

# AM23

## Notice of move from administration to dissolution



Companies House

For further information, please refer to our guidance at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 7 5 2 8 7 9 5

Company name in full Recycling Technologies Ltd

#### → Filling in this form

Please complete in typescript or in bold black capitals.

### 2 Court details

Court name High Court of Justice Business and Property Courts  
of E & W Insolvency & Companies List (ChD)

Court number C R - 2 0 2 2 - 0 0 3 2 8 8

### 3 Administrator's name

Full forename(s) Nicholas

Surname Holloway

### 4 Administrator's address

Building name/number c/o Interpath Ltd

Street 10 Fleet Place

Post town London

County/Region

Postcode E C 4 M 7 R B

Country

AM23

Notice of move from administration to dissolution

|                           |  |  |  |
|---------------------------|--|--|--|
| <b>5</b>                  | <b>Administrator's name ①</b>  |  |  |
| Full forename(s)          | William James  |  | <b>① Other administrator</b><br>Use this section to tell us about another administrator. |
| Surname                   | Wright   |  |  |
| <b>6</b>                  | <b>Administrator's address ②</b>   |  |  |
| Building name/number      | c/o Interpath Ltd  |  | <b>② Other administrator</b><br>Use this section to tell us about another administrator. |
| Street                    | 10 Fleet Place   |  |  |
|                           |  |  |  |
| Post town                 | London   |  |  |
| County/Region             |  |  |  |
| Postcode                  | E C 4 M 7 R B  |  |  |
| Country                   |  |  |  |
| <b>7</b>                  | <b>Final progress report</b>   |  |  |
|                           | <input checked="" type="checkbox"/> I have attached a copy of the final progress report              |  |  |
| <b>8</b>                  | <b>Sign and date</b>   |  |  |
| Administrator's signature | Signature<br>X  X |  |  |
| Signature date            | d 2 5 m 0 9 y 2 0 y 2 3  |  |  |

**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 **Joseph Curtis**

Company name **Interpath Ltd**

Address **5th Floor, 130 St Vincent Street**

Post town **Glasgow**

County/Region

Postcode **G 2 5 H F**

Country

DX

Telephone **Tel +44 (0) 203 989 2800**

**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 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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)**

Joint  
Administrators'  
final progress  
report for the  
period 26  
March 2023 to  
21 September  
2023

Recycling Technologies Ltd - in  
Administration

25 September 2023

Deemed delivered: 27 September 2023

# Notice to creditors

This progress report provides a final update on the administration of the Company.

We have included (Appendix 2) an account of all amounts received and payments made since our previous progress report.

We have also explained the exit route from the administration and the outcome for each class of creditors.

You will find other important information in the document such as the costs we have incurred.

A glossary of the abbreviations used throughout this document is attached (Appendix 6).

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following website, [www.ia-insolv.com/case+INTERPATH+RM926F0244.html](http://www.ia-insolv.com/case+INTERPATH+RM926F0244.html). We hope this is helpful to you.

**Please also note that an important legal notice about this report is attached (Appendix 7).**

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# 1 Executive summary

This final progress report covers the period from 26 March 2023 to 21 September 2023.

The only realisations during the period relate to a late VAT repayment settlement and bank interest (Section 2 - Progress to date).

We understand that there are no secured creditors (Section 3 – Outcome for creditors).

There were insufficient funds available to enable a distribution to both ordinary preferential and secondary preferential creditors (Section 3 – Outcome for creditors).

There were insufficient funds available to enable a distribution to unsecured creditors (Section 3 – Outcome for creditors).

We have filed a copy of this final progress report with the Registrar of Companies together with the requisite notice. The administration will cease to have effect when the Registrar of Companies registers these documents. The Company will be dissolved three months after that date.

