

The Insolvency Act 1986

**Notice of court order ending
administration****2.33B**

Name of Company
Sheffield Recycling Services Limited

Company number
04619438

In the High Courts of Justice Manchester District Registry
(full name of court)

Court case number
2205 of 2016

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

I/We (a)
Tracy Mary Clowry
Beesley Corporate Solutions
Astute House
Wilmslow Road
Handforth
Cheshire
SK9 3HP

Mark Beesley
Beesley Corporate Solutions
Astute House
Wilmslow Road
Handforth
Cheshire

(b) Insert name and
address of the
registered office of
company

having been appointed administrator(s) of (b) Sheffield Recycling Services Limited
Astute House Wilmslow Road Handforth Cheshire

(c) Insert date of
appointment

on (c) 4 March 2016
by (d) High Courts of Justice Manchester District Registry on the application of the Director of the
Company

(d) insert name of
appointor/applicant

hereby give notice that the court has ordered that the administration shall end on (e) Friday 25
November 2016

We attach to this notice a copy of the final progress report

Signed

TM Clowry
Joint / Administrator(s)

Dated

11 December 2016

Contact Details

You do not have to give any contact
information in the box opposite but if
you do, it will help Companies House to
contact you if there is a query on the
form

The contact information that you give
will be visible to searchers of the
public register

Tracy Mary Clowry
Beesley Corporate Solutions
Astute House
Wilmslow Road
Handforth
Cheshire
SK9 3HP

DX Number

01625544777
DX Exchange

When you have completed and signed this form, please send it to the
registrar of Companies at -
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff



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**Sheffield Recycling Services Limited
In Administration**

Company Registration No: 04619438

**In The High Court of Justice, Manchester District Registry
Reference No 2205 of 2016**

Joint Administrators' Final Progress Report in accordance with

Rules 2.47 & 2.116 of The Insolvency Rules 1986 (as amended)

**Including Notice of failure of Administration
Pursuant to Schedule B1 Paragraph 79 (2) (a) of The Insolvency Act 1986 (as
amended)**

1 December 2016

ADMINISTRATORS

**MARK BEESLEY & TRACY MARY CLOWRY
Beesley Corporate Solutions
Astute House
Wilmslow Road
Handforth
Cheshire
SK9 3HP
Tel 01625 544795
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info@beesley.co.uk**

**TO: THE REGISTRAR OF COMPANIES
THE COURT
ALL CREDITORS
ALL SHAREHOLDERS
ALL DIRECTORS**

SHEFFIELD RECYCLING SERVICES LIMITED – IN ADMINISTRATION

**FINAL PROGRESS REPORT IN ACCORDANCE WITH
RULES 2.47 & 2.116 OF THE INSOLVENCY RULES 1986 (AS AMENDED)**

INTRODUCTION

1.1. Company Information:

Company Number	04619438
Date of Incorporation	17 December 2002
Previous Names	N/A
Trading Styles	N/A
Registered Office	Currently (for the purposes of the administration) Astute House, Wilmslow Road, Handforth, Cheshire SK9 3HP
Previously	Manor Works Cricket Inn Road Sheffield South Yorkshire S2 5AX
Trading Addresses	Manor Works Cricket Inn Road Sheffield South Yorkshire S2 5AX Daneshill Landfill, Daneshill Road, Retford, DN22 8RB (from 27/05/2009 to 27/05/2010)
Principal Activity	Collection of Non Hazardous Waste & Treatment & Disposal of Non Hazardous Waste
Director	Scott Barrie Barker (From 17 December 2002 to Date)
Former Director (last 3 years)	Donna Louise Barker (From 1 April 2008 to 31 August 2013)
Secretary	Donna Louise Barker (From 17 December 2002 to 1 January 2010)
Issued Share Capital	2 Ordinary £1 shares
Shareholders – Current	Scott Barrie Barker – 1 Ordinary £1 share Donna Louise Barker – 1 Ordinary £1 share

- 1.2 We, Mark Beesley and Tracy Mary Clowry, were appointed as Joint Administrators of Sheffield Recycling Services Limited ("the Company") ("Sheffield"), on 4 March 2016
- 1.3 We were appointed by way of a Court appointment pursuant to paragraph 12 of Schedule B1 of the Act following an application made by the Director of the Company, Scott Barrie Barker, of Manor Works, Cricket Inn Road, Sheffield, South Yorkshire, S2 5AX
- 1.4 Pursuant to Paragraph 100 (2) we act jointly and severally as Joint Administrators. We declare that during administration of the Company any act required or authorised under any enactment to be done by the Joint Administrators may be carried out by both or either of us, or by one or both of the persons for the time being holding that office in succession to us
- 1.5 As Insolvency Practitioners we are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment
- 1.6 The Administration proceedings are under the jurisdiction of the High Court of Justice, Manchester District Registry under Court reference number 2205 of 2016
- 1.7 The Company's main centre of operations is based in the UK. The EC Regulations on Insolvency Proceedings apply and the proceedings are main proceedings under those regulations
- 1.8 In accordance with the requirements of Rules 2.47 and 2.116 of The Insolvency Rules 1986 (as amended) ("the Rules"), we are now submitting our second and final progress report to creditors following an application to the Court for our appointment as Administrators to cease to have effect (see below). This report should be read in conjunction with our Proposal dated 27 April 2016, and first progress report of 28 September 2016, further copies of which are available, free of charge, upon request
- 1.9 In accordance with paragraph 47 of Schedule B1 of the Insolvency Act 1986 the Director of the Company was requested to provide a Statement of Affairs of the Company as at the date of the commencement of Administration

To date, the Director has failed to provide a completed Statement of Affairs despite several requests for same. Consequently, no statement has been filed at Companies House. No order limiting the disclosure of the Statement of Affairs pursuant to Rule 2.30 of the Insolvency Rules 1986 (as amended) has been made by the Court.

