company are invited to make decisions as to whether to approve or reject the resolutions below:

- (d) A creditors' committee be established if sufficient creditors are willing to be members (such committee must comprise of between 3 and 5 creditors).

In the absence of a creditors' committee:

- (e) That the Joint Administrators' remuneration be approved on a time cost basis.
- (f) That the Joint Administrators' category 2 Disbursements be approved on the basis of the mileage scale approved by HMRC, being 45p per mile unless otherwise disclosed to creditors.
- (g) That the Joint Administrators' interim fee and category 2 outlays request from the date of appointment on 4 November 2021 to 15 December 2021 be determined at £45,503.50 (Excluding VAT) and £21.49(excluding VAT) respectively.
- (h) That the unpaid Pre Appointment Costs of £5,000 and outlays of £nil, as detailed in the proposals, be authorised as an expense of the Administration

Decision Procedure: The Creditors are invited to indicate by correspondence whether they approve or reject the resolutions. A Decision by Correspondence form is attached for recording your vote along with a statement of claim. The completed form, together with details of your claim, if not already provided, must be sent to the Joint Administrator whose details are below and on the attached form. Your response must be delivered to Joint Administrator before the Decision date below otherwise it cannot be counted.

Decision Date: 10 January 2022

Creditors may within five business days of this notice require a physical meeting to be held to consider the matter. This is explained overleaf.

Any response may be sent by correspondence, using the attached form. To be valid your response must be received by the Joint Administrator by no later than the Decision detailed above.

Date of Decision Notice: 23 December 2021



James Stephen
Joint Administrator and Convenor of the decision process

Summary of Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018 that are Relevant to the Decision Process by Correspondence

Certain Rules apply to decision procedures. The full text of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018 relevant to this decision process is attached but the key effects of the Rules are summarised below:

Creditor Voting rights (R.5.26): Every creditor who has this notice is entitled to vote in respect of the debt due to the creditor. Where there is a physical meeting the creditor must submit a proxy form (not relevant at this stage). Creditors, including creditors whose debt is treated as a ‘small debt’ (£1,000 or less) must still deliver a statement of claim and documentary evidence of debt if they wish to vote.

Calculation of creditors voting rights (R.5.28): In respect of this Administration creditors’ claims will be calculated as at the date the company entered Administration being: 04 November 2021. Claims that have an uncertain value will be subject to £1, or a higher value if the chairman allows.

Requisite majority of creditors for making a decision (R.5.31): An Administration decision is approved if a majority of creditors, by value vote, in favour by the Decision date.

Appeals against decisions (R.5.32): Decisions of the Joint Administrators in convening the Decision Procedure and dealing with voting is subject to appeal to the court by a creditor. Any appeal must be made within 21 days of the Decision date.

Physical Meeting: If creditors want to consider the resolutions at a physical meeting they must notify in writing the Joint Administrator, whose details are above, within five business days of delivery of this notice. A meeting will be convened if sufficient creditors notify the Administrators within the timeframe. Section 246ZE of the insolvency Act sets the “minimum number” of creditors for requisitioning a meeting at any of the following:

- (a) 10% in value of the creditors or contributories;
- (b) 10% in number of the creditors or contributories;
- (c) 10 creditors or contributories.

Extract of Section 246ZE of the Insolvency Act 1986

- (1) This section applies where, for the purposes of this Group of Parts, a person ("P") seeks a decision about any matter from a company's creditors or contributories.
- (2) The decision may be made by any qualifying decision procedure P thinks fit, except that it may not be made by a creditors' meeting or (as the case may be) a contributories' meeting unless subsection (3) applies.
- (3) This subsection applies if at least the minimum number of creditors or (as the case may be) contributories make a request to P in writing that the decision be made by a creditors' meeting or (as the case may be) a contributories' meeting.
- (4) If subsection (3) applies P must summon a creditors' meeting or (as the case may be) a contributories' meeting.
- (5) Subsection (2) is subject to any provision of this Act, the rules or any other legislation, or any order of the court—
 - (a) requiring a decision to be made, or prohibiting a decision from being made, by a particular qualifying decision procedure (other than a creditors' meeting or a contributories' meeting);
 - (b) permitting or requiring a decision to be made by a creditors' meeting or a contributories' meeting.
- (6) Section 246ZF provides that in certain cases the deemed consent procedure may be used instead of a qualifying decision procedure.
- (7) For the purposes of subsection (3) the **"minimum number"** of creditors or contributories is any of the following—
 - (a) 10% in value of the creditors or contributories;**
 - (b) 10% in number of the creditors or contributories;**
 - (c) 10 creditors or contributories.**
- (8) The references in subsection (7) to creditors are to creditors of any class, even where a decision is sought only from creditors of a particular class.
- (9) In this section references to a meeting are to a meeting where the creditors or (as the case may be) contributories are invited to be present together at the same place (whether or not it is possible to attend the meeting without being present at that place).
- (10) Except as provided by subsection (8), references in this section to creditors include creditors of a particular class.
- (11) In this Group of Parts "qualifying decision procedure" means a procedure prescribed or authorised under paragraph 8A of Schedule 8.