Please note: you should read this progress report in conjunction with our previous progress report(s) and proposals issued to the Company's creditors. [www.ia-insolv.com/case+INTERPATH+RM926F0244.html](http://www.ia-insolv.com/case+INTERPATH+RM926F0244.html). Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



Nick Holloway  
Joint Administrator

## 2 Progress to date

This section provides a final update on the strategy for the administration and on the progress made. It follows the information provided in our previous progress report.

### 2.1 Strategy and progress to date

#### Strategy

Our strategy for the administration was set out in our proposals document, a summary of which is attached at Appendix 5. There have been no major amendments to, deviations from or revisions of the proposals.

During the period, we pursued the late repayment of VAT settlement from HMRC and settled all outstanding costs of the administration.

#### Sale of business

Immediately following appointment, the Joint Administrators of both the Company and RTG undertook a combined sales process to explore offers on any basis, including any interest for the acquisition of the Company's share capital, held by RTG.

In marketing the business and assets for sale, a wide range of parties were approached. This included parties that had been approached as part of the process prior to the administration, and parties that contacted us directly following advertisement that the Company was in administration.

As a result 59 parties participated in the sale of business process, of which 26 were then under NDA and engaged in meetings with the retained staff of the Company and the Joint Administrators. A total of 13 parties proceeded to the next stage of the process, with 9 offers being received. These offers ranged from plans to purchase substantially all the business and assets of the company, to specific assets of interest being identified by prospective purchasers.

Due to the extensive interest in the business, we negotiated with the 9 parties who had submitted offers, to ascertain which were deliverable and to obtain the best outcome for creditors. As the process progressed, 8 of these parties removed themselves from the process during the due diligence process.

We entered the final stage of a sale of the business with the remaining party for a consideration of £1.1m. The interested party appeared to be able to complete the transaction in a reasonable timeframe. Multiple calls were held between us, our legal advisors and the interested party, and we progressed to final draft legal documents. However, the sale ultimately collapsed due to the interested party withdrawing at the last moment due to costs involved in exporting the assets.

At this point, an asset breakup strategy was being actively explored alongside this to identify potential alternative offers.

Subsequently, an offer was received from the Purchaser and was ultimately considered in the circumstances as being the best available option. The aggregate monetary consideration for the sale and purchase of the assets was £310,000 and apportioned as follows:

- (a) for the Business Name - £1
- (b) for the Business Rights - £1
- (c) for the Customer Contracts - £1
- (d) for the Goodwill - £5,000
- (e) for the Intellectual Property - £5,000
- (f) for the Plant and Machinery - £ 298,995
- (g) for the Stock — £1
- (h) for the Systems - £1,000
- (i) for the Transferred Records - £1

The consideration was subject to VAT.

It was ultimately concluded the transaction with the Purchaser was a significant improvement on the only other likely outcome which was a piecemeal disposals strategy.

We received advice from our agents that the consideration from the Purchaser provided a better net outcome than the value likely to be obtained from the assets on a piecemeal disposals basis, and they recommended we proceeded with the offer from the Purchaser.

The Purchaser also entered into a three-month license to occupy with the Administrators for the main site, Stirling Court, for which a license fee was paid.

We liaised with the Purchaser on the transfer of relevant Transferred Records and have secured all Books & Records relevant for the Administration.

## **2.2 Asset realisations**

Realisations during the period are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant realisations during the period are provided below.

VAT late repayment settlement

The sum of £2,075 was received from HMRC in relation to the late settlement of the 04/23 VAT return.

## Investigations

We reviewed the affairs of the Company to find out if there were any actions which could be taken against third parties to increase recoveries for creditors.

We have complied with the relevant statutory requirements by submitting the online director conduct assessment to the Department for Business, Energy and Industrial Strategy. The contents of our submission are confidential.

## 2.3 Costs

Payments made in this period are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant payments made during the period are provided below.

### Legal fees

We paid £145,268 to Addleshaw Goddard in respect of legal advice provided post-appointment.

In addition, a total of £500 was paid to Foot Anstey in relation to their independent validity of appointment advice.

