

AM03

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 0 5 2 1 7 2 6 4

Company name in full Recycle Cymru Ltd

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Jason Dean

Surname Greenhalgh

3 Administrator's address

Building name/number No 1 Old Hall Street

Street

Post town Liverpool

County/Region

Postcode L 3 9 H F

Country

4 Administrator's name ①

Full forename(s) Paul

Surname Stanley

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number No 1 Old Hall Street

Street

Post town Liverpool

County/Region

Postcode L 3 9 H F

Country

② Other administrator

Use this section to tell us about
another administrator.

AM03

Notice of Administrator's Proposals

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Statement of proposals

☒ I attach a copy of the statement of proposals**7**

Qualifying report and administrator's statement ^①

☐ I attach a copy of the qualifying report☐ I attach a statement of disposal

^① As required by regulation 9(5) of The Administration (Restrictions on Disposal etc. to Connected Persons) Regulations 2021)

8

Sign and date

Administrator's
Signature

Signature

X



X

Signature date

d

2

d

5

m

0

m

8

y

2

y

0

y

2

y

2

AM03

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	Warren Seals
Company name	Begbies Traynor (Central) LLP
Address	340 Deansgate Manchester
Post town	M3 4LY
County/Region	
Postcode	
Country	
DX	
Telephone	0161 837 1700



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,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



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

The affairs, business and property of the Company are being managed by the joint administrators, who act as the Company's agents and without personal liability.

Recycle Cymru Ltd (In Administration)

Statement of proposals for achieving the purpose of administration pursuant to Paragraph 49 of Schedule B1 to the Insolvency Act 1986 and Rule 3.35 of the Insolvency (England and Wales) Rules 2016

Important Notice

This statement of proposals has been produced for the sole purpose of advising creditors pursuant to the provisions of the Insolvency Act 1986. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than this report to them, or by any other person for any purpose whatsoever. Any estimated outcomes for creditors included in these proposals are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Recycle Cymru Ltd (In Administration)
"the administration"	The appointment of administrators under Schedule B1 of the Act on 8 July 2022
"the administrators", "we", "our", "us"	Jason Dean Greenhalgh and Paul Stanley of Begbies Traynor (Central) LLP, No 1 Old Hall Street, Liverpool, Merseyside, L3 9HF
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and (ii) In relation to Scotland, 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) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. STATUTORY INFORMATION

Name of Company	Recycle Cymru Ltd	
Trading name(s):	As above	
Date of Incorporation:	31 August 2004	
Company registered number:	05217264	
Company registered office:	No 1 Old Hall Street, Liverpool, Merseyside, L3 9HF	
Former registered office:	14 Llannerch Road, West Rhos on Sea, Colwyn Bay, LL28 4AS	
Trading address(es):	28a Tir Llwyd Industrial Estate, Kinmel BayRhyl, LL18 5JA	
Principal business activities:	Collection of non-hazardous waste	
Directors and details of shares held in the Company (if any):	Name	Shareholding
	Stephen Jones	100 Ordinary B 5268 Ordinary
Company Secretary and details of the shares held in Company (if any):	Name:	Shareholding
	Stephen Jones	100 Ordinary B 5268 Ordinary
Auditors:	Jones & Graham Chartered Certified Accountants, 45 Vale Street, Denbigh, Denbighshire, LL16 3AH	
Share capital per last accounts:	£5,267	
Shareholders:	Stephen Jones	

3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Date of appointment:	8 July 2022
Court:	High Court of Justice, Business and Property Courts in Manchester, Insolvency & Companies (Ch D)
Court Case Number:	CR-2022-MAN000545
Person(s) making appointment / application:	The Director of the Company

Acts of the administrators:	The administrators act as officers of the court and as agents of the Company without personal liability. Any act required or authorised under any enactment to be done by an administrator may be done by any one or more persons holding the office of administrator from time to time.
Type of Proceedings:	The proceedings will be COMI proceedings, as defined by the Insolvency (England and Wales) Rules 2016 (as amended)

STATUTORY PURPOSE OF ADMINISTRATION

Paragraph 3 of Schedule B1 to the Act provides as follows:

- “3 (1) The administrator of a company must perform his functions 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.
- (2) Subject to sub-paragraph (4), the administrator of a company must perform his functions in the interests of the company’s creditors as a whole.
- (3) The administrator must perform his functions with the objective specified in sub-paragraph (1)(a) unless he thinks either-
- (a) that it is not reasonably practicable to achieve that objective, or
 - (b) that the objective specified in sub-paragraph (1)(b) would achieve a better result for the company’s creditors as a whole.
- (4) The administrator may perform his functions with the objective specified in sub-paragraph (1)(c) only if-
- (a) he thinks that it is not reasonably practicable to achieve either of the objectives specified in sub-paragraph (1)(a) and (b), and
 - (b) he does not unnecessarily harm the interests of the creditors of the company as a whole.”

4. CIRCUMSTANCES GIVING RISE TO OUR APPOINTMENT

The Company was incorporated on 31 August 2004 and commenced trading from a premises at 28a Tir Llwyd Industrial Estate, Kinmel BayRhyl, LL18 5JA. Conwy Cardboard Services was the initial trading name for the period up until 24 April 2007, after which it was renamed to Recycle Cymru.

The Company provided collection of non-hazardous waste as a service and traded successfully for many years with Stephen Jones as the sole director and shareholder.

Due to an accident at the trading premises in 2017, the Company had been dealing with an ongoing Health & Safety investigation & prosecution which concluded after four years with the court ruling finding against the Company and the director. The director, with the anticipation of receiving a sentence and the Company a fine, approached Begbies Traynor for assistance.

