

The Insolvency Act 1986

Administrator's progress report

Name of Company
Save-A-Cup Recycling Company Limited

Company number
02644759

In the High Court of Justice, Chancery Division, Manchester
Registry
[full name of court]

Court case number
2570 of 2012

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

We Cameron Gunn Simon Harris and Mark Supperstone of ReSolve Partners LLP, One America
Square, Crosswall, London, EC3N 2LB

Joint Administrators of the above company attach a progress report for the period

from

to

26 April 2012

3 September 2012

(b) Insert dates

Signed


Joint Administrator

Dated 3 September 2012

Contact Details:

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

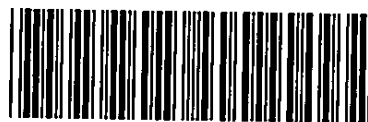
ReSolve Partners LLP

One America Square
Crosswall
London
EC3N 2LB

Tel 020 7702 9775

DX Number

DX Exchange



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Companies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff

THURSDAY

Save-A-Cup Recycling Company Limited

In Administration

**Joint Administrator's final progress report
For the period 26 April to 3 September 2012**

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1 INTRODUCTION

- 1 1 I refer to my appointment as Joint Administrator of Save-A-Cup Recycling Company Limited (the Company) on the 26 April 2012 by the directors pursuant to paragraph 12 of schedule B1 of the Insolvency Act 1986 (the Act) and write to provide you with my final progress report in respect of this Administration in accordance with rule 2.110 of the Insolvency Rules 1986 (the Rules)
- 1 2 The purpose of this report is to provide creditors with a final account of the progress of the Administration for the period 26 April to 3 September 2012
- 1 3 This report should be read in conjunction with my earlier report to creditors dated 12 June 2012

2 BACKGROUND

- 2 1 Statutory information on the Company is included at *Appendix I*
- 2 2 The purpose of the Administration was to achieve one of the following hierarchical objectives
- 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
- 2 3 Throughout the Administration, I focused my efforts on achieving objective (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 as a result of the sale of the customer work in progress and customer database
- 2 4 Objective (a) could not be achieved since the Company had no reasonable prospect of returning to profitability

3 ADMINISTRATORS' PROPOSALS

- 3 1 In accordance with rule 2.33 of the Rules the proposals were deemed approved on 22 June 2012, attached to this report at *Appendix II* is a copy of the proposals for the Company. I can confirm that during the course of the Administration there were no material amendments to, or deviations from, these proposals

4 ADMINISTRATORS' ACCOUNTS

- 4 1 Attached at *Appendix III* is the receipts and payments account for the period 26 April to 3 September 2012
- 4 2 Creditors should refer to my previous report in relation to receipts and payments in the previous period
- Work in progress**
- 4 3 As previously discussed the sale of the Company's work in progress to Casepak Limited achieved £788

Book debts

- 4 4 Book debts of £3,693 were received, of which £3,588 related to debts which were factored to the secured creditor and therefore were distributed under the fixed charge

Rates refund

- 4 5 A refund of £1,480 in respect of business rates in relation to the Company's former premises was received

5 OUTCOME FOR CREDITORS

5 1 *Distributions to secured creditor*

- 5 1 1 At the time of my appointment, the secured creditor was owed circa £50,000 As at 16 August 2012 £7,000 remained outstanding to the secured creditor

5 2 *Prescribed Part*

- 5 2 1 The Prescribed Part is not applicable in this instance since the secured creditor relied upon its fixed charge

5 3 *Distributions to preferential creditors*

- 5 3 1 There have been insufficient realisations to enable a distribution to be made to the preferential creditors

5 4 *Distributions to unsecured creditors*

- 5 4 1 There have been insufficient realisations to enable a distribution to be made to the unsecured creditors

6 INVESTIGATIONS

- 6 1 A final directors' conduct report was submitted to the Insolvency Practitioners Compliance Unit on 24 July 2012 This report is not on public record

7 REMUNERATION

- 7 1 In accordance with rule 2 106 of the Rules, it was proposed that the basis upon which my remuneration should be fixed post appointment be by reference to the time properly spent by me and my staff in attending to matters arising in the Administration I can confirm that the secured creditor approved the basis on which my fees are fixed by correspondence

- 7 2 The time costs of ReSolve Partners LLP are as analysed at **Appendix IV** My firm's time costs total £39,445 representing 160 hours at an average hourly rate of £247