### Administrators' fees

We have drawn fees of £86,290 on account in respect of time costs incurred.

### Pre-administration legal fees

The sum of £28,146 was paid to Addleshaw Goddard in respect of legal advice provided pre-appointment.

### Utilities

We paid £13,747 to Good Energy Limited in respect of electricity charges for the period of occupation at Stirling Court.

### Insurance

An amount of £12,762 was paid to Marsh Limited in respect of open cover insurance and public liability cover.

### Rent

A total of £5,128 was paid to the landlord via our agents PHD in respect of rent and associated service charges for the period of occupation at Stirling Court.

## 2.4 Schedule of expenses

We have detailed the costs incurred during the period in the schedule of expenses attached (Appendix 3).

## **3 Outcome for creditors**

### **3.1 Secured creditors**

We are not aware of any secured claims against the company.

### **3.2 Ordinary preferential creditors (employees)**

The ordinary preferential claims at the date of commencement of the administration totalled approximately £200,000.

There were insufficient funds available to pay a dividend to the ordinary preferential creditors.

### **3.3 Secondary preferential creditors (HMRC)**

Certain claims from HMRC rank preferentially, but secondary to the employee, ordinary preferential creditors above. These claims are therefore referred to as "secondary preferential creditors".

The secondary preferential claims at the date of commencement of the administration totalled approximately £875,000.

There were insufficient funds available to pay a dividend to the secondary preferential creditors.

### **3.4 Unsecured creditors**

There were insufficient funds to pay a dividend to the unsecured creditors.

## **4 Joint Administrators' remuneration and expenses**

### Time costs

From 26 March 2023 to 21 September 2023, we have incurred time costs of £88,621. These represent 187 hours at an average rate of £473 per hour.

### Remuneration

During the period, we have drawn floating charge remuneration of £86,290. It has not been possible for the Joint Administrators to recover their time costs in full, as these have been restricted by the level of available asset realisations in the estate.

### Administrators' Expenses

During the period, we have incurred expenses of £233. None of these have been paid.

### Additional information

We have attached (Appendix 4) an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by Interpath for the period from 26 March 2023 to 21 September 2023. We have also attached our charging and expenses policy.

## **5 Conclusion of the administration**

We have filed a copy of this final progress report with the Registrar of Companies together with the requisite notice.

The administration will cease to have effect when the Registrar of Companies registers these documents. The Company will be dissolved three months after that date.

We will be discharged from liability in respect of any action of ours as Joint Administrators upon the filing of our final receipts and payments account with the Registrar of Companies.

## Appendix 1      Statutory information

### Company information

|                             |   |
|-----------------------------|---|
| Company name                | Recycling Technologies Ltd                      |
| Date of incorporation       | 14 February 2011                                |
| Company registration number | 07528795  |
| Present registered office   | Interpath Ltd, 10 Fleet Place, London, EC4M 7RB |

### Administration information

|                                    |   |
|------------------------------------|---|
| Administration appointment         | The administration appointment granted in High Court of Justice Business and Property Courts of E & W Insolvency & Companies List (ChD), 003288 of 2022 |
| Appointor                          | Directors   |
| Date of appointment                | 26 September 2022   |
| Joint Administrators' details      | Nick Holloway and Will Wright   |
| Functions                          | The functions of the Joint Administrators have been exercised by them individually or together in accordance with Paragraph 100(2).                     |
| Current administration expiry date | 25 September 2023   |