FAILURE OF THE ADMINISTRATION

On 1 November 2016 Pursuant to Rule 2.114 (3) (a) of The Insolvency Rules 1986 (as amended), we issued notice to all creditors and our appointee that it had transpired that the purpose of the Administration could be achieved, and it was therefore our intention to make an application to the Court under Paragraph 79 (2) (a) of Schedule B1 of The Insolvency Act 1986 (as amended), ("The Act"), for our appointment as Administrators to cease to have effect as the purpose of the administration could not be achieved.

No comments or objections to this proposed course of action were received to the same.

We also advised in the aforesaid notice of 1 November 2016, that it was our intention to seek an order to wind up the Company under Section 124 of The Act and that we be appointed as Joint Liquidators. Again, we advise that, no comments or objections were received

We can confirm that, at a hearing held at 10 30 am on Friday, 25 November 2016, in the High Court of Justice, Manchester District Registry, Chancery Division, an order was made ending the Administration and granting our release as Joint Administrators pursuant to Para 79 (2) (a) of Schedule B1 of The Insolvency Act 1986 (as amended) ("IA86") ("The Act"), on the basis that the purpose of the Administration could not be achieved

The Court further granted an order to wind up the Company, and we were appointed as Joint Liquidators under the terms of the same order. Notice in Form 4 31 of our appointment as Joint Liquidators was provided to The Registrar of Companies on 25 November 2016. Our appointment was also advertised in the London Gazette on 29 November 2016

2 RECEIPTS AND PAYMENTS

- 2.1** Attached at Appendix 1 is a copy of the Joint Administrators' receipts and payments for the period from 4 March 2016 to 1 December 2016

The account separately details, in the movement's column, all transactions in the period 4 September 2016 to 1 December 2016, being the period of this report

3 PROGRESS AND REALISATION OF ASSETS

General Note:

The Company owned the two sites located on opposite sides of the road at Manor Works, Cricket Inn Road, Sheffield, S Yorkshire, S2 5AX from which it traded. Whilst the Company had held two licences granted by The Environment Agency, which authorised it to transport, process and store waste, as at the date of Administration, it was in breach of the terms of the same and was required to reduce the quantity of waste held at the sites

A licence to operate the skip hire element of the business had been granted by the Company on 17 December 2015, to an associated Company, SRS Recycling Limited, ("SRS"), (Company Number 09716800), which held its own carrier's certificate with The Environment Agency (SRS is an associated company by virtue of the Director's step son being the sole director and shareholder thereof). Under the terms of the licence it was agreed that SRS would pay a licence fee of £1,000 per month to the Company and use its surplus profits to fund the clearance of the sites, and bring them within the guidance issued by The Environment Agency. Following our appointment however it became apparent that, SRS were not taking any steps to reduce the tonnage on the sites. Additionally, the licence fee of £1,000 per month and the surplus income was not being paid into the Administration estate

Accordingly, on Tuesday, 29 March 2016, the decision was made to close the site and remove all access from SRS, who in any event, appeared to have vacated the site on Thursday, 24 March 2016

As advised in our Proposal of 27 April 2016, as it had become apparent that the proposed plan of SRS to utilise the surplus income from their trading of the skip business to clear the sites, was not viable, as Administrators, we had obtained a number of quotes from potentially interested parties, with a view to either, clearing the sites and processing the waste off site, or purchasing the sites in their present state, reducing the waste levels to the Environment Agency's satisfaction, and thereafter, continuing operations at the site. However, this did not prove to be economically viable and the site remained as it was.

Full details of the progress and efforts to clear the sites and realise assets were set out in our Proposal of 27 April 2016 and our first progress report of 28 September 2016.

We advise that further to our first progress report of 28 September 2016, the following progress was made:

- 3.1 During the course of the Administration, the former trading site was secured and subject to daily visits from security guards. The site had also been alarmed and was monitored by a remote CCTV system. The costs of which have been met by advances of funds from our office. (Please see Appendix 1)
- 3.2 On the morning of Tuesday, 13 September 2016, it was noted that the entrance to the site had been opened and that several individuals were on site. We contacted The Environment Agency and Sheffield City Council to ascertain if they knew of any planned access, however, neither party had any planned visit. We therefore contacted the Police to advise of a break in and requested that our security guard attended the site immediately.
- 3.3 Our security guard advised that the site had been attended by NPower/Meterplus in relation to an outstanding balance of £690.83 on an account in the name of Recycling & Salvage Limited. Moreover, he advised NPower had secured the premises with a new lock and disconnected the electricity supply, thereby removing our access and remote CCTV surveillance.
- 3.4 We contacted NPower to advise them of the position, and provided them with a copy of our previous correspondence advising of the Administration. We also advised that the name of the company in which the account was held was not known to the Administrators and that Recycling & Salvage Limited had no access to or interest in the sites. Our interest in the land had been registered at HM Land Registry.
- 3.5 Additionally, in consultation with our solicitor, it was concluded that, as NPower had removed our access to the site they had, in effect, adopted control of the site. Discussions were entered into with NPower to resolve this matter, however after initial correspondences no further contact was received from NPower.
- 3.6 In the interim period, our security continued to visit the exterior of the sites to monitor the position. Our insurers were notified of the position and as a precaution, cover was maintained. The continued costs were again met by the Administrators' office.
- 3.7 Shortly prior to the Court hearing we managed to contact Npower and arrange access to the site with a view to recovering our equipment. The site was attended on 23 November 2016 however some of our equipment was no longer on site. Thereafter, the site was secured by us at the end of the visit.