With the anticipated fine to be based on the company's turnover, it was likely to result in the Company becoming insolvent therefore it was determined that placing the company into administration would provide the best return to creditors as the appointment would be immediate, giving the administrators the powers required to deal with the Administration process in the event of the director's sentencing. It was resolved to take the steps to place the Company into Administration rather than liquidation due to the prospect of the director being unavailable to sign forms and attend meetings.

Following the company being placed into Administration on 8 July 2022, the sentencing was handed down by the court on 16 July 2022 which determined the director be sentenced to 9 years imprisonment and the company liable for a £120,000 fine payable to the Health & Safety Executive, resultant in the Company becoming insolvent and unable to trade as a going concern.

5. STATEMENT OF AFFAIRS

At the time of issuing the Administrators' Proposals, a Statement of Affairs has not been provided. Given the circumstances surrounding our appointment, it is highly unlikely therefore that a sworn Statement of Affairs will be filed at Companies House.

Our comments on the known assets and Liabilities of the Company are as follows

Assets

Cash at Bank

c.£46,000 was held in the Company's bank account at the time of the administrators' appointment.

Sale of Assets

The Company's management accounts dated 30 June 2022 show assets with a Book Value of £83,225, consisting of Plant & Machinery, Office Equipment, Furniture and Fixtures and Motor Vehicles.

The Joint Administrators have instructed Eddisons Commercial Limited (part of the Begbies Traynor Group) ("Eddisons") to undertake a valuation of the assets, and to prepare a sale via auction.

Eddisons estimate that sale values of c.£24,000 will be achieved.

Debtors

The Company's management accounts dated 30 June 2022 had book debts outstanding in the amount of £12,188.

On receipt of the Company's bank statements, the Administrators will conduct a bank reconciliation with the outstanding invoices in order to determine the quantum outstanding at the cessation of trade, and will make attempts to collect any book debts that remain outstanding.

£66 has been paid into the Company's administration bank account since our appointment.

Liabilities

Health and Safety Executive

As outlined above the Company was handed down by the court on 16 July 2022 a fine of £120,000 payable to the Health & Safety Executive following the incident that occurred on site in 2017.

HM Revenue & Customs (“HMRC”)

It is estimated that HMRC are owed a total of £21,649 broken down as follows:

VAT	£10,561
PAYE	£3,326
Corporation Tax	£7,762

Bank (Bounce Back Loan (“BBL”))

The Company obtained BBLs from the Development Bank of Wales and NatWest.

A total of £8,228 is owed to the Development bank of Wales and £4,082 to NatWest Bank Plc

Trade Creditors

Trade creditors are estimated in the sum of £4,826 with one claim of £182 received by the Administrators to date.

6. THE ADMINISTRATION PERIOD

Attached at Appendix 1 is our account of receipts and payments from the commencement of administration to 26 August 2022.

RECEIPTS

Cash at Bank

Cash at Bank of £46,000 was transferred to the Administrators on appointment

Book debts

£66 has been received from a trade debtor.

PAYMENTS

Statutory Advertising

£104 has been paid to Courts Advertising Limited in relation to adverts of the Administrators appointment placed in the Gazette.

Rents Payable

Rent of £1,084 was paid to landlord for the period of August to allow agents a sufficient period to conduct valuations, finalise the auction sale and to make the necessary arrangements for the sold assets to be collected from site.

Work undertaken by the Administrators and their staff

All the statutory documents confirming the Joint Administrators appointment were filed at court on 8 July 2022. Following their appointment, the Joint Administrators notified the Company's creditors and Registrar of companies, along with advertising their appointment in the London Gazette on 14 July 2022.

In addition to the above, we have also carried out the following;

- Opened a designated case bank account and arranged for the transfer of any funds that had been paid into the Begbies Traynor Client Account to be moved to that account
- Calculation of bond required for the Joint Administrators to cover the value of the Company's assets
- Preparation and submission of Joint Administrators' Proposals
- Calculate and agree employee claims, including submission of the RP14 and RP14a to the Redundancy Payments Service
- Liaised with Eddisons in relation to the valuation and sale of the Company's assets
- Written to the Company's former bank to request copy statements to enable a review to be undertaken
- Entered into discussions with the landlord to discuss the administrators' intentions following appointment and to ensure the rent for August is paid
- Regular correspondence with the wife of the director who has assisted in providing various information to the administrators to assist the process
- Issued a questionnaire to all directors who have held office in the 3 years prior to the administrators' appointment

7. ESTIMATED OUTCOME FOR CREDITORS

The estimated sums owed to creditors at the date of appointment are as follows:

Secured creditor

There are no secured creditors.

Preferential creditors

Preferential claims of employees for holiday pay were estimated at £2,440.

We do not yet have details of any pension arrears, however they will rank as preferential should there be any outstanding arrears in relation to contributions due prior to the Joint Administrators' appointment

Secondary preferential creditors

Further to the changes to the Finance Act 2020, HM Revenue & Customs ("HMRC") are now able to claim secondary preferential status for certain liabilities. Taxes owed by the business to HMRC comprising of VAT, PAYE Income Tax, Employee National Insurance Contributions, Student loan deductions and Construction Industry Scheme deductions fall under the secondary preferential status.

The secondary preferential claim of HMRC is estimated at c.£13,887

Unsecured creditors

Claims of unsecured creditors were estimated at £145,098, broken down as follows:

Health & Safety Executive	£120,000
Bounce Back Loans	£12,310
HMRC (Corporation Tax)	£7,962
Trade Creditors	£4,826

On the basis of realisations to date and estimated future realisations we estimate an outcome for each class of the Company's creditor as follows:

Preferential Creditors

We anticipate that there will be sufficient funds to enable the preferential creditors to be paid in full.

Secondary Preferential Creditors

We anticipate there are likely to be sufficient funds available to enable a dividend to be paid to HM Revenue & Customs as secondary preferential creditor. The timing and quantum of such dividend remain uncertain at this stage.