Extract of Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018 that are Relevant to Decision Process by Correspondence

Voting in a decision procedure

- 5.9. (1) In order to be counted in a decision procedure other than where votes are cast at a meeting, votes must—
- (a) be received by the convener on or before the decision date; and
 - (b) in the case of a vote cast by a creditor—
 - (i) in a CVA, be accompanied by written notification of the creditor's debt unless such a notification has already been given to the convener;
 - (ii) in an administration, be accompanied by a statement of claim and documentary evidence of debt (where the requirement to provide the latter is not dispensed with under rule 5.26(2)) unless already given to the convener.
- (2) In an administration, a vote must be disregarded if—
- (a) a statement of claim and, where required, documentary evidence of debt are not received by the convener on or before the decision date or, in the case of a meeting, at or before the meeting (unless under rule 5.24 the chair is content to accept them before resumption of the adjourned meeting); or
 - (b) the convener decides, in the application of Chapter 7 of this Part, that the creditor is not entitled to cast the vote.
- (3) The convener must have received at least one valid vote on or before the decision date in order for a decision to be made.

Non-receipt of notice of decision

- 5.15. Where a decision is sought by a notice in accordance with the Act or these Rules, the decision procedure or deemed consent procedure is presumed to have been duly initiated and conducted, even if not everyone to whom the notice is to be delivered has received it.

Decisions on remuneration and conduct

- 5.16. (1) This rule applies in relation to a decision or resolution which is proposed in an administration, and which affects a person in relation to that person's remuneration or conduct as administrator (actual, proposed or former).
- (2) The following may not vote on such a decision or resolution whether as a creditor, proxy-holder or corporate representative, except so far as permitted by rule 6.7 (proxy-holder with financial interest)—
- (a) that person;
 - (b) the partners and employees of that person;
 - (c) the officers and employees of the company of which that person is a director, officer or employee; and
 - (d) the representative of any person mentioned in sub-paragraphs (a) to (c).

Requisitions of decision

[Note: this rule is concerned with requests by creditors for a decision, rather than requests for decisions to be made by way of a physical meeting under section 246ZE(3).]

- 5.17. (1) In this Chapter, "requisitioned decision" means a decision requested to be sought under paragraph 52(2) or 56(1) of Schedule B1.
- (2) A request for a decision to be sought under paragraph 52(2) of Schedule B1 must be delivered within eight business days of the date on which the administrator's statement of proposals is delivered.
- (3) The request for a requisitioned decision must include a statement of the purpose of the proposed decision and either—
- (a) a copy of the requesting creditor's statement of claim, together with—
 - (i) a list of the creditors concurring with the request and of the amounts of their respective claims, and
 - (ii) confirmation of concurrence from each creditor concurring; or
 - (b) a copy of the requesting creditor's statement of claim and a statement that that alone is sufficient without the concurrence of other creditors.

Expenses and timing of requisitioned decision

- 5.18. (1) The convener must, not later than 14 days from receipt of a request for a requisitioned decision, provide the requesting creditor with itemised details of the sum to be deposited as caution for payment of the expenses of such procedure.
- (2) The convener is not obliged to initiate the decision procedure or deemed consent procedure (where applicable) until either—

- (a) the convener has received the required sum; or
 - (b) the period of 14 days has expired without the convener having informed the requesting creditor of the sum required to be deposited as caution.
- (3) A requisitioned decision must be made within 28 days of the date on which the earlier of the events specified in paragraph (2) of this rule occurs.
- (4) The expenses of a requisitioned decision must be paid out of the deposit (if any) unless the creditors decide that they are to be payable as an expense of the administration.
- (5) The notice of a requisitioned decision of creditors must contain a statement that the creditors may make a decision as in paragraph (4) of this rule.
- (6) Where the creditors do not so decide, the expenses must be paid by the requesting creditor to the extent that the deposit (if any) is not sufficient.
- (7) To the extent that the deposit (if any) is not required for payment of the expenses, it must be repaid to the requesting creditor.