3.8 During the course of the Administration, we have continually liaised with Sheffield City Council and The Environment Agency to ensure that the sites remained secure and safe and this remains the position

3.9 Our investigations had discovered an account held with HSBC Bank Plc, ("HSBC"), that had not previously been disclosed by the Director(s) We therefore wrote to HSBC and requested copy statements for review

Upon receipt of same it was noted that, the account had always held a nominal balance until cAugust 2015, when the account began to show more activity On 22 December 2015, a previous winding up petition which had been issued against the Company was advertised in The London Gazette, following which, on 24 December 2015, two transactions in a total sum of c£56,000 00 debited the account

3.10 It was therefore our assertion that these transactions were in breach of s127 of The Act, and as such could be reclaimed for the benefit of the Administration estate As it was not believed that the recipients of these funds, would or would

be able to repay the monies, an application was made for repayment of same from HSBC, as the account had not been frozen upon the advertising of the petition

3.11 A hearing was set and the relevant witness statements and bundles were filed by our solicitors, however no response was initially forthcoming from HSBC, until correspondence was received advising they would rely on the authority of Bank of Ireland v Hollincourt (Contracts) Limited [2001] Ch 555

3.12 We sought further opinion from Counsel on this position, who advised that, HSBC's stance on s127 was correct and the application could be challenged Given the funds held and received in the Administration, it was deemed necessary to withdraw the application, and it was agreed that no order for costs would be requested Accordingly, no realisations have been made in this regard We are however considering whether any further action can be taken with regard to these transactions

3.13 Further investigations into a number of matters are continuing and consideration will be given to commencing recovery actions against the relevant parties, however, at this stage it is not possible to quantify the level of any potential recoveries Nor, for commercial reasons, would it be appropriate for us to disclose further details of the matters under review

3.14 Given the above, and the matters referred to in our Proposal and First Progress Report, it was deemed that the purpose of the Administration could not be achieved, primarily due to the conduct of the Director(s) and associated parties, and the costs involved of clearance of the sites

3.15 An application pursuant to Para 79 (2) (a) of Schedule B1 of The Insolvency Act 1986 (as amended) was therefore made to the Court as detailed above On 25 November 2016 the Court granted an order that our appointment as Administrators cease to have effect, that the Company be wound up and we be appointed Joint Liquidators

GENERAL NOTE: RE ADMINISTRATORS' REMUNERATION

We advised in our Proposal of 27 April 2016, that as it was not the intention of the Joint Administrators to call a meeting of Creditors pursuant to Paragraph 52 (1) (b) Schedule B1 of the Insolvency Act 1986, as it was not expected that there would be

funds available to the unsecured creditors, other than by virtue of a Prescribed Part Distribution

No request for a creditors' meeting was made by the creditors of the Company and accordingly, no Creditors' Committee was formed

Approval of the following matters was sought from the secured creditor of the Company

- 1 For the acceptance of the Joint Administrators' proposals
- 2 For the acceptance of the Administrators' Pre-Administration costs and expenses as detailed in the Administrators' Proposal
- 3 For the acceptance that the Administrators' remuneration be fixed by reference to the time properly given by the Administrators and their staff in attending to matters arising prior to and during the Administration, calculated at the prevailing standard hourly charge out rates used by Beesley Corporate Solutions at the time when the work was carried out That such remuneration be drawn from the Administration estate, together with, disbursements and VAT thereon
- 4 For the acceptance that the Administrators be authorised to draw Category 2 disbursements from the Administration estate
- 5 For the acceptance that the Administrators be discharged from liability per paragraphs 98 and 99 of Schedule B1 of the Insolvency Act 1986 (as amended) immediately upon the Administrators filing their final report to creditors and vacating office

The proposal including point 5 above was deemed approved on 11 May 2016, subject to modification by the secured creditor that the determination of the basis of the Joint Administrators' remuneration be deferred

It was the intention of the Joint Administrators to issue a revised defined proposal subject to Paragraph 54 Schedule B1 of the Insolvency Act 1986 & Rule 2.45 of The Insolvency Rules 1986 once our discussions with the Bank had been concluded However, as a result of the above noted matters, a revised defined proposal was not circulated as the purpose of the Administration could not be achieved and the Administration had failed

Please however also see note 6.2 below as regards our remuneration

As Joint Administrators, we dealt with all aspects that included, but are not limited to, realising the assets, dealing with creditor correspondence and completing our statutory obligations Our responsibilities as Administrators were adhered to in accordance with Schedule B1 of the Insolvency Act 1986 (as amended) and the Insolvency Rules 1986 (as amended) whilst in office

4 LIABILITIES

4.1 Secured creditors

The Company had granted a Debenture to Excel-A-Rate Business Services Ltd on 30 October 2003 This incorporated a floating charge over the assets of the Company

Excel-A-Rate consented to the Administration and advised they had no outstanding balance due to them. They also thereafter registered notice of the satisfaction of their charge, in full, at Companies House on 1 March 2016.

The Company also granted a Debenture, incorporating a floating charge over the assets to Lloyds on 26 July 2005.

On 9 November 2005, the Company purchased two plots of land from which it was trading. This was funded by the creation of a charge over the land in favour of Lloyds.

In addition, the Director, Mr Scott Barrie Barker provided a Personal Guarantee to Lloyds in an amount not to exceed £375,000 in November 2005.