- 7 3 To date, I have drawn fees of £3,420 The balance of my time costs totalling £36,025, along with any future costs, will be written off

- 7 4 My category one and category two disbursements total £284 and £416 respectively, which will all be written off

- 7 5 A Creditors' Guide to Administrators' Fees was circulated with my previous report, however should you require a further copy one can be made available on request or copies are also available at www.resolvegroupuk.com/administrators.pdf

8 END OF ADMINISTRATION

- 8 1 I have filed the enclosed form 2 35B 'notice of move from administration to dissolution' at Companies House. The Administration will end following the registration of the form at Companies House and the Company will be dissolved three months following this date.
- 8 2 In accordance with the proposals pursuant to rule 2 33 of the Rules, the Administrators' release from liability will take effect 14 days from the date of the registration of form 2 35B at Companies House.

9 FURTHER INFORMATION

- 9 1 Should you require any further queries in respect of this report or any other matter, please do not hesitate to contact Richard O'Hara of this office.

Yours faithfully
For and on behalf of
Save-A-Cup Recycling Company Limited



 Simon Harris
Joint Administrator

For enquiries regarding this correspondence please contact:

Contact name Richard O'Hara
Phone number 020 3326 6479
Email richard.o'hara@resolvegroupuk.com

The affairs, business and property of the Company are being managed by the administrator.
Partners and staff acting as administrators, administrative receivers or supervisors act as agents of the company over which they are appointed at all times, and without personal liability.
Cameron Gunn, Mark Supperstone and Simon Harris are licensed in the United Kingdom by the Institute of Chartered Accountants in England and Wales.
ReSolve Partners LLP is regulated by the Institute of Chartered Accountants in England and Wales for a range of investment business activities.

APPENDIX I

STATUTORY INFORMATION

Company name Save-A-Cup Recycling Company Limited

Company number 07316113

Date of incorporation 11 September 1991

Trading address Falcon Point Plaza
Heath Hayes
Cannock
Staffordshire
WS12 2DE

Registered office c/o ReSolve Partners LLP
One America Square
Crosswall
London
EC3N 2LB

Principal activity 3720 - Recycling non-metal waste & scrap

Appointment details

Date of appointment 26 April 2012

Appointment made by Floating charge holder

Court address High Court of Justice, Chancery Division, Manchester Registry

Court reference 2570 of 2012

Administrators appointed	Cameron Gunn	Insolvency Practitioner Number	9362
	Mark Supperstone	Insolvency Practitioner Number	9734
	Simon Harris	Insolvency Practitioner Number	11,372

Paragraph 100(2) statement Any act required or authorised under any enactment to be done by an administrator may be done by any or all of the Administrators acting jointly or alone

Directors

Current director Jonathan Walters

Shareholders

Name of Shareholder	Number of shares	Total value (£)	Shareholding %
Loop Recycling Ltd	145,000	145,000 00	100%
Total	<u>145,000</u>	<u>145,000 00</u>	<u>100%</u>

Charges

Charge Holder	Charge type	Date created	Date registered
Arden Commercial Finance	Fixed and floating	1 March 2012	6 March 2012

APPENDIX II

ADMINISTRATORS' PROPOSALS

Statement of Joint Administrators' proposals pursuant to paragraph 49 of schedule B1 of the Act

In accordance with paragraph 49 of schedule B1 of the Act and, Cameron Gunn, Simon Harris and Mark Supperstone, the Administrators of Save-A-Cup Recycling Company Limited, make the following proposals for achieving the purpose of the Administration

These proposals and the attached report to creditors together set out the information required by and to discharge the Administrators' duty pursuant to paragraph 49 of schedule B1 of the Act and rule 2.33 of the Rules