Creditors' voting rights

- 5.26.** (1) In an administration, a creditor is entitled to vote in a decision procedure or to object to a decision proposed using the deemed consent procedure only if—
- (a) the creditor has delivered to the convener a statement of claim and documentary evidence of debt, including any calculation for the purposes of rule 5.28 or 5.29;
 - (b) the statement of claim and documentary evidence of debt were received by the convener not later than the decision date, or in the case of a meeting, at or before the meeting; and
 - (c) the statement of claim and documentary evidence of debt has been admitted for the purposes of entitlement to vote.
- (2) The convener or chair may dispense with the requirement to produce documentary evidence of debt in paragraph (1)(a).
- (3) In the case of a meeting, a proxy-holder is not entitled to vote on behalf of a creditor unless the convener or chair has received the proxy intended to be used on behalf of that creditor.
- (4) In a decision relating to a proposed CVA every creditor, secured or unsecured, who has notice of the decision procedure is entitled to vote in respect of that creditor's debt.
- (5) Where a decision is sought in an administration under rule 3.52(3)(b), rule 3.96(5) or rule 3.96(6), creditors are entitled to participate to the extent stated in those rules.

Claim made in proceedings in other member States

- 5.27.**—(1) Where, in an administration,—
- (a) a creditor is entitled to vote under rule 5.26 (as determined, where that is the case, in accordance with rule 5.32);
 - (b) that creditor has made the claim in other proceedings;
 - (c) that creditor votes on a resolution in a decision procedure; and
 - (d) a member State liquidator casts a vote in respect of the same claim,
- only the creditor's vote is to be counted.
- (2) Where, in an administration,—
- (a) a creditor has made a claim in more than one set of other proceedings; and
 - (b) more than one member State liquidator seeks to vote in respect of that claim,
- the entitlement to vote in respect of that claim is exercisable by the member State liquidator in the main proceedings, whether or not the creditor has made the claim in the main proceedings.
- (3) In this rule, "other proceedings" mean main, secondary or territorial proceedings in another member State.

Calculation of voting rights

- 5.28.** (1) Votes are calculated according to the amount of each creditor's claim—
- (a) in an administration, as at the date on which the company entered administration, less—
 - (i) any payments that have been made to the creditor after that date in respect of the claim, and
 - (ii) any adjustment by way of set-off which has been made in accordance with that principle or would have been made if that principle were applied on the date on which the votes are counted;
 - (b) in a proposed CVA—
 - (i) at the date the company went into liquidation where the company is being wound up,
 - (ii) at the date the company entered administration (less any payments made to the creditor after that date in respect of the claim) where it is in administration,
 - (iii) at the beginning of the moratorium where a moratorium has been obtained (less any payments made to the creditor after that date in respect of the claim), or
 - (iv) where (i) to (iii) do not apply, at the decision date.
- (2) A creditor may vote in respect of a debt of an unliquidated or unascertained amount if the convener or chair decides to put upon it an estimated minimum value for the purpose of entitlement to vote and admits the claim for that purpose.

- (3) In relation to a proposed CVA, a debt of an unliquidated or unascertained amount is to be valued at £1 for the purposes of voting unless the convener or chair or an appointed person decides to put a higher value on it.
- (4) Where a debt is wholly secured its value for voting purposes is nil.
- (5) Where a debt is partly secured its value for voting purposes is the value of the unsecured part.
- (6) The value of the debt for voting purposes is its full value without deduction of the value of the security in the following cases—
 - (a) where the administrator has made a statement under paragraph 52(1)(b) of Schedule B1 and the administrator has been requested to seek a decision under paragraph 52(2) of that Schedule; and
 - (b) where, in a proposed CVA, there is a decision on whether to extend or further extend a moratorium or to bring a moratorium to an end before the end of the period of any extension.
- (7) No vote may be cast in respect of a claim more than once on any resolution put to the meeting and for this purpose (where relevant), the claim of a creditor and of any member State liquidator in relation to the same debt are a single claim.
- (8) A vote cast in a decision procedure which is not a meeting may not be changed.
- (9) Paragraph (7) does not prevent a creditor or member State liquidator from—
 - (a) voting in respect of less than the full value of an entitlement to vote; or
 - (b) casting a vote one way in respect of part of the value of an entitlement and another way in respect of some or all of the balance of that value.