## Appendix 2

## Joint Administrators' receipts and payments account

| Recycling Technologies Ltd - in Administration |  |                                      |                                      |
|--|--|--------------------------------------|--------------------------------------|
| Abstract of receipts & payments                |  |                                      |                                      |
| Statement of affairs (£)                       |  | From 26/03/2023<br>To 21/09/2023 (£) | From 26/09/2022<br>To 21/09/2023 (£) |
| ASSET REALISATIONS                             |  |                                      |                                      |
|  | VAT late repayment settlement            | 2,075.11                             | 2,075.11                             |
|  | Transferred records                      | NIL                                  | 1.00                                 |
| 8,321.00                                       | Office furniture, fittings, IT equipment | NIL                                  | NIL                                  |
| 2,087.00                                       | Plant & machinery                        | NIL                                  | 298,995.00                           |
| 200,813.00                                     | R & D Equipment                          | NIL                                  | NIL                                  |
| 30,000.00                                      | Binn Farm Infrastructure & Equipment     | NIL                                  | NIL                                  |
| 35,813.00                                      | Beta Plant Equipment/fixtures/fittings   | NIL                                  | NIL                                  |
|  | Stock                                    | NIL                                  | 1.00                                 |
|  | Contribution to LTO agents costs         | NIL                                  | 5,100.00                             |
|  | Customer contracts                       | NIL                                  | 1.00                                 |
| 4,185.00                                       | Motor vehicles                           | NIL                                  | NIL                                  |
|  | Goodwill                                 | NIL                                  | 5,000.00                             |
| 417,672.00                                     | Cash at bank                             | NIL                                  | 417,671.54                           |
|  | Contribution to LTO fees                 | NIL                                  | 41,957.97                            |
|  |  | 2,075.11                             | 770,802.62                           |
| OTHER REALISATIONS                             |  |                                      |                                      |
|  | Bank interest, gross                     | 39.45                                | 247.03                               |
|  | Sundry refunds                           | 2,217.88                             | 15,859.24                            |
| 34,944.00                                      | Facility assets                          | NIL                                  | NIL                                  |
| 176,113.00                                     | Software, RT7000 and licenses            | NIL                                  | 6,002.00                             |
|  |  | 2,257.33                             | 22,108.27                            |
| COST OF REALISATIONS                           |  |                                      |                                      |
|  | Pre-administration Administrators' fees  | NIL                                  | (13,132.50)                          |
|  | Administrators' fees                     | (86,290.45)                          | (386,290.45)                         |
|  | Legal fees pre-administration            | (28,146.00)                          | (28,146.00)                          |
|  | Agents'/Valuers' fees                    | (1,919.18)                           | (36,803.39)                          |
|  | Outsourced employee claims assistance    | NIL                                  | (2,243.24)                           |
|  | Legal fees                               | (145,768.35)                         | (145,768.35)                         |
|  | LTO Agents fees                          | NIL                                  | (5,100.00)                           |
|  | I.T. costs                               | NIL                                  | (1,089.84)                           |
|  | Telephone/Telex/Fax                      | NIL                                  | (854.39)                             |