Proposals

The Administrators propose that

- (a) They continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration such that:
 - (i) they dispose of the Company's ownership of such assets at such time(s) on such terms as they consider expedient
 - (ii) they investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company which supplies or has supplied goods or services to the Company, and
 - (iii) in addition, they do all such things and generally exercise all their powers as Administrators as in their discretion they consider desirable or expedient in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these proposals
- (b) In the event that the Administrators are of the view that it is appropriate for the Company to move from administration into liquidation, whether compulsory or voluntary, the Administrators be authorised to take steps to place the Company into whichever liquidation process they deem appropriate. In either circumstance, it is proposed that the Administrators take the appointment as Liquidators of the Company. In relation to moving into creditors' voluntary liquidation, and in accordance with paragraph 83(7) of schedule B1 of the Act and rule 2.117(3) of the Rules, creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made within eight days of receipt of the Proposals.
- (c) If the Administrators consider that there will be no distribution to unsecured creditors (apart from the Prescribed Part, if any), and if they also consider that an exit from the Administration into compulsory liquidation is not appropriate, or the Administrators apply to court to seek consent to distribute to the unsecured creditors and following the distribution, then the Administrators be authorised to take the necessary procedural steps to bring about the end of the Administration and move the Company into dissolution pursuant to paragraph 84 of Schedule B1 to the Act.
- (d) The Administration shall continue (subject to the statutory provisions relating to automatic termination) until the realisable assets of the Company have been realised and all liabilities incurred during the Administration have been discharged or until such a time as deemed appropriate by the Administrators. At this stage the Company shall be dissolved or placed into liquidation as outlined above. If necessary, the Administrators will propose to seek an extension of their appointment as Administrators from the creditors and/or the Court pursuant to paragraph 76 of schedule B1 of the Act.
- (e) Upon the Company either proceeding into creditors voluntary liquidation or dissolution as set out above, the Administrators' discharge from liability, pursuant to paragraph 98 of schedule B1 of the Act shall take effect 14 days following either the Company entering into liquidation or filing the notice of moving from administration to dissolution.

- (f) The Administrators are at liberty to incur and pay such costs and expenses, including professional fees, as considered to be incidental to the achievement of the purpose of the Administration or for the purposes set out herein or to the Administrators' statutory duties. In addition, the Administrators are to be remunerated by reference to time properly spent both for their services as Administrators and also for their staff in attending to the matters arising in the Administration of the Company, charged at the charge out rates prevailing at the time the work is undertaken. Such remuneration to be drawn from time to time, subject to available funds.
- (g) ReSolve Partners LLP's costs and expenses relating to planning and acceptance of the appointment be treated as an expense of the Administration (albeit incurred prior to the date of appointment) and calculated by reference to the charge out rates prevailing at the time the work is undertaken.
- (h) The Administrators are at liberty to recharge disbursements as detailed in the circulated Creditor's Guide to Administrators' Fees. Shared and allocated costs are to be charged as follows:
- Photocopying 20 pence per sheet
 - Faxes/telephone/room hire £150 per annum
 - Postage Typical 1st/2nd class postage rates at the date of postage
- (i) The Administrators are at liberty to pay costs and remuneration in relation to proposals (f), (g) and (h) above when funds become available.
- (j) The Administrators shall consult with the creditors' committee, if formed, at appropriate intervals concerning the conduct of the Administration and the implementation and development of these proposals and where they consider it expedient to obtain the sanction of that committee on behalf of the creditors of the Company (and without further reference to them) to any proposed action on the part of the Administrators.

APPENDIX III

RECEIPTS AND PAYMENTS ACCOUNT

SUMMARY OF ADMINISTRATORS' RECEIPTS AND PAYMENTS
FOR THE PERIOD 26 APRIL 2012 (DATE OF APPOINTMENT) TO 3 SEPTEMBER 2012

	Estimated to realise Statement of Affairs	Receipts/ payments from 26 April 2012 to 12 May 2012	Receipts/ payments from 13 May 2012 to 3 September 2012	Total receipts/ payments
Receipts	£	£	£	£
Stock	2,000	600 00		600 00
Work in progress	1,000	-	788 00	788 00
Book debts		-	3,693 38	3,693 38
Cash at bank		562 59	-	562 59
Rates refund		-	1,479 76	1,479 76
Customer database		1,000 00	-	1,000 00
Sale of website		500 00	-	500 00
	3,000	2,062 59	5,961 14	8,623 73
Payments				
Insurance		-	853 30	853 30
Distribution to secured creditor		-	3,588 38	3,588 38
Agents fees		-	750 00	750 00
Administrators fees		-	3,420 05	3,420 05
Postage		-	12 00	12 00
		-	8,623 73	8,623 73
Balance (Receipts less Payments)				-

Simon Harris
Joint Administrator
3 September 2012

APPENDIX IV

ADMINISTRATORS' TIME COST SUMMARY

1 Overview of Case

1.1 Appointment

The Joint Administrators were appointed to the Company on 26 April 2012 following the filing of application being made to the High Court of Justice, Manchester Registry by the floating charge holder