Calculation of voting rights: hire-purchase agreements

- 5.29. (1) In an administration, a creditor under a hire-purchase agreement is entitled to vote in respect of the amount of the debt due and payable by the company on the date on which the company entered administration.
- (2) In calculating the amount of any debt for the purpose of paragraph (1), no account is to be taken of any amount attributable to the exercise of any right under the relevant agreement so far as the right has become exercisable solely by virtue of—
 - (a) the making of an administration application;
 - (b) a notice of intention to appoint an administrator or any matter arising as a consequence of the notice; or
 - (c) the company entering administration.

Procedure for admitting creditors' claims for voting

- 5.30. (1) The convener or chair in respect of a decision procedure must ascertain entitlement to vote and admit or reject claims accordingly.
- (2) The convener or chair may admit or reject a claim in whole or in part.
- (3) If the convener or chair is in any doubt whether a claim should be admitted or rejected, the convener or chair must mark it as objected to and allow votes to be cast in respect of it, subject to such votes being subsequently declared invalid if the objection to the claim is sustained.

Requisite majorities

- 5.31. (1) A decision is made by creditors when a majority (in value) of those voting have voted in favour of the proposed decision, except where this rule provides otherwise.
- (2) In the case of an administration, a decision is not made if those voting against it include more than half in value of the creditors to whom notice of the decision procedure was delivered who are not, to the best of the convener's or chair's belief, persons connected with the company.
- (3) Each of the following decisions in a proposed CVA is made when 75% or more (in value) of those responding vote in favour of it—
 - (a) a decision approving a proposal or a modification;
 - (b) a decision extending or further extending a moratorium; or
 - (c) a decision bringing a moratorium to an end before the end of the period of any extension.
- (4) In a proposed CVA a decision is not made if more than half of the total value of the unconnected creditors vote against it.
- (5) For the purposes of paragraph (4)—
 - (a) a creditor is unconnected unless the convener or chair decides that the creditor is connected with the company;
 - (b) in deciding whether a creditor is connected reliance may be placed on the information provided in the company's statement of affairs or otherwise in accordance with these Rules; and
 - (c) the total value of the unconnected creditors is the total value of those unconnected creditors whose claims have been admitted for voting.

Appeals against decisions under this Chapter

- 5.32. (1) A decision of the convener or chair under this Chapter is subject to appeal to the court by a creditor.
- (2) In a proposed CVA, an appeal to the court against a decision under this Chapter may also be made by a member of the company.

- (3) If the decision is reversed or varied, or votes are declared invalid, the court may order another decision procedure to be initiated or make such order as it thinks just but, in a CVA, the court may only make an order if it considers that the circumstances which led to the appeal give rise to unfair prejudice or material irregularity.
- (4) An appeal under this rule may not be made after the end of the period of 21 days beginning with the decision date.
- (5) However, the previous paragraph does not apply in a proposed CVA where an appeal may not be made after the end of the period of 28 days beginning with the day on which the first of the reports required by section 4(6) or paragraph 30(3) of Schedule A1 was lodged with the court.
- (6) The person who made the decision is not personally liable for costs incurred by any person in relation to an appeal under this rule unless the court makes an order to that effect.

Record of a decision

- 5.36. (1) Where a decision is sought using a decision procedure, the convener or chair must make a record of the decision procedure.
- (2) In the case of a meeting, the record must be in the form of a minute of the meeting.
- (3) The record must be authenticated by the convener or chair and must include—
 - (a) identification details for the insolvency proceedings;
 - (b) a list of the names of the creditors who participated in the decision procedure and their claims;
 - (c) where a decision is taken on the election of members of a creditors' committee, the names and addresses of those elected;
 - (d) a record of any change to the result of the resolution made under rule 5.35(6) and the reason for any such change; and
 - (e) in any case, a record of every decision made and how creditors voted.
- (4) Where a decision is sought using the deemed consent procedure, the convener must make a record of the procedure.
- (5) The record under paragraph (4) must be authenticated by the convener and must—
 - (a) identify the insolvency proceedings;
 - (b) state whether or not the decision was made; and
 - (c) contain a list of the creditors who objected to the decision and their claims.
- (6) A record made under this rule must also identify any decision procedure (or the deemed consent procedure) by which a decision had previously been sought.