# Recycling Technologies Ltd - in Administration

## Abstract of receipts & payments

| Statement of affairs (£) |                                   | From 26/03/2023<br>To 21/09/2023 (£) | From 26/09/2022<br>To 21/09/2023 (£) |
|--------------------------|-----------------------------------|--------------------------------------|--------------------------------------|
|                          | Utilities                         | (13,746.59)                          | (16,376.48)                          |
|                          | Storage costs                     | NIL                                  | (96.40)                              |
|                          | Statutory advertising             | NIL                                  | (86.00)                              |
|                          | Rent                              | (5,127.84)                           | (35,397.51)                          |
|                          | Other property expenses           | NIL                                  | (575.00)                             |
|                          | Insurance of assets               | (12,762.34)                          | (12,762.34)                          |
|                          | Wages & salaries                  | (3,196.68)                           | (40,648.66)                          |
|                          | PAYE & NIC                        | (4.20)                               | (25,582.37)                          |
|                          | LTO Rent                          | NIL                                  | (41,957.97)                          |
|                          |                                   | (296,961.63)                         | (792,910.89)                         |
|                          | PREFERENTIAL CREDITORS            |                                      |                                      |
| (875,669.92)             | HMRC                              | NIL                                  | NIL                                  |
| (198,935.00)             | Employees' wage arrears & holiday | NIL                                  | NIL                                  |
|                          |                                   | NIL                                  | NIL                                  |
|                          | UNSECURED CREDITORS               |                                      |                                      |
| (1,955,753.00)           | Trade & expense                   | NIL                                  | NIL                                  |
| (906,239.00)             | Employees                         | NIL                                  | NIL                                  |
| (17,087,123.00)          | Convertible loan note - RTG       | NIL                                  | NIL                                  |
| (1,483,173.00)           | Connected companies               | NIL                                  | NIL                                  |
| (935,433.00)             | Local authority loan              | NIL                                  | NIL                                  |
|                          |                                   | NIL                                  | NIL                                  |
|                          | DISTRIBUTIONS                     |                                      |                                      |
| (293,998.00)             | Ordinary shareholders             | NIL                                  | NIL                                  |
|                          |                                   | NIL                                  | NIL                                  |
| <b>(22,826,375.92)</b>   |                                   | <b>(292,629.19)</b>                  | <b>NIL</b>                           |
|                          | REPRESENTED BY                    |                                      |                                      |
|                          | Floating ch. VAT rec'able         |                                      | 129,266.71                           |
|                          | Floating ch. VAT payable          |                                      | (9,411.59)                           |
|                          | Floating ch. VAT control          |                                      | (119,855.12)                         |
|                          |                                   |                                      | <b>NIL</b>                           |

## Appendix 3

## Schedule of expenses

### Cost of realisations

|                       |                  |                  |                   |
|-----------------------|------------------|------------------|-------------------|
| Administrators' fees  | 42,031.73        | 46,589.52        | <b>88,621.25</b>  |
| Agents'/Valuers' fees | 1,919.18         | 0.00             | <b>1,919.18</b>   |
| Legal fees            | 500.00           | 0.00             | <b>500.00</b>     |
| Utilities             | 13,746.59        | 0.00             | <b>13,746.59</b>  |
| Rent                  | 5,127.84         | 0.00             | <b>5,127.84</b>   |
| Insurance of assets   | 12,762.34        | 0.00             | <b>12,762.34</b>  |
| PAYE & NIC            | 4.20             | 0.00             | <b>4.20</b>       |
| <b>TOTAL</b>          | <b>76,091.88</b> | <b>46,589.52</b> | <b>122,681.40</b> |

Please note that there is a difference between the payments made during the period of £296,961.63 (per the receipts and payments account) and the expenses incurred and paid in the period of £122,681.40 (per the schedule of expenses).

This is due to the fact that some of the payments made in the period relate to expenses incurred in a prior period.

## Requests for further information and right to challenge our remuneration and expenses

### Creditors' requests for further information

If you would like to request more information about our remuneration and expenses disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report.

Requests from unsecured creditors must be made with the concurrence of at least 5% in value of unsecured creditors (including, the unsecured creditor making the request) or with the permission of the Court.

### Creditors' right to challenge our remuneration and expenses

If you wish to challenge the basis of our remuneration, the remuneration charged, or the expenses incurred during the period covered by this progress report, you must do so by making an application to Court within eight weeks of receiving this progress report.

Applications by unsecured creditors must be made with concurrence of at least 10% in value of unsecured creditors (including the unsecured creditor making the challenge) or with the permission of the Court.

The full text of the relevant rules can be provided on request by writing to Joseph Curtis at Interpath Ltd, 5<sup>th</sup> Floor, 130 St Vincent Street, Glasgow, G2 5HF.

## Appendix 4      Joint Administrators' charging and expenses policy

### Joint Administrators' charging policy

The time charged to the administration is by reference to the time properly given by us and our staff in attending to matters arising in the administration. This includes work undertaken in respect of in-house Interpath Advisory tax, VAT and employee specialists.

Our policy is to delegate tasks in the administration to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

A copy of "A Creditors' Guide to Joint Administrators' Fees" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available at:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29113/page/1/guide-to-administrators-fees/>

If you are unable to access this guide and would like a copy, please contact Joseph Curtis on 0203 989 2843.