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the administrator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The floating charge holder may not participate in the distribution of the prescribed part of the Company's net property. The prescribed part of the *Company's net property* is calculated by reference to a sliding scale as follows:

Where charge is created between 15th September 2003 and up to 6th April 2020

- ☐ 50% of the first £10,000 of net property;
- ☐ 20% of net property thereafter;
- ☐ Up to a maximum amount to be made available of £600,000

Where charge is created on or after 6th April 2020

- ☐ 50% of the first £10,000 of net property;
- ☐ 20% of net property thereafter;
- ☐ Up to a maximum amount to be made available of £800,000

An administrator will not be required to set aside the prescribed part of net property if:

- ☐ the net property is less than £10,000 and the administrator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit; (Section 176A(3)) or
- ☐ the administrator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5)).

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, Section 176A will not apply and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors.

Unsecured Creditors

We anticipate that there may be sufficient funds to enable a dividend to be paid to the unsecured creditors, however the timing and quantum of any such dividend will be dependant on the realisations following the auction, and the costs of the administration.

Effect of administration on limitation periods under the Limitation Act 1980

As explained in our initial correspondence confirming our appointment as administrators, the Limitation Act 1980 continues to apply to all debts due from the Company. Case law indicates that where a company is in administration, time does not stop running for limitation purposes pursuant to the Limitation Act 1980. If you have any concerns in relation to your claim against the Company becoming time-barred during the course of the administration, we strongly recommend that you seek independent legal advice on the options available to you to prevent this.

8. OUR PROPOSALS FOR ACHIEVING THE PURPOSE OF THE ADMINISTRATION

Purpose of the Administration

We are required to set out our proposals for achieving the purpose of the administration which in this context means one of the objectives specified in paragraph 3 of Schedule B1 to the Act as set out at section 3 of this report above.

For the reasons set out in this report, we presently consider that it is not reasonably practicable to achieve the objectives specified in sub-paragraph 3(1)(a) or sub-paragraph 3(1)(b), and consequently the most appropriate objective to pursue in this case is that specified in sub-paragraph 3(1)(c), namely realising property in order to make a distribution to one or more preferential creditors. Furthermore, we consider that pursuing this objective should not unnecessarily harm the interests of the creditors of the Company as a whole.

We do not believe that it is reasonably practicable to pursue the objective set out in sub-paragraph 3(1)(a), namely rescuing the Company as a going concern, due to the fact that the director is unable to assist the administrators with any ongoing trading following his sentencing, along with the fact that a fine of £120,000 has been issued against the Company.

We also do not believe that it is reasonably practicable to pursue the objective set out in sub-paragraph 3(1)(b), namely achieving a better result for creditors in administration than in liquidation. The Company was placed into Administration due to the time constraints of dealing with the Company affairs prior to the director's sentencing. Placing the company into liquidation was not practicable as the director / shareholder would not have been available to attend meetings to sign the relevant notices, however the outcome for creditors is likely to be similar in both an administration and liquidation scenario.

Details of proposals

In order that the purpose of the administration may be fully achieved, we propose to remain in office as administrators. The principal matters to be dealt with are:

- To realise the Company's Plant & Machinery, Office Equipment, Furniture and Fixtures and Motor Vehicles via auction sale.
- To reconcile the Company's debtors' position and attempt collection of any outstanding book debts.
- Obtain details of the fine handed down by the Health and Safety Executive
- Completion of reports and reviews on a timely basis
- Make payment of a preferential dividend
- Calculate whether a dividend is payable to secondary preferential and unsecured creditors
- To conclude our statutory duties.

Exit from Administration

Creditors' Voluntary Liquidation

We confirm that there are no secured creditors in this matter and that a distribution may potentially be made to the unsecured creditors of the Company which is not a distribution of the prescribed part¹.

We have the power to make a distribution of the prescribed part to unsecured creditors in the administration but any other distribution to them requires the permission of court. It is considered that the court will only grant such permission in exceptional circumstances where the normal course for making distributions to unsecured creditors in a voluntary liquidation is inappropriate. Additionally, there may be matters for enquiry concerning a company's affairs which are not within the scope of an administrator's powers and which can only be properly dealt with by a liquidator.

¹ Insolvency Act 1986, Sch B1, para 83(1)

Consequently, as soon as we are satisfied that we have fully discharged our duties as administrators and that the purpose of the administration has been fully achieved, we propose to deliver a notice of moving from administration creditors' voluntary liquidation to the Registrar of Companies. Upon the registration of such notice our appointment as administrators shall cease to have effect and the Company will automatically be placed into liquidation. Paragraph 83(7) provides:

The liquidators for the purpose of the winding up shall be-

- (a) a person nominated by the creditors of the company in the prescribed manner and within the prescribed period, or
- (b) if no person is nominated under paragraph (a), the administrator.

We confirm that as part of our proposals we propose that we, or in the event of there being a subsequent change of persons appointed as administrator, the individuals in office as such immediately prior to the Company being placed into liquidation, do act as joint liquidators in the subsequent winding up of the Company. Creditors may nominate a different person as the proposed liquidator provided that the nomination is made after the receipt of the proposals and before the proposals are approved. The appointment of a person nominated as liquidator takes effect by the creditors' approval, with or without modification, of our proposals.

It is proposed that for the purpose of the winding up, any act required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of the persons for the time being holding office.

Dissolution

If it transpires that the Company will have insufficient property to enable a distribution to be made to unsecured creditors, then as soon as we are satisfied that we have fully discharged our duties as administrators and that the purpose of the administration has been fully achieved, we propose to deliver a notice of moving from administration to dissolution to the Registrar of Companies. Upon the registration of such notice our appointment as administrators ceases to have effect, and at the end of three months the Company will automatically be dissolved.

