

The Insolvency Act 1986
**Notice of move from administration to
dissolution**

2.35B

Name of Company

Rapid (Birmingham) Limited

Company number

05268377

In the
High Court of Justice, Chancery Division,
Manchester District Registry

For court use only
95 of 2009

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

We David John Whitehouse and Stephen Gerard Clancy of MCR, 11 St James Square,
Manchester, M2 6DN,

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

having been appointed administrators of Rapid (Birmingham) Limited of
c/o MCR, 11 St James Square, Manchester M2 6DN ("the company")

(c) Insert date of appointment

On 12 January 2009 by Ultimate Finance (UK) Limited

(d) Insert name of appointor

hereby give notice that the provisions of paragraph 84(1) of Schedule B1 to the Insolvency Act
1986 apply.

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

Signed

Joint Administrator

Dated

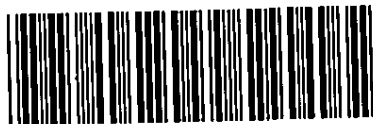
8/1/2010

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

MCR
11 St James Square
Manchester
M2 6DN

Tel: 0161 827 9000



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COMPANIES HOUSE

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

**Rapaid (Birmingham) Limited
(In administration)**

**Final progress report of the joint administrators
for the period from 12 January 2009 to 5 January 2010
pursuant to Rule 2.110 of the
Insolvency Rules 1986 as amended**

5 January 2010

Names of Joint Administrators: David John Whitehouse
Stephen Gerard Clancy

Date of appointment: 12 January 2009

Date of report: 5 January 2010

Appointed by: Ultimate Finance UK Limited

Court reference: High Court of Justice, Chancery Division, Manchester
District Registry, Number 95 of 2009

MCR
11 St James Square
Manchester
M2 6DN



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1. INTRODUCTION

- 1.1 David John Whitehouse and Stephen Gerard Clancy of MCR Corporate Restructuring ('MCR') were appointed joint administrators of Rapaid (Birmingham) Limited ('the Company') by Ultimate Finance (UK) Limited ('Ultimate'), the holder of a qualifying floating charge under Paragraph 14 of Schedule B1 to the Insolvency Act 1986 ('the Act').
- 1.2 The purpose of this report is to provide creditors with a final account of the progress of the administration, in accordance with