### Hourly rates

Set out below are the relevant charge-out rates per hour worked for the grades of our staff actually or likely to be involved on this administration. Time is charged by reference to actual work carried out on the administration; using a minimum time unit of six minutes.

All staff who have worked on the administration, including cashiers and secretarial staff, have charged time directly to the administration and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the administration but is reflected in the general level of charge-out rates.

### Table of charge-out rates

|                    |     |
|--------------------|-----|
| Managing Director  | 780 |
| Director           | 725 |
| Associate Director | 635 |
| Manager            | 530 |
| Senior Associate   | 370 |
| Associate          | 265 |
| Analyst            | 165 |

## Policy for the recovery of expenses

We have recovered neither Category 1 nor Category 2 expenses from the estate.

For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

*Expenses:* These are any payments which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements which are payments first met by the office holder, and then reimbursed to the office holder from the estate.

*Category 1 expenses:* These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

*Category 2 expenses:* These are payments to associates or which have an element of shared costs. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

*Associates:* are defined in the insolvency legislation but also extends to parties where a reasonable and informed third party might consider there would be an association between the third party and the office holder or their firm.

Category 2 expenses charged by Interpath Advisory include mileage. This is calculated as follows:

Mileage claims fall into three categories:

Use of privately-owned vehicle or car cash alternative – 45p per mile.

Use of company car – 60p per mile.

Use of partner's car – 60p per mile.

For all of the above car types, when carrying Interpath passengers an additional 5p per mile per passenger will also be charged where appropriate.

We have incurred the following expenses (excluding VAT) during the period 26 March 2023 to 21 September 2023.

|              |            |               |            |             |               |
|--------------|------------|---------------|------------|-------------|---------------|
| Mileage      | NIL        | NIL           | NIL        | 8.74        | <b>8.74</b>   |
| Postage      | NIL        | 224.22        | NIL        | NIL         | <b>224.22</b> |
| <b>Total</b> | <b>NIL</b> | <b>224.22</b> | <b>NIL</b> | <b>8.74</b> | <b>232.96</b> |

Please bear in mind that this table includes expenses incurred by Interpath and is therefore unlikely to reconcile with the expenses shown in the Schedule of Expenses.

We have the authority to pay Category 1 expenses without the need for any prior approval from the creditors of the Company.

Category 2 expenses have been approved in the same manner as our remuneration.

Narrative of work carried out for the period 26 March 2023 to 21 September 2023

The key areas of work have been:

|   |   |
|---|---|
| Statutory and compliance                  | preparing statutory receipts and payments accounts;<br>arranging bonding and complying with statutory requirements;<br>dealing with all closure related formalities;<br>ensuring compliance with all statutory obligations within the relevant timescales.  |
| Strategy documents, Checklist and reviews | regular case management and reviewing of progress, including regular team update meetings and calls;<br>meeting with management to review and update strategy and monitor progress;<br>reviewing and authorising junior staff correspondence and other work;<br>dealing with queries arising during the appointment;<br>reviewing matters affecting the outcome of the administration;<br>liaising with legal advisors regarding the various instructions, including agreeing content of engagement letters;<br>complying with internal filing and information recording practices, including documenting strategy decisions. |
| Cashiering                                | preparing and processing vouchers for the payment of post-appointment invoices;<br>creating remittances and sending payments to settle post-appointment invoices;<br>reconciling post-appointment bank accounts to internal systems;<br>ensuring compliance with appropriate risk management procedures in respect of receipts and payments.  |
| Tax                                       | analysing VAT related transactions;<br>reviewing the Company's duty position to ensure compliance with duty requirements;<br>dealing with post appointment tax compliance.  |
| Shareholders                              | providing copies of statutory reports to the shareholders.  |
| General                                   | reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9;<br>drawing remuneration in accordance with the basis which has been approved by the general body of creditors;<br>dealing with the ongoing storage of the Company books and records.  |
| Property matters                          | managing the Company's leasehold properties, including Licence to Occupy with the Purchaser;<br>communicating with landlords regarding rent, property occupation and other issues.  |
| Employees                                 | managing claims from employees.   |
| Creditors and claims                      | updating the list of unsecured creditors;<br>responding to enquiries from creditors regarding the administration and submission of their claims;<br>reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records;<br>drafting our final progress report.   |