Where an administrator sends such a notice of dissolution to the Registrar of Companies, he must also file a copy of the notice with the court and send a copy to each creditor of the Company, and on application by any interested party the court may suspend or disapply the automatic dissolution of the Company.

Extending the administration

It may transpire that it is not possible to finalise the administration as envisaged within one year of the date of our appointment. In particular, this situation will arise if we are not able to conclude the collection of any outstanding book debts. The appointment of an administrator shall cease to have effect at the end of the period of one year beginning with the date on which it takes effect. However, our term of office may be extended either by court order for a specified period or by consent of the creditors for a specified period not exceeding twelve months. It may therefore become necessary at some future time for us to seek creditor consent to extending the period of the administration for up to a further twelve months following the anniversary of our appointment in order to ensure that the objective of the administration can be fully achieved.

9. PRE-ADMINISTRATION COSTS

Appendix 3 provides details of the work ("The Work") that we have carried out, the associated costs and our proposed remuneration.

The Work was carried out before the Company entered administration because it was quickly determined, upon receipt of the HSE fine, the Company could not survive in its current state and therefore action was

required to attempt to preserve value of the business and its assets. For these reasons we consider that the Work has furthered the achievement of the objective of administration being pursued, namely realising assets to enable a distribution to be made to preferential creditors.

The pre-administration costs are broken down as follows:

Description	Name of recipient	Net amount £	VAT £	Gross amount £
Our fees in relation to the Work	Begbies Traynor	£8,100	£1,620	£9,720
Legal Fees and Disbursements	Bermas Solicitors	£820	£152*	£972
TOTAL PRE-ADMINISTRATION COSTS		£8,920	£1,772	£10,692

*note that the £50 Court filing fee & £10 oath fee are not subject to VAT

The pre-administration costs are unpaid and we are seeking that they be paid as an expense of the administration. Approval to discharge such costs ("the unpaid pre-administration costs") as an expense is required from the creditors' committee, or in the absence of a committee, or if the committee does not make a determination, by seeking decisions of creditors. Payment of the unpaid pre-administration costs requires separate approval and is not part of our proposals subject to approval.

In order to provide sufficient information to consider approval of the payment of the unpaid pre-administration costs, a document detailing the work carried out, the associated costs and the proposed remuneration is provided together with a pre-administration Time Costs Summary at Appendix 3. These show the number of hours spent by each grade of staff involved in the case and give the average hourly rate charged.

10. REMUNERATION AND EXPENSES

Remuneration

We have not at this time drawn any funds on account of our remuneration, nor on account of certain expenses as approval has not previously been sought. Best practice guidance provides that payments to an office holder should be fair and reasonable and reflect the work that has been, and will be, properly carried out. The following proposal represents what we believe is a fair and reasonable fee basis, based on the work which has been carried out to date and the work which is yet to be undertaken.

We propose that the basis of our remuneration be fixed under Rule 18.16 of the Rules by reference to the time properly given by us and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP for attending to matters as set out in the fees estimate at Appendix 3.

It is for the creditors' committee to approve the basis of our remuneration under Rule 18.18 of the Rules, but if no such committee is appointed it will be for the creditors to determine. We intend to deal with this by seeking decisions of creditors via correspondence.

Appendix 3 sets out our firm's hourly charge out rates, our fees estimate and the time that we and our staff have spent in attending to matters arising in the administration since 8 July 2022.

Expenses

We propose that expenses for services provided by our firm and/or entities within the Begbies Traynor group, be charged in accordance with our firm's policy, details of which are set out at Appendix 3. These expenses will be identified by us and will be payable subject to the approval of those responsible for determining the basis of our remuneration.

Estimate of expenses

We are required by the Rules to provide creditors with details of the expenses that we consider will be, or are likely to be, incurred in the course of the administration. This information also appears at Appendix 3.

11. OTHER INFORMATION TO ASSIST CREDITORS

Report on the conduct of directors

We have a statutory duty to investigate the conduct of the director and any person we consider to be or have been a shadow or de facto director during the period of three years before the date of our appointment, in relation to their management of the affairs of the Company and the causes of its failure. We are obliged to submit confidential reports to the Department for Business, Energy and Industrial Strategy.

As administrators of the Company we are required by best practice guidance to make enquiries of creditors as to whether they wish to raise any concerns regarding the way in which the Company's business was conducted prior to the commencement of the administration, or wish to bring to our attention any potential recoveries for the estate. If you would like to bring any such issues to our attention please do so in writing to the address detailed at Section 1 of this report. This request for information is standard practice and does not imply any criticism or cause of action against any person concerned in the management of the Company's affairs.

Investigations carried out to date

We are still in the process of collating the books and records and supporting information in respect of the financial affairs of the Company. Once this information has been collated we will then undertake an initial assessment of possible actions in relation to the manner in which the business was conducted prior to the administration of the Company and assess whether there are any potential recoveries for the estate in this respect. We will provide an update on this matter in our Progress Report.

Connected party transactions

We have not been made aware of any sales of the Company's assets to connected parties.

Deemed delivery

These proposals will be deemed to have been delivered on 30 August 2022.

Use of personal information

Please note that in the course of discharging our statutory duties as Joint Administrators, we may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, we are required to comply with data protection legislation. If you are an individual and you would like further information about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact us.

Right to request further information

Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been incurred during the period of this progress report.

Right to make an application to court

Pursuant to Rule 18.34 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred during the period of this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

12. CONCLUSION

We consider that the Company may have sufficient property to enable a distribution to the unsecured creditors, other than from the prescribed part fund of any net floating charge property, under the insolvency legislation, and we are therefore required to seek a decision from the Company's creditors as to whether they approve our proposals. This decision will be sought via the deemed consent procedure and a notice of the decision sought is accompanying this document.