Appendix J

The Insolvency Act 1986 -Creditors Decision Procedure by Correspondence

Pursuant to Rule 5.8 & 5.9 of Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018

To consider qualifying resolutions contained in the joint administrators' proposals dated 23 December 2021

Name of Company Advanced Tool Manufacture Limited (In	Company number SC226401
In the Court of Session Parliament House, Parliament Square, Edinburgh, EH1 1RQ	Court case number [unknown]

TO BE COMPLETED BY CREDITORS

RESOLUTIONS IN THE DECISION NOTICE DATED 23 December 2021

If the Joint Administrators' proposals are deemed approved:

(* Please indicate voting preference)

- (d) A creditors' committee be established if sufficient creditors are willing to be members (such committee must comprise of between 3 and 5 creditors).
A form of consent is attached should you wish to be represented on a Creditor's Committee.
- *Approved/Rejected**

In the event that a Creditors' Committee is not established to RESOLVE THAT

- (e) That the Joint Administrators' remuneration be approved on a time cost basis.
- *Approved/Rejected**
- (f) That the Joint Administrators' category 2 Disbursements be approved on the basis of the mileage scale approved by HMRC, being 45p per mile unless otherwise disclosed to creditors.
- *Approved/Rejected**
- (g) That the Joint Administrators' interim fee and category 2 outlays request from the date of appointment on 4 November 2021 to 15 December 2021 be determined at £45,503.50 (Excluding VAT) and £21.49 (excluding VAT) respectively.
- *Approved/Rejected**
- (h) That the unpaid Pre Appointment Costs of £5,000 and outlays of £nil, as detailed in the proposals, be authorised as an expense of the Administration
- *Approved/Rejected**

Name of Creditor: _____

Signature of Creditor: _____
(If signing on behalf of creditor, state capacity. E.g. directors/ solicitor)

NOTE:

This form must be accompanied by a proof of the amount due to the creditor unless a statement of claim form has already been delivered. Creditors whose debt is treated as a 'small debt' (£1,000 or less) must still deliver a proof for voting purposes otherwise their vote will be disregarded.

Should you wish to serve on a Creditor's Committee, you should also return the attached Consent Form evidencing your consent to serve on any Creditor's Committee that may be formed as result of this decision process.

This form must be returned to James Stephen c/o BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH, by no later than the Decision date **10 January 2022**.

Should any creditor's wish to request a decision, rather than request for decisions to be made by way of a physical meeting, you may intimate this in terms of Para 52(2) or 56(1) of Sch B1. (Rule 5.17 & 5.18 of the Rules apply) on the attached form **"Creditors request for a decision in respect of the Administration"**

The Joint Administrator, James Stephen, may also be contacted via, Rebecca Thompson, by emailing BRMNTNorthandScotland@bdo.co.uk

Advanced Tool Manufacture Limited-In Administration

Consent to act on Creditors' Committee

Pursuant to R3.74 & 3.75(2) of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018

I,, hereby consent to act as a member of the Creditors' Committee in respect of the Advanced Tool Manufacture Limited In Administration.

Dated: _____

Name of Creditor: _____

Address of Creditor: _____

Claim Amount: _____

Contact telephone number: _____

Signature of Creditor: (If creditor in person): _____

If creditor not in person:

** Delete whichever is not applicable*

I consent to act as a member of the Creditors' Committee having been authorised by the above mentioned creditor by *proxy/authority* *under Section 323 of the Companies Act 2006 (as amended)* issued on

_____.

Name of Representative: _____

Address of Representative: _____

Signature of Representative: _____

Representative's Telephone: _____

Contact email address: _____

Do you consent to delivery of correspondence by email? Yes / No

Internal Use Only

If a Creditor's Committee is Formed

1. Ensure IPS updated to reflect committee form and who appointed.
2. Ensure SIP 15 guidance issued to committee.
3. File this form with any proxy/statement of claim

This form may be posted to James Stephen c/o BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH
Alternatively, it may be emailed to BRCMTNorthandScotland@bdo.co.uk.

Appendix K

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 administrator 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) Advanced Tool Manufacture Limited

(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

Date for Claims: 04 November 2021

Signed _____
Creditor/person acting on behalf of creditor

Date _____

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>(a) the subjects covered and the date when it was given;</p> <p>(b) the value of the security</p> <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</p> <p>5. In calculating the total amount of his claim in a administration, a creditor shall deduct the value of any security as estimated by him unless he surrenders it (see note 4).</p> <p>6. In the case of a member state administrator creditor, specify and give details of underlying claims in respect of which he is claiming as creditor</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> <p>5. Total amount of debt</p> <p>6. Underlying claims</p> |
|---|---|

The statement of claim should be posted to James Stephen, c/o BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH. Alternatively, it may be emailed to BRCMTNorthandScotland@bdo.co.uk.