Time costs

|  |             |          |        |
|--|-------------|----------|--------|
| General (Cashiering)                       | <b>9.90</b> | 4,222.00 | 426.46 |
| Reconciliations (& IPS accounting reviews) | <b>2.00</b> | 848.00   | 424.00 |

**SIP 9 –Time costs analysis (26/03/2023 to 21/09/2023)**

|  | Hours         | Time Cost (£)    | Average Hourly Rate (£) |
|--|---------------|------------------|-------------------------|
| Books and records  | 1.10          | 439.00           | 399.09                  |
| Fees and WIP   | 2.80          | 1,372.00         | 490.00                  |
| Statutory and compliance   |               |                  |                         |
| Appointment and related formalities                                  | 1.70          | 901.00           | 530.00                  |
| Checklist & reviews  | 8.40          | 3,985.50         | 474.46                  |
| Closure and related formalities                                      | 0.10          | 37.00            | 370.00                  |
| Statutory receipts and payments accounts                             | 0.20          | 156.00           | 780.00                  |
| Strategy documents   | 12.70         | 6,460.50         | 508.70                  |
| Tax  |               |                  |                         |
| Initial reviews - CT and VAT   | 1.60          | 858.50           | 536.56                  |
| Post appointment corporation tax                                     | 89.15         | 44,955.75        | 504.27                  |
| Post appointment VAT   | 7.20          | 3,016.00         | 418.89                  |
| <b>Creditors</b>   |               |                  |                         |
| Creditors and claims   |               |                  |                         |
| General correspondence   | 16.80         | 6,536.00         | 389.05                  |
| Statutory reports  | 23.40         | 10,090.00        | 431.20                  |
| Employees  |               |                  |                         |
| Agreeing employee claims   | 0.20          | 106.00           | 530.00                  |
| Employee Correspondence  | 0.50          | 217.00           | 434.00                  |
| <b>Realisation of assets</b>   |               |                  |                         |
| Asset Realisation  |               |                  |                         |
| Insurance  | 2.00          | 772.00           | 386.00                  |
| Leasehold property   | 4.90          | 2,165.00         | 441.84                  |
| Other assets   | 2.60          | 1,378.00         | 530.00                  |
| Sale of business   | 0.20          | 106.00           | 530.00                  |
| <b>Total in period</b>   | <b>187.45</b> | <b>88,621.25</b> | <b>472.77</b>           |
| Brought forward time (appointment date to SIP 9 period start date)   | 1,516.60      | 665,753.25       |                         |
| SIP 9 period time (SIP 9 period start date to SIP 9 period end date) | 187.45        | 88,621.25        |                         |
| Carry forward time (appointment date to SIP 9 period end date)       | 1,704.05      | 754,374.50       |                         |

## Appendix 5      Summary of Joint Administrators' proposals

Due to the lack of funding, and significant creditor arrears, rescuing the Company in accordance with Paragraph 3(1)(a) is not considered achievable.

Therefore our primary objective is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up, in accordance with Paragraph 3(1)(b).

In addition to the specific itemised proposals below, this document in its entirety constitutes our proposals.

We propose the following:

### General matters

- to continue to do everything that is reasonable, and to use all our powers appropriately, in order to maximise realisations from the assets of the Company in accordance with the objective as set out above;
- to investigate and, if appropriate, to pursue any claims the Company may have;
- to seek an extension to the administration period if we consider it necessary.

### Distributions

- to make distributions to the preferential creditors where funds allow;
- to make distributions to the unsecured creditors if funds become available, and to apply to the Court for authority to do so, where applicable.