Unless 10% in value of the Company's creditors object to the approval of our proposals via the deemed consent procedure, then the creditors will be treated as having made the proposed decision to approve our proposals.

Subject to the approval of our proposals we will report on progress again approximately six months after the commencement of the administration, or at the conclusion of the administration, whichever is the sooner.



Paul Stanley
Joint Administrator

Date: 25 August 2022

ACCOUNT OF RECEIPTS AND PAYMENTS

08 July 2022 to 25 August 2022

INCOME	Total (£)
Book Debts	66.12
Cash at Bank	46,000.00
	<hr/>
	46,066.12
 EXPENDITURE	
Statutory Advertising	103.50
Rents Payable	1,083.33
	<hr/>
	1,186.83
	<hr/>
Balance	44,879.29

COMPANY CREDITORS

Key	Name	Address	£
CB00	British Telecommunications plc	1 Braham Street, London, E1 8EE	107.00
CC00	Commercial Vehicle Repairs	Hadleigh Buildings, Bangor Road, Conway, LL32 8DN	888.00
CD00	Development Bank of Wales (BBL)	Unit N , Anson House, 1 Cae'r Llyn, Llandudno Junction, Conway, LL31 9LS	8,228.00
CH00	HMRC (PAYE)	Debt Management – EIS NCL, BX9 1SR	3,326.00
CH01	HMRC (CT)	Debt Management – EIS NCL, BX9 1SR	7,962.00
CH02	HMRC (VAT)	Debt Management – EIS NCL, BX9 1SR	10,561.00
CH03	Health & Safety Executive	Regent House, Regent Street, Wrexham, LL11 1PR	120,000.00
CJ00	Jones & Graham Accountants	45 Vale Street, Denbigh, LL16 3AH	1,512.00
CN00	NatWest Bank Plc (BBL)	CHATHAM CUSTOMER SERVICE CENTRE, WATERSIDE COURT, WESTON AVENUE, MARITIME, CHATHAM, ME4 4RT	4,082.00
CR00	R Smith & Son	Coal Yard, Ffordd y Graig, Denbigh, LL16 5US	126.00
CS00	Scottish Power	320 St. Vincent Street, Glasgow, G2 5AD	29.00
CT00	Talk Talk	Soapworks, Ordsall Lane, Salford, M5 3TT	34.00
CT01	Threeways	Faenol Avenue, Abergele, Conwy, LL22 7HT	1,927.00
CT02	Three	450 Longwater Avenue, Green Park, Reading, Berkshire, RG2	21.00
CV00	Viking Direct	Office Depot International (UK) Ltd, 501 Beaumont Leys Lane, Bursom Industrial Estate, Leicester, LE4 2BN	182.00
15 Entries Totalling			158,985.00

REMUNERATION AND EXPENSES

Total time spent to 25 August 2022 on this assignment amounts to 38.9 hours at an average composite rate of £325.23 per hour resulting in total time costs of £12,651.50

To assist creditors in determining this matter, the following further information appears in this appendix:

- ☐ Begbies Traynor (Central) LLP's charging policy
- ☐ Pre-administration work, costs and proposed remuneration with Pre-Administration Time Costs Analysis.
- ☐ Summary of work to be undertaken, payments and expense
- ☐ Table of time spent and charge-out value
- ☐ The Administrators' fees estimate.
- ☐ Details of the expenses that the Administrators consider will be, or are likely to be, incurred.

In addition, a copy of 'A Creditors Guide to Administrators' Fees (E&W) 2021' which provides guidance on creditors' rights can be obtained online at www.begbies-traynor.com/creditorsguides Alternatively, if you require a hard copy of the Guide, please contact my office and I will arrange to send you a copy.

Finally, the Association of Business Recovery Professionals (R3) has set up a website that contains a step-by-step guide designed to help creditors navigate their way through an insolvency process which includes information in relation to remuneration. You can access the website at the following address: <http://www.creditorinsolvencyguide.co.uk/>

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This policy applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the creditors' decision being made for the office holder to be remunerated on a time cost basis. Best practice guidance* requires that such information should be disclosed to those who are responsible for approving the basis of an office holder's remuneration. Within our fee estimate creditors can see how we propose to be remunerated.

In addition, this policy applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance* indicates that such charges should be disclosed to those who are responsible for approving the basis of the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of their staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded in 6 minute units at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Expenses are payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements, which are expenses that are initially paid by the office holder's own firm, but which are subsequently reimbursed from the estate when funds are available.

Best practice guidance classifies expenses into two broad categories:

- ❑ Category 1 expenses (approval not required) - Specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ Category 2 expenses (approval required) - Items of expenditure that are directly related to the case and either:
 - (i) include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party; or
 - (ii) are items of expenditure which are payable to an associate of the office holder and/or their firm.

Shared or allocated costs (pursuant to (i) above)

The following expenses include an element of shared or allocated cost and are charged to the case (subject to approval).

- ❑ Internal meeting room usage for the purpose of physical meetings of creditors is charged at the rate of £100 per meeting;
- ❑ Car mileage which is charged at the rate of 45 pence per mile

Services provided by other entities within the Begbies Traynor group

The following expenses which relate to services provided by an entity within the Begbies Traynor group, of which the office holder's firm is a member, are also to be charged to the case (subject to approval):

In addition to the services detailed above, it may become necessary to instruct Eddisons Commercial Limited to provide additional services, not currently anticipated, during the course of the case. In such circumstances and to avoid the costs associated with seeking further approval, the charges for such services will be calculated on a time costs basis at the prevailing hourly rates for their various grades of staff which are currently as follows:

Grade of staff Charge-out rate (£ per hour)

Director	£275
Associate	£180
Surveyor	£120
Graduate	£100
Administration	£80
Porters	£35

Instruction of Eddisons Insurance Services Limited ("EIS") to provide insurance broking services and specifically open cover insurance for the insurable risks relating to the case. The cost of open cover insurance will vary during the course of the case depending upon the value of the assets and liability risks. The forecasted cost of insurance for the 3 month period immediately following appointment is £1,000 inclusive of Insurance Premium Tax. The costs of insurance cover for subsequent quarter periods will be dependent upon prevailing insurance market conditions and the ongoing insurable risks on the case. Where relevant, administration fees may be charged. These costs are taken into consideration and included within the forecasted cost of insurance, above.