1.2 Strategy

Please see main body of the report

1.3 Staffing

Staff have been used on the assignment based upon previous knowledge and experience

1.4 Existing fee arrangements

The secured creditor has made a contribution of £10,000 plus VAT in respect of fees

1.5 Anticipated return to creditors

Please see main body of the report

2 Explanation of office-holder's charging and disbursement recovery policies

2.1 Time recording

Time properly incurred on cases is charged to the assignment at the hourly rate prevailing at the time. The current hourly charge-out rates covering the whole period are outlined below

	Previous charge out rate £	Charge out rate effective from 1 August 2012 £
Appointed Insolvency Practitioner	435	490
Director	345	400
Senior Manager	325	385
Manager	305	325
Assistant Manager	275	295
Senior Administrator	225	245
Administrator	160	185
Junior Administrator	125	125

Secretarial and support staff are not charged to the cases concerned, being accounted for as an overhead of ReSolve Partners LLP

2.2 Disbursements recovery

Separate charges are made in respect of directly attributable expenses (category one disbursements) such as travelling, postage, photocopying, statutory advertising and other expenses made on behalf of the assignment. Details of such disbursements are included later in this report

Indirect charges (category two disbursements) are charged as follows

- Photocopying 20 pence per sheet
- Faxes/telephone/room hire £150 per annum
- Postage Typical 1st/2nd class postage rates at the date of postage
- Mileage 40 pence per mile

3 Description of work carried out

Section four of this appendix outlines the time costs to date in relation to activities undertaken during this matter. These matters can be summarised as

3.1 Pre appointment

The tasks included but are not limited to

- Assisting the Company with its cash management
- Marketing the business and negotiations with interested parties
- Advising the directors on the administration process, and
- Work involved in placing the Company into administration, such as preparing and lodging documents at Court

3.2 Administration and planning

The following activities have been undertaken

- Setting up case files
- Reviewing available information to determine appropriate strategies, and
- Setting up and maintaining bank accounts and other cashier activities
- Liaising with directors regarding various information
- Filing documentation in relation to the Administration

3.3 Investigations

Time spent in completing my statutory investigations into the Company's and the affairs of their directors prior to the Administration

3.4 Realisation of assets

Please see the main body of the report for details of the assets realised

3.5 Statutory duties

Dealing with statutory issues required under the Insolvency Act 1986 and the Statements of Insolvency Practice, including reporting to members, creditors employees and other stakeholders and filing documents with the Registrar of Companies

3.6 Trading

Please see the main body of the report for details of the trading activities undertaken

3.7 Creditors

The time spent includes the following matters

- Undertaking a marketing campaign for the sale of the business and assets
- Recording and maintaining the lists of creditors
- Dealing with employee related matters
- Dealing with retention of title claims
- Recording creditor claims
- Dealing with creditor queries, and
- Reviewing and evaluating creditor claims

4 Time and charge out summary

To date a total of 159.9 hours have been spent for the period 23 April to 31 August 2012 at an average charge out rate of £246.69 bringing the total costs to date to £39,445

A summary table is shown below

Task	Partner/ Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total hours	Total cost (£)	Average hourly rate (£)
Pre-appointment	5.3	15.8	-	-	21.1	7,340.60	347.89
Administration and Planning	3.5	10.2	16.5	0.5	30.7	7,446.00	242.54
Investigations	-	2.5	1.0	4.7	8.2	1,476.00	179.88
Realisation of Assets	2.9	24.8	12.0	-	39.7	11,146.60	280.77
Statutory	1.5	3.9	22.2	-	27.6	6,438.00	197.03
Creditors	1.0	7.2	24.0	0.4	32.6	6,599.00	202.42
Total hours	14.2	64.4	75.7	5.6	159.9	39,445.00	246.69
Total fees claimed	6,177.00	20,466.00	12,102.00	700.00	39,445.00		

The above costs exclude VAT

5 Disbursements

5.1 Details of the category one and category two disbursements are as follows

Category one disbursements		Category two disbursements	
Description	£	Description	£
Bonding	30.00	Mileage	97.26
Advertising/Marketing	76.50	Postage	169.23
Insolv technology	110.00	Annual fee	150.00
Travel	46.60		<u>416.49</u>
Company searches	12.00		
General expenses	9.16		
	<u>284.26</u>		

The above costs exclude VAT