On 30 March 2006, Sheffield purchased an additional plot of land located opposite the trading premises which was funded by further borrowings from Lloyds and supported by a Debenture created on 30 March 2006 and registered at Companies House on 5 April 2006. The Bank also had a registered charge against the property at the Land Registry.

As advised in our first progress report, during the first six month period of the Administration, correspondence was undertaken with Lloyds in relation to their security and the land charged, including the costs of clearing the sites, and the viability of same.

On 9 June 2016, Lloyds advised that they were discharging the security they held over the two sites. Their charges were thereafter removed from the title registers at HM Land Registry.

Lloyds however retains its fixed and floating charge over the assets of the Company which is registered at Companies House.

A provisional claim has been received in the Administration from Lloyds in the amount of £645,902.67.

4.2 Preferential creditors

No preferential claims were anticipated to be received as all of the employees were transferred to SRS Recycling Limited ('SRS'), who had been assigned the skip hire element of the Company on 17 December 2015.

The position remains unchanged however should any claims of this nature be submitted in the Liquidation, these will be subject to approval by the Redundancy Payments Service. It is not however envisaged there will be any such claims.

4.3 Unsecured creditors

As at the date of Administration, unsecured non-preferential creditors were estimated to have claims of £790,523.86.

As at the date of this report, claims of £1,184,908.18 in respect of this category of creditors have been received. Given the lack of information provided to date and the absence of a Statement of Affairs from the Director, we have been unable to verify the level of claims.

Additionally, it is anticipated that, a number of finance companies will be due funds in respect of the shortfalls due to them under the terms of the agreements, however at this stage it has not possible to quantify these amounts

Included in the above figure is a claim in the sum of £141,978 00 from the landlord of the site located next to the trading sites. This claim relates to the estimated costs of removal of waste which has fallen onto their land. Whilst this claim is disputed it has been included at the full amount for the purposes of this report

Also included in that figure are the claim of Lloyds in the sum of £645,902 6 referred to at note 4.1 above and a provisional claim of £71,991 86 from HM Revenue & Customs

On the basis of information received from the Company's advisers pre-Administration, it would appear that thirteen unsecured non-preferential creditors with total estimated claims of £33,161 92 have not submitted claims in the Administration

4.4 General

All unsecured claims will be subject to agreement by the Liquidators following the order to wind up the Company

4.5 Confirmation of No Dividends Under the Administration

As previously advised within our Proposal and First Progress Report, no dividends have been payable to any class of creditor under the Administration

5 INVESTIGATIONS

5.1 An essential part of the Administrators' duties that we have undertaken is to make enquiries into the Company's past trading activities and the conduct of those individuals concerned in the management and operation of the Company

The emphasis of these investigations is to ascertain full information on the whereabouts of the Company's assets whether disclosed in a verified statement of affairs or not and involves an examination of the books, records and correspondence in the Administrators' possession, correspondence received from creditors and personal interviews with the Company's officers

This investigation work included an assessment into whether there were any potential claims that could be brought against parties connected to the Company or any third parties, and an initial assessment as to whether there were any matters that might lead to recoveries for the estate or require further investigation

We conducted a review of such of the Company's books and records as we have managed to recover, and we identified several matters that required further investigation. These investigations will continue in the liquidation

Creditors have also been requested to provide any information that they feel we should be made aware of in relation to potential recoveries

We can also confirm that we have complied with our duties under the Company Directors Disqualification Act 1986 and submitted a return to the Insolvency Service

The content of all such reports/returns submitted by Insolvency Practitioners is however confidential

6 ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS

- 6.1** A decision as to the basis of the Administrators' remuneration was deferred until such point as the likelihood of any asset realisations could be clarified. It was the Administrators' intention to issue a revised proposal in order that the requisite fee approval be obtained, however as noted above, it was not felt necessary to revise the proposal given that it had become clear the purpose of the Administration could not be achieved.

The pre appointment time costs incurred to 4 March 2016 were £17,790.00 which represented a total of 39.50 hours at an average hourly rate of £449.24. To date, no fees have been drawn in respect of these time costs.

- 6.2** As at 1 December 2016, the total time costs incurred by the Joint Administrators and their staff were £107,304.50 plus VAT representing 355.20 hours. This equates to an average hourly rate of £302.10. No costs have been drawn by the Joint Administrators in this respect to date and it is envisaged that these time costs will in due course need to be written off, in part, if not, in full, following the failure of the administration. In this regard, we enclose a summary of our time costs to date (Appendix 2(i)).

Please be advised that on 25 November 2016 the Court ordered that "In the event that sufficient funds are recovered during the liquidation, that the Administrators be able to draw such funds as required to pay the fees, costs and expenses incurred during the administration and be remunerated on a time cost basis."

- 6.3** Creditors are advised that a significant amount of time has been spent fulfilling statutory duties and regulatory requirements, the majority of which time has been spent in undertaking the investigations into the Company's affairs, the Director's conduct, and attempting to locate assets.

Significant time has also been invested in attempting to resolve the position in relation to the sites at Manor Works, Cricket Inn Road, Sheffield. This has included a number of tender processes, liaising with interested parties, Lloyds, our solicitor, Sheffield City Council and The Environment Agency. In addition, we have continued to monitor the sites and have attended two meetings with our solicitor at Sheffield City Council with the Environment Agency, in an attempt to find a satisfactory resolution. We also entered into correspondences with creditors, finance companies and the owners of the adjoining land.

We liaised with various creditors and institutions regarding a number of issues as detailed above and continue to do so. We also took steps in an attempt to locate and realise assets. As detailed in our First Progress Report, several meetings were held with Environment Agency and Sheffield City Council to see if they or their partners could assist us in finding a solution to the situation with regards to the trading sites.

- 6.4** In the period covered by this report, (4 September 2016 to 1 December 2016), the time costs incurred by the Joint Administrators are £16,475.50 plus VAT representing 37.40 hours at an average hourly rate of £440.52.

The majority of this time has been spent liaising with our solicitor and HSBC in relation to the application as detailed above, continuing investigations into the conduct of the

Directors, attempted realisation of assets, and making application to court following the failure of the Administration

A summary of our time costs for the period of this report are attached at Appendix 2(ii)

- 6.5** Additional Information in relation to Beesley Corporate Solutions' Policy Regarding Fees and Disbursements, which includes details of this firm's current charge out rates, can be found at Appendix 3

Please note, due to the complexity of this matter and the issues involved as highlighted above in this report, we have deemed it appropriate to undertake the majority of the work in this matter at the more senior levels

- 6.6** A Creditors' Guide to Administrators' Fees can be found at www.beesley.co.uk/guides Further information and guidance can also be found at www.creditorinsolvencyguide.co.uk

- 6.7** As detailed in our proposal and previous report, the following costs were incurred pre-Administration. Pre-Administration costs are defined as the remuneration charged and expenses incurred by the Administrator(s) (or other person qualified to act as such) before the Company entered into Administration but with a view to its doing so

Name of Advisor	Service Provided	Cost
SAS Daniels LLP ¹	Legal Advice	£13,000 00
	Disbursements	£1,294 00
Auctus Limited trading as Charles Taylor Auctioneers and Valuers ²	Asset Valuations	£2,000 00
		Plus VAT (Estimated)

Notes to Above

1) SAS Daniels has agreed not to invoice same until realisations are made. To date no fees have been paid to them in respect of their time costs incurred pre-appointment. The above represents disbursements incurred in the Administration application.

2) Whilst costs have been incurred in this regard, no invoices have been received to date.

3) The amounts are exclusive of VAT.

In addition, travel expenses of £45 90 were incurred by the Administrators in attending a meeting with the Environment Agency. These travel costs and legal disbursements of £114 00 were met from third party funds pre-Administration.

- 6.8** Expenses were incurred in the period of the Administration as detailed below and at Appendix 1

Name of Professional Advisor	Service Provided	Cost
SAS Daniels LLP	Legal Advice	£39,000 00 & disbursements £1,514 92
Auctus Limited trading as Charles Taylor, Auctioneers and Valuers	Potential asset valuations/advice	£Nil to date £16,106 70
ADI	Security	
	Tracing Report	£440 00
Eddisons	Open Cover Public Liability Insurance	£5,218 50
Eddisons	Property Damage Insurance	363 58

Predator Alarms	CCTV Camera System	£804 80
Securecare Monitoring	Alarm Monitoring	£264 00
AUA Insolvency Risk Services Ltd (Recharge of same by Beesley Corporate Solutions)	Specific Penalty Bond	£950 40
BT Plc	Line Rental for Broadband	£497 81
HM Land Registry	Land Registry Title Searches	£138 00
DVLA	Vehicle Search Fees	£62 50

The above figures are inclusive of VAT, where applicable

Our solicitors, SAS Daniels LLP have to date been paid £2,653 92 in respect of their disbursements incurred, £1,170 92 of which has been discharged in the period covered by this progress report. A final disbursement in relation to the court application fee of £155 00 will be paid in due course. SAS Daniels has agreed not to invoice the sums due in respect of the time costs incurred to date in providing legal advice, until such time as any realisations are made.

Auctus Limited trading as Cerberus Receivables Management have provided security for the sites, to date a fee of £16,106 70 including VAT has been paid to them in respect of these services. A final invoice for the period prior to the failure of the Administration will be received in due course which will be met from an advance of funds from this office.

Cerberus Receivables Management also provided initial valuations of a number of assets believed to be owned by the Company however to date no fee has been paid in this regard.

Eddisons Ltd provided open cover public liability insurance and property damage insurance for the sites during the Administration.

Predator Alarms and Securecare Monitoring provided continued CCTV monitoring and alarm systems for the sites, the costs of these were paid at the commencement of the Administration.

An additional expense in respect of the recharge of the specific bond penalty with Insolvency Risk Services in the sum of £792 00 plus VAT was incurred and paid during the first six months of the Administration.

BT Plc provided line rental required to enable the CCTV system. It is envisaged that a final invoice will be received in this regard, which will be payable as an expense.

Travel expenses have been incurred as follows: Mark Beesley £157 00 business mileage in travelling to meet with the director and his advisors; Tracy Clowry business mileage £59 50 incurred in travelling to meeting at Sheffield City Council together with a parking fee paid at face value £13 00; Train fares for travel to meeting at Sheffield City Council were paid at face value - Tracy Clowry £21 30 and Gareth Hunt £18 50. Please note, business mileage is charged at the HMRC approved rate of 45p per mile and as such would constitute a category 2 disbursement. The decision as regards the drawing of Category 2 disbursements was deferred. All travel expenses have been

paid by an advance of funds from our office and no amounts have been drawn in these regards to date

Unless otherwise stated, all agents instructed are independent and have no connection to the insolvent party/(ies), the office holder(s) or Beesley Corporate Solutions

- 6.9** Details of our firms' policy regarding the choice of advisors and the basis of their fees are given in Appendix 3
- 6.10** All costs of the Administration to 25 November 2016, bar £2,764 55, had been met by an introduction of funds from the Joint Administrators. The balance of the third party funds received pre-Administration has now been set off against the expenses of the Administration. In the event that realisations/recoveries made result in sufficient funds becoming available to meet these costs, these will be paid in full, in accordance with terms of the Court's order of 25 November 2016
- 6.11** The decision as regards the drawing of Category 2 disbursements was deferred. We confirm, no such expenses have been drawn
- 6.12** Creditors have been advised that they are entitled under Rule 2 48A to make a request in writing to the Administrators within 21 days of receipt of a report, for further information about remuneration or expenses (other than pre-administration costs) set out in a statement required by Rule 2 47(1)(db) or (dc). Under Rule 2 109 any secured creditor or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or the permission of court, may apply to the court, to challenge the Administrator's remuneration and expenses within 8 weeks of receipt of the progress report which first reports the charging of the remuneration or the incurring of the expenses in question. Rules 2 48A and 2 109 are set out in Appendix 4

7 CONCLUSION

- 7.1** The purpose of the Administration could not be achieved, therefore an application was made to the Court under Paragraph 79 (2) (a) for our appointment as Administrators to cease as the purpose of the Administration could not be achieved
- 7.2** As detailed above, on 25 November 2016, the Court granted an order that our appointment as Administrators should cease to have effect, that the Company be wound up and we be appointed Joint Liquidators
- 7.3** We are continuing our investigations, enquiries and administration of the estate under the liquidation proceedings

That concludes our final progress report pursuant to Rules 2 47 & Rule 2 116 of the Insolvency Rules 1986 (as amended)



Mark Beesley and Tracy Mary Clowry
Former Joint Administrators

The Administrators acted as agents of the Company without personal liability

(Licensed by the Association of Chartered Certified Accountants IP No's 8739 & 9562)

APPENDIX 1

SUMMARY OF ADMINISTRATORS' RECEIPTS & PAYMENTS ACCOUNT PRE-APPOINTMENT TO 4 MARCH 2016

RECEIPTS	£	£
Third Party Deposit for Costs		5,000 00
		<u>5,000 00</u>
PAYMENTS		
Beesley Corporate Solutions Travel costs		(45 90)
SAS Daniels Disbursements		<u>(114 00)</u>
		(159 90)
BALANCE IN HAND		<u>4,840.10</u>

SUMMARY OF ADMINISTRATORS' RECEIPTS & PAYMENTS ACCOUNT FROM APPOINTMENT 4 MARCH 2016 TO 1 DECEMBER 2016

RECEIPTS	£ Movements on the Account 4/9/2016 to 1/12/2016	£ Total to 1/12/2016
Cash at Bank	0 00	665 85
Post Appointment VAT Refund	0 00	2,098 70
Post Appointment Interest Received	0 05	0 05
	<u>0 05</u>	<u>2,764 60</u>
PAYMENTS		
Line Rental for Broadband on site	193 68	497 80
Site Security	4,078 80	16,106 70
Administrators Travel Expenses	0 00	269 80
HM Land Registry Fees	0 00	138 00
Tracing Agents Fees	0 00	440 00
Legal Fees and Disbursements	1,325 92	2,694 92
CCTV Costs	0 00	804 80
DVLA Search Fees	0 00	62 50
Statutory Advertisement	0 00	82 20
Specific Penalty Bond	0 00	950 40
Insurances	5,582 08	5,582 08
	<u>11,180 48</u>	<u>27,629 80</u>
Less balance of third party funds	<u>(4,840 10)</u>	<u>(4,840 10)</u>
BALANCE IN HAND	<u>(6,640.33)</u>	<u>(22,789.70)</u>

Notes:

- All the above amounts are inclusive of VAT, where appropriate
- The outstanding costs of the Administrators, and those of their advisors, as detailed at section 6 of this report have yet to be discharged
- A third Party provided funds of £5,000 00 towards the costs of Administration. Whilst further funds had been promised, these have not been forthcoming
- The Administrators have incurred travel expenses of £269 80, which were charged at the HMRC approved rate per mile, and as such constitute a category 2 disbursement. The same will only be drawn if approval is duly given

APPENDIX 2

SHEFFIELD RECYCLING SERVICES LIMITED – IN ADMINISTRATION

SUMMARY OF ADMINISTRATORS' PRE ADMINISTRATION

TIME COSTS TO 4 MARCH 2016

	Director/IP (Hrs)	Senior Manager (Hrs)	Manager (Hrs)	Senior Administrator (Hrs)	Administrator (Hrs)	Total (Hrs)	Time Costs (£)	Average Cost (£)
Pre-Appointment Time								
Admin & Planning								
Preparation for								
Administration	37 00	-	0 20	-	-	37 20	16,710 00	449 19
Negotiations re sale of business & Assets								
Investigations	-	-	-	-	-	-	-	-
Realisations of Assets								
Identifying, Securing assets, debt collection, ROT, property and business	2 40	-	-	-	-	2 40	1,080 00	450 00
Trading	-	-	-	-	-	-	-	-
Creditors								
communication with creditors, creditors claims	-	-	-	-	-	-	-	-
Total Hours	39 40	-	0 20	-	-	39 60	39 60	449 24
Total Fees	1,620 00	-	60 00	-	-	17,790 00	17,790 00	

APPENDIX 2 (i)

Time Entry - Detailed SIP9 Time & Cost Summary

BEE5019 - Sheffield Recycling Services Limited
From 04/03/2016 To 01/12/2016
Project Code POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
204 Case Planning	37 70	15 00	0 00	2 20	54 90	22 493 00	409 71
205 Administrative Set Up	1 50	52 00	0 00	4 70	58 20	13 777 50	236 73
206 Appointment Notification	0 00	0 00	0 00	4 30	4 30	860 00	200 00
207 Maintenance of Records	4 30	0 20	0 00	0 00	4 50	2 150 00	477 78
208 Statutory Reporting	10 90	13 70	0 00	0 00	24 60	9 665 00	392 89
Admin & Planning	54 40	80 90	0 00	11 20	146 50	48 945 50	334 10
219 Communication with Creditors	9 90	1 90	0 00	0 10	11 90	5 171 50	434 58
Creditors	9 90	1 90	0 00	0 10	11 90	5 171 50	434 58
209 SIP 2 Review	2 00	4 50	0 00	0 00	6 50	2 065 00	317 69
210 CDDA Reports	6 30	7 20	0 00	0 00	13 50	5 850 00	433 33
211 Investigating Antecedent Transactions	4 80	8 00	0 00	0 00	12 80	4 465 00	348 83
Investigations	13 10	19 70	0 00	0 00	32 80	12 380 00	377 44
212 Ident / Securing & Insuring	10 40	74 70	0 00	38 00	123 10	29 152 50	236 82
214 Debt Collection	0 30	1 20	0 00	0 00	1 50	435 00	290 00
215 Property business and asset sales	3 90	28 50	0 00	7 00	39 40	11 220 00	284 77
Realisation of Assets	14 60	104 40	0 00	45 00	164 00	40 807 50	248 83
Total Hours	92 00	206 90	0 00	56 30	355 20	107 304 50	302 10
Total Fees Claimed						0 00	

APPENDIX 2(11)

Time Entry - Detailed SIP9 Time & Cost Summary

BEE5019 - Sheffield Recycling Services Limited
From 04/09/2016 To 01/12/2016
Project Code POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistant's & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
204 Case Planning	2 60	2 10	0 00	0 20	4 90	2 113 00	431 22
207 Maintenance of Records	2 80	0 00	0 00	0 00	2 80	1 400 00	500 00
208 Statutory Reporting	8 10	7 00	0 00	0 00	15 10	6 675 00	442 05
Admin & Planning	13 50	9 10	0 00	0 20	22 80	10,188 00	448 84
219 Communication with Creditors	2 30	0 00	0 00	0 00	2 30	1 150 00	500 00
Creditors	2 30	0 00	0 00	0 00	2 30	1,150 00	500 00
209 SIP 2 Review	0 40	0 00	0 00	0 00	0 40	200 00	500 00
210 CDDA Reports	0 90	0 00	0 00	0 00	0 90	450 00	500 00
211 Investigating Antecedent Transactions	2 60	1 00	0 00	0 00	3 60	1 675 00	465 28
Investigations	3 90	1 00	0 00	0 00	4 90	2,325 00	474 49
212 Ident / Securing & Insuring	0 30	3 10	0 00	0 00	3 40	1 312 50	386 03
215 Property business and asset sales	0 00	4 00	0 00	0 00	4 00	1 500 00	375 00
Realisation of Assets	0 30	7 10	0 00	0 00	7 40	2 812 50	380 07
Total Hours	20 00	17 20	0 00	0 20	37 40	16,475 50	440 52
Total Fees Claimed						0 00	

APPENDIX 3

ADDITIONAL INFORMATION IN RELATION TO THE POLICY OF BEESLEY CORPORATE SOLUTIONS REGARDING FEES AND DISBURSEMENTS

The table below sets out the basis on which this office charges internal disbursements

Internal disbursements are charged, where appropriate by Beesley Corporate Solutions as follows -

Postage	Charged at actual cost (first class)
Photocopying and Fax	Recharged at 10p per sheet in the limited circumstances when deemed appropriate
Microfiche and Files	Recharged at actual cost
Storage	£60 per box for 6 years
Room hire	No charge for a meeting held at this office Any other venue at cost
Archiving Files on closure	Recharged at staff time costs
Travel	Motor vehicles at 45p per mile
Distribution costs	Cheque fee 65p and postage 41p

The table detailed below sets out the charge-out rates currently utilised by Beesley Corporate Solutions for charging staff time (Such rates were effective from 7 July 2016) All rates are charges per hour Time is charged in units of 6 minutes

Job Title	Cost per hour
Director/IP	£375 - 500
Senior Manager	£300 - £325
Manager	£250
Senior Administrator	£180 - £225
Administrator	£125 - £165

It should be noted that the above rates increase from time to time over the period of the Administration of each insolvency case

Professional Advisors

Details of any professional advisor(s) used will be given in the regular reports prepared in each type of insolvency appointment Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements

The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity of otherwise of the assignment and their geographic location

Unless otherwise stated, all agents instructed are independent and have no connection to the insolvent party/(ies), the office holder(s) or Beesley Corporate Solutions

NB Statements of Insolvency Practice No 9 Guides to Fees Charged by Administrators, Trustees in Bankruptcy and Liquidators can be found at www.beesley.co.uk/guides Additional information and guidance can be found at www.creditorinsolvencyguides.co.uk

2.47(1) ["Progress report"] "Progress report" means a report which includes –

- (a) details of the court where the proceedings are and the relevant court reference number;
- (b) full details of the company's name, address of registered office and registered number,
- (c) full details of the administrator's name and address, date of appointment and name and address of appointor, including any changes in office-holder, and, in the case of joint administrators, their functions as set out in the statement made for the purposes of paragraph 100(2),
- (d) details of any extensions to the initial period of appointment,
- (da) details of the basis fixed for the remuneration of the administrator under Rule 2 106 (or if not fixed at the date of the report, the steps taken during the period of the report to fix it),
- (db) if the basis of remuneration has been fixed, a statement of –
 - (i) the remuneration charged by the administrator during the period of the report (subject to paragraph (2A)), and
 - (ii) where the report is the first to be made after the basis has been fixed, the remuneration charged by the administrator during the periods covered by the previous reports (subject to paragraph (2A)), together with a description of the things done by the administrator during those periods in respect of which the remuneration was charged,
 irrespective in either case of whether payment was made in respect of the remuneration during the period of the report,
- (dc) a statement of the expenses incurred by the administrator during the period of the report, irrespective of whether payment was made in respect of them during that period,
- (e) details of progress during the period of the report, including a receipts and payments account (as detailed in paragraph (2) below),
- (f) details of any assets that remain to be realised,
- (fa) a statement of the creditors' right to request information under Rule 2 48A and their right to challenge the administrator's remuneration and expenses under Rule 2 109, and
- (g) any other relevant information for the creditors

2.47(2) [Receipts and payments account] A receipts and payments account must be in the form of an abstract showing receipts and payments during the period of the report and, where the administrator has ceased to act, must also include a statement as to the amount paid to unsecured creditors by virtue of the application of section 176A

2.48A Creditors' request for further information**2.48A(1) {Duty of administrator} If –**

- (b) within 21 days of receipt of a progress report under Rule 2 47 –

- (i) a secured creditor, or
- (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
- (c) with the permission of the court upon an application made within that period of 21 days, any unsecured creditor,

makes a request in writing to the administrator for further information about remuneration or expenses (other than pre-administration costs) set out in a statement required by Rule 2.47(1)(db) or (dc), the administrator must, within 14 days of receipt of the request, comply with paragraph (2)

2.48A(2) [Compliance by administrator] The administrator complies with this paragraph by either—

- (a) providing all of the information asked for, or
- (b) so far as the administrator considers that —
 - (i) the time or cost of preparation of the information would be excessive, or
 - (ii) disclosure of the information would be prejudicial to the conduct of the administration or might reasonably be expected to lead to violence against any person, or
 - (iii) the administrator is subject to an obligation of confidentiality in respect of the information, giving reasons for not providing all of the information

2.48A(3) [Application to court by creditor] Any creditor, who need not be the same as the creditor who requested further information under paragraph (1), may apply to the court within 21 days of —

- (a) the giving by the administrator of reasons for not providing all of the information asked for, or
- (b) the expiry of the 14 days provided for in paragraph (1),

and the court may make such order as it thinks just

2.48A(4) [Power of court to extend period] Without prejudice to the generality of paragraph (3), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 2.109(1B) by such further period as the court thinks just

2.109 Creditors' claim that remuneration is or other expenses are excessive

2.109(1) [Which creditors may apply to court] Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)

2.109A(1A) [Grounds for application] Application may be made on the grounds that —

- (a) the remuneration charged by the administrator,
- (b) the basis fixed for the administrator's remuneration under Rule 2.106, or
- (c) expenses incurred by the administrator,

is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate

2.109A(1B) [Time limit for application] The application must, subject to any order of the court under Rule 2.48A(4), be made no later than 8 weeks after receipt by the applicant of the progress report which first reports the charging of the remuneration or the incurring of the expenses in question ("**the relevant report**")

2.109(2) [Power of court to dismiss etc.] The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss it without a hearing but it shall not do so without giving the applicant at least 5 business days' notice, upon receipt of which the applicant may require the court to list the application for a without notice hearing. If the application is not dismissed, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly

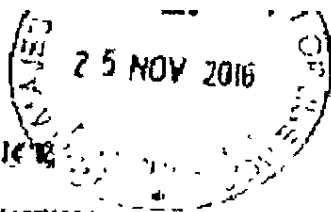
2.109(3) [Notice to administrator] The applicant shall, at least 14 days before the hearing, send to the administrator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it

2.109(4) [Court order if application well-founded] If the court considers the application to be well-founded, it must make one or more of the following orders –

- (a) an order reducing the amount of remuneration which the administrator was entitled to charge,
- (b) an order fixing the basis of remuneration at a reduced rate or amount,
- (c) an order changing the basis of remuneration,
- (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration,
- (e) an order that the administrator or the administrator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify,

and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report

2.109(5) [Costs of application] Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the administration



NO. 2205 OF 2016

IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION
MANCHESTER DISTRICT REGISTRY

Before His Honour Judge Hodge QC sitting pursuant to section 9 of the Senior Courts Act 1981 as a Judge of the High Court

Friday, 25 November 2016

IN THE MATTER OF SHEFFIELD RECYCLING SERVICES LIMITED (IN ADMINISTRATION)

AND IN THE MATTER OF THE INSOLVENCY ACT 1986

ORDER

UPON the Application of Tracy Clowry and Mark Beesley of Beesley Corporate Solutions, Astrute House, Wilmslow Road, Handforth, Cheshire, SK9 3HP as the joint administrators ("the Administrators") of the Sheffield Recycling Services Limited (In administration) ("the Company") dated 16 November 2016

AND UPON reading the evidence

AND UPON hearing Counsel Miss Lisa Feng for the Administrators

IT IS ORDERED THAT:

1. The appointment of the Administrators and the administration of the Company shall cease to have effect from the date of this Order pursuant to paragraph 79(1) of Schedule B1.
2. The Administrators be discharged from any liability in respect of any action taken as Administrators pursuant to paragraph 98(1) of Schedule B1 of the Insolvency Act 1986 with effect from the date of this Order
3. The Company shall be wound up by this Court.

4. The Administrators shall be appointed as joint liquidators of the Company.
5. The Administrators' costs of this application shall be an expense of the liquidation
6. In the event that sufficient funds are recovered during the liquidation, that the Administrators be able to draw such funds as required to pay the fees, costs and expenses incurred during the administration and be remunerated on a time cost basis.