In accordance with standard insurance industry practice, EIS will receive payment of commission for the services it provides from the insurer. The commission is calculated as a percentage of the insurance premiums payable and such percentage will depend upon the class or classes of assets being insured.

EIS will invoice the insolvent estate for the premium(s) due on the insurer's behalf and receive payment from the estate. EIS will in turn, account to the insurer for the premium(s) payable after deducting any commission payable by the insurer.

Where EIS have initially been consulted on a policy, but the policy has not been taken out, EIS will charge an administration fee of £150.

Additional payments received by Eddisons Commercial Limited from purchasers where assets are disposed of by way of auction

In addition to the charges of Eddisons Commercial Limited detailed above for providing the services to the office holder, where any machinery and business assets (other than freehold/leasehold property) are disposed of by way of auction, Eddisons Commercial Limited will also receive a payment from the purchaser, known as a buyer's premium, equivalent to 15% of the successful bid. Where any freehold/leasehold property is disposed of by way of auction, Eddisons Commercial Limited will also receive a payment from the purchaser, known as a buyer's administration fee, in the sum of £600. It is standard auction industry practice for a buyer's premium and buyer's administration fee to be charged. The buyer's premium and buyer's administration fee is paid by the purchaser of the assets and is not paid by the office holder from the assets of the estate.

General Office Overheads.

The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a Category 1 expense:

- ☐ Telephone and facsimile
- ☐ Printing and photocopying
- ☐ Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Liverpool office as at the date of this report are as follows:

Grade of staff	Charge-out rate (£ per hour) 1 January 2022 until further notice
Partner	545
Director	490
Senior Manager	435
Manager	380
Assistant Manager	275
Senior Administrator	240
Administrator	195
Junior Administrator	155
Cashier	155
Secretarial	155

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units.

DETAILS OF THE WORK CARRIED OUT PRE ADMINISTRATION, THE ASSOCIATED COSTS AND THE PROPOSED REMUNERATION FOR THE WORK

CASE NAME: Recycle Cymru Ltd

CASE TYPE: Administration

OFFICE HOLDERS: Jason Greenhalgh and Paul Stanley

DATE OF APPOINTMENT: 8 July 2022

1 CASE OVERVIEW

1.1 This overview is intended to provide sufficient information to enable the body responsible for the approval of pre-administration costs to consider the level of those costs in the context of the case.

1.2 Time costs information

Details of the time spent by each grade of staff prior to the appointment of the administrators and the overall average hourly charge out rate for the pre-administration work are set out in the table below.

	Partner	Senior Manager	Senior Administrator	Total Hours	Time Costs	Average Hourly Rate
Hourly Rate	545	435	240			
Pre-Appointment Time	6.9	6.5	6.3	19.7	£8,100.00	411.17

Full details of the work undertaken by the administrators and their staff prior to appointment are set out below and in the Administrators' Statement of Proposals.

1.3 Overview of work undertaken prior to appointment

In the period prior to the Company entering into Administration, we carried out work which consisted of the following:

- Discussions with the Director of the Company regarding the proposed administration, the current financial position and the options available.
- Arrange with agents to undertake a marketing exercise to establish interest in the business and assets
- Liaised with Bermans Solicitors in relation to our proposed appointment, along with the preparation of necessary documents to place the Company into administration
- Travel and meeting with the director at the trading premises to collect books and records and take photos of the site.
- Issue of an Engagement letter, internal conflict checks, anti-money laundering procedures and internal case setup.

1.4 Complexity of work undertaken prior to appointment

There have been no specific issues that have proved to be highly complex in the pre-appointment period.

- 1.5 Exceptional responsibilities
There have been no exceptional responsibilities in relation to pre-appointment work.
- 1.6 The **proposed Administrators' effectiveness**
Please refer to the report and proposals for details of the proposed administrators' effectiveness in the pre-appointment phase.
- 1.7 Approval of fees, expenses and disbursements incurred in the period prior to appointment
The Administrators are seeking a resolution in relation to their pre-administration costs as follows:
That the unpaid pre-administration costs detailed in the Joint Administrators' Statement of Proposals for achieving the purpose of administration, be approved for payment.
- 1.8 Expenses and disbursements incurred in the period prior to appointment where payment is proposed to be made to Begbies Traynor and/or another entity with Begbies Traynor Group
None
- 1.9 Other professionals employed & their costs
Bermans Solicitors - £972
- 1.10 Staffing and management
An experienced Senior Insolvency Manager will have day to day responsibility for the case, with assistance to be provided by a Senior Case Administrator. The Partner with overall responsibility for the case will also be involved throughout.

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SUMMARY OF TIME COSTS AND EXPENSES

This summary, which should be read in conjunction with the Time Costs Analysis for the period of the report attached, is intended to provide sufficient information to enable the body responsible for the approval of our fees to consider the level of our fees and expenses in the context of the case.

What work has been done since we were appointed, why was that work necessary and what has been the financial benefit (if any) to creditors?

To assist creditors, we have used the headings from our Fees Estimate and Time Costs Analysis attached, to categorise the work that has been and will be undertaken in the administration.

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details>. Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached.

General case administration and planning

Insolvency Practitioners are required to maintain records to demonstrate how the case is administered, and to document any decisions that materially affect the case.

At the onset of the case we will form a strategy for how the case will be managed. This will take into consideration the level of assets to be realised, how those assets will be realised, and whether there will be sufficient realisations to make a distribution to the Company's creditors.

The case will be subject to regular reviews to ensure case progression and the files will be kept up to date. In addition, we will be in regular correspondence with the wife of the director in relation to any queries we may have in relation to the previous trading position.

Whilst this does not benefit creditors financially, it is necessary to ensure the efficient and compliant progressing of the administration, which ensures that the Joint Administrators and their staff carry out their work to high professional standards.

Compliance with the Insolvency Act, Rules and best practice

The Insolvency Practitioners are governed by the Insolvency Act and Rules, together with following best practice guidelines known as Statements of Insolvency Practice. We have certain statutory obligations and duties to fulfil whilst in office which include the regular filing of progress reports with Companies House and the filing of a final report at the end of the period. We are also required to notify various bodies of our appointment, including creditors, Companies House, and advertise our appointment in the London Gazette.

We are also duty bound to correspond with creditors and issue notice of the insolvency event to the likes of the pensions departments, banks and other parties who would have an interest in the proceedings. There is also the duty to investigate the directors' conduct, bond the case appropriately and instruct professionals such as property agents and solicitors to assist where necessary.

In addition, time charged to the preparation and submission of the Joint Administrators' Proposals will be charged to this area.

This work does not benefit creditors financially but is necessary in accordance with the Insolvency Act, Rules and best practice.

Investigations

Within three months of our appointment, we are required to submit an online conduct report in accordance with the Company Directors Disqualification Act. In order to fulfil this duty, we will seek to recover the Company books and records, both hard copy and electronic, from the director in order to carry out our investigations. Any person who is or has been a director, or is considered as a de facto or shadow director of the Company in the three years prior to the insolvency event are also asked to complete a questionnaire to assist with our investigations.

We have a duty to examine the conduct of the Company and its directors in order to identify what assets may be available for realising, including any actions against directors or other parties which may lead to further recoveries into the estate. Such investigations may include analysis of the Company's bank statements, reviewing information provided by third parties and analysis of the Company's management accounting systems.

Where appropriate creditors or other parties may be asked to come forward with information.

Any financial benefit to creditors in carrying out the above work is unclear at present; however, creditors will receive updates on these matters in our progress reports.

Realisation of assets

Insolvency Practitioners are required to maximise realisations for the benefit of the Company's creditors.

Time which will be charged in respect of realisation of assets relates to the work undertaken in realising the Company's fixed assets, book debts, cash at bank and any other recoveries that may come to light over the administration period.

We will continue to deal with these matters on a day to day basis in order to maximise realisations for creditors and will remain in regular contact with Eddisons who are assisting with asset realisations.

Dealing with all creditors' claims (including employees), correspondence and distributions

If there is likely to be a distribution, creditors will be made aware of this at the earliest possibility, whether it be detailed in our initial correspondence, a progress report or by notice of intended dividend issued during the course of administering the case.

Creditors' claims will be dealt with in accordance with the order of priority, and therefore only if there is a prospect of a dividend in the insolvency proceedings, will those specific claims be adjudicated on.

The Joint Administrators and their staff have written to all known creditors following appointment and have dealt with any creditor claims received to date in a timely manner. Time will continue to be spent dealing with all creditor queries as and when required.

In addition, forms RP14 and RP14a have been submitted to the Redundancy Payments Service ("RPS") in relation to claims made by former employees of the Company. We will liaise with the RPS in relation to their claim and take steps to pay a preferential dividend.

We will also liaise with HMRC in relation to their claim as Secondary Preferential Creditor.

Other matters which include, seeking decisions from creditors (via DCP and/or via Decision Procedures), tax, litigation, pensions and travel

During the course of administering the case, the Insolvency Practitioner will be required to seek decisions from creditors on various proposed resolutions, including the basis of our remuneration and whether a creditors committee is formed.

We are also required to submit VAT and Tax returns when appropriate in order to reclaim monies for the estate and pay over any taxes due to HMRC. We are also duty bound to provide notifications and further assistance to pensions departments where applicable.

In addition to the above, the Joint Administrators must seek decisions of creditors in relation to the approval of their proposals and the approval of their pre-administration costs. We may also be required to seek a decision on the potential extension of the administration period should it become necessary.

There may not be any obvious financial benefit to creditors, but all work carried out would likely be considered necessary for the administration and progression of the case. Creditors will be notified of all of our actions in the progress and/or final reports issued.

Time Costs Analysis

An analysis of time costs for the period of the report is attached showing the time spent by each grade of staff on the different types of work involved in the case, and giving the total costs and average hourly rate charged for each work type.

Please note that the analysis provides details of the work undertaken by us and our staff following our appointment only.

Pre-Administration costs

Details of the pre appointment work carried out, together with our costs and proposed remuneration are found within the Proposal document and are also detailed separately within this Appendix.

Category 2 Expenses

Full details of the expenses we anticipate will be incurred throughout the administration period are contained in Appendix 3.

How much will the work cost?

Details of the Joint Administrators' anticipated fees and disbursements are set out in the fees estimate attached.

Expenses

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above are set out in the estimate of anticipated expenses attached.

What is the anticipated payment for administering the case in full?

We estimate that the cost of administering the case will be in the region of £62,355 and consequently we are seeking approval for us to draw our remuneration up to that level. Costs incurred over and above the level approved will be written off.

SIP9 Recycle Cymru Ltd - Administration - 70RE495.ADM : Time Costs Analysis From 08/07/2022 To 26/08/2022

Staff Grade		Consultant/Partner	Director	Snr Mngr	Mngr	Asst Mngr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning	0.7	0.2	3.8							4.7	2,132.50	453.72
	Administration	0.8	0.1	0.3			4.0				5.0	1,466.50	293.30
	Total for General Case Administration and Planning:	1.3	0.3	4.1			4.0				9.7	3,599.00	371.03
Compliance with the Insolvency Act, Rules and best practice	Appointment	1.5		1.2			5.0				7.7	2,539.50	329.81
	Banking and Bonding			0.4			3.0			2.4	5.8	1,266.00	216.28
	Case Closure												0.00
	Statutory reporting and statement of affairs						2.8				2.8	672.00	240.00
	Total for Compliance with the Insolvency Act, Rules and best practice:	1.5		1.6			10.8			2.4	16.3	4,477.50	274.69
Investigations	CCDA and investigations			0.7							0.7	304.50	435.00
	Total for Investigations:			0.7							0.7	304.50	435.00
Realisation of assets	Debt collection												0.00
	Property, business and asset sales	1.7		2.0							3.7	1,796.50	485.54
	Retention of Title/Third party assets						0.5				0.5	120.00	240.00
	Total for Realisation of assets:	1.7		2.0			0.5				4.2	1,916.50	456.31
Trading	Trading												0.00
	Total for Trading:												0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured												0.00
	Others	0.1	0.6	1.0			3.1				4.8	1,527.50	318.23
	Creditors committee												0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:	0.1	0.6	1.0			3.1				4.8	1,527.50	318.23
Other matters which includes meetings, tax, litigation, pensions and travel	Seeking decisions of creditors												0.00
	Meetings												0.00
	Other			0.3			2.9				3.2	826.50	258.28
	Tax												0.00
	Litigation												0.00
	Total for Other matters:			0.3			2.9				3.2	826.50	258.28
	Total hours by staff grade:	4.6	0.9	9.7			21.3			2.4	38.9		
	Total time cost by staff grade £:	2,507.00	441.00	4,219.50			5,112.00			372.00		12,651.50	
	Average hourly rate £:	545.00	490.00	435.00	0.00	0.00	240.00	0.00	0.00	155.00			325.23
	Total fees drawn to date £:											0.00	

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THE ADMINISTRATORS' FEES ESTIMATE

Further to our appointment as administrators, we are seeking to be remunerated on a time costs basis. Details of our firm's hourly charge-out rates are set out in the charging policy which accompanies this estimate. Prior to creditors determining the basis upon which we are to be remunerated, we are obliged to produce a fees estimate and to provide it to each creditor of whose details we are aware so that it can be approved at the same time as the basis of our remuneration.

Our fees estimate is set out below. Please note that blended hourly rates have been used which take account of the various levels of staff that are likely to undertake each area of work. These can be seen in the average hourly rate column. For the avoidance of any doubt, the above estimate relates to the period of administration and subsequent potential Creditors Voluntary Liquidation. Any approval obtained will carry over to the Creditors Voluntary Liquidation (should our proposals be approved and the administrators be appointed as liquidators)

Details of the work that the administrators and their staff propose to undertake	Hours	Time cost £	Average hourly rate £
General case administration and planning	28.00	10,000.00	357.14
Compliance with the Insolvency Act, Rules and best practice	25.00	9,530.00	381.20
Investigations	26.00	9,520.00	366.15
Realisation of assets	18.00	8,270.00	459.44
Dealing with all creditors' claims (including employees), correspondence and distributions	36.00	11,310.00	314.17
Other matters incl. seeking decisions of creditors, meetings, tax, litigation, pensions and travel	41.00	13,705.00	334.27
Total hours by staff grade	174.00		
Total time cost by staff grade		62,335.00	
Average hourly rate £			358.24

Should creditors require further information on how this estimate has been produced this can be obtained from our website at <http://www.begbies-traynorgroup.com/fee-estimates>.

A more detailed explanation of the work that falls into the categories mentioned in the table above can be obtained from our website at <http://www.begbies-traynorgroup.com/work-details>.

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DETAILS OF THE EXPENSES THAT THE ADMINISTRATORS CONSIDER WILL BE, OR ARE
LIKELY TO BE INCURRED DURING THE COURSE OF THE ADMINISTRATION

No.	Type of expense	Description	Estimate £
1.	Advertisements	Of appointment, requisitioned meetings, dividends etc.	£200
2.	Bond	An Insolvency Practitioner is required to have a bond in place to protect the estate from misappropriation of funds	£70
3.	Eddisons Insurance Services (part of the Begbies Traynor Group)	An Insolvency Practitioner is required to ensure that there is sufficient insurance cover over the assets of the insolvent entity. Administration fees may also be charged on the policy	£1,000
4.	Storage costs	An Insolvency Practitioner is required to retain relevant books and records of the insolvent entity in order to carry out his/her duties as office holder. In addition, following case closure the Insolvency Practitioner will retain his/her working papers to allow any queries or issues raised to be dealt with.	£100
5.	Agent's fees and disbursements	Eddisons (part of the Begbies Traynor Group) fees for providing valuations, general advice and assisting in the sale of the Company's physical assets	Time Costs £5,000 - £15,000 10% of realisations - £2,000 - £3,000
6.	Legal fees and disbursements	The fees of any solicitors and/or barristers instructed to assist the Insolvency Practitioner and their anticipated disbursements.	£2,000
7.	Bank charges	An Insolvency Practitioner is required to operate a separate bank account in relation to the insolvent entity's estate. Some charges may be incurred for certain same day payments.	£50
8.	Travel	As outlined in the charging policy above, mileage is charged at 45p per mile. Travel expenses relate to site visits, meetings and other necessary travel in relation to the administration	£150