### Ending the administration

We might use any or a combination of the following exit route strategies in order to bring the administration to an end:

- apply to Court for the administration order to cease to have effect from a specified time and for control of the Company to be returned to the Directors;
- formulate a proposal for either a company voluntary arrangement (CVA) or a scheme of arrangement and put it to meetings of the Company's creditors, shareholders or the Court for approval as appropriate;
- place the Company into creditors' voluntary liquidation. In these circumstances we propose that we, Nick Holloway and Will Wright, be appointed as Joint Liquidators of the Company without any further recourse to creditors. If appointed Joint Liquidators, any action required or authorised under any enactment to be taken by us may be taken by us individually or together. The creditors may nominate different persons as the proposed Joint Liquidators, provided the nomination is received before these proposals are approved;
- petition the Court for a winding-up order placing the Company into compulsory liquidation and to consider, if deemed appropriate, appointing us, Nick Holloway and Will Wright, as Joint Liquidators of the Company without further recourse to creditors. Any action required or authorised under any enactment to be taken by us as Joint Liquidators may be taken by us individually or together;

file notice of move from administration to dissolution with the Registrar of Companies if we consider that liquidation is not appropriate because (1) no dividend will become available to creditors, and (2) there are no other outstanding matters that require to be dealt with in liquidation. The Company will be dissolved three months after the registering of the notice with the Registrar of Companies.

Alternatively, we may allow the administration to end automatically.

Joint Administrators' remuneration and pre-administration costs

We propose that:

our remuneration will be drawn on the basis of time properly given by us and the various grades of our staff in accordance with the fees estimate provided in Appendix 3 and the charge-out rates included in Appendix 5;

Category 2 expenses (as defined in Statement of Insolvency Practice 9) will be charged and drawn in accordance with Interpath Advisory's policy as set out in Appendix 5);

unpaid pre-administration costs be an expense of the administration.

Discharge from liability

We propose that we shall be discharged from liability in respect of any action of ours as Joint Administrators upon the filing of our final receipts and payments account with the Registrar of Companies.

## Appendix 6      Glossary

|                                       |  |
|---------------------------------------|--|
| <b>Addleshaw Goddard</b>              | Addleshaw Goddard LLP  |
| <b>Bank</b>                           | Barclays Bank plc  |
| <b>Company</b>                        | Recycling Technologies Ltd - in Administration   |
| <b>Foot Anstey</b>                    | Foot Anstey LLP  |
| <b>Group</b>                          | The Company together with;<br><br>Recycling Technologies Group plc – in Administration |
| <b>Interpath/Interpath Advisory</b>   | Interpath Ltd  |
| <b>Joint Administrators/we/our/us</b> | Nick Holloway and Will Wright  |
| <b>PHD</b>                            | PHD Property Advisory Limited  |
| <b>Purchaser</b>                      | Deeptech Recycling Limited   |

Any references in this progress report to sections, paragraphs and rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency Rules (England and Wales) 2016 respectively.

## Appendix 7      Notice: About this report

This report has been prepared by Nick Holloway and Will Wright the Joint Administrators of Recycling Technologies Ltd – in Administration (the ‘Company’) solely to comply with their statutory duty to report to creditors under the Insolvency Rules (England and Wales) 2016 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company or any other company in the Group.

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 creditors.

Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency Rules (England and Wales) 2016 does so at its own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

Nicholas Holloway and William James Wright are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England & Wales.

We are bound by the Insolvency Code of Ethics.

The Officeholders may be Data Controllers of personal data as defined by the Data Protection Act 2018. Personal data will be kept secure and processed only for matters relating to the appointment. For further information, please see our Privacy policy at – [www.interpathadvisory.com/privacy-insolvency](http://www.interpathadvisory.com/privacy-insolvency).

The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, Interpath Ltd does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the administration.

**[www.interpathadvisory.com](http://www.interpathadvisory.com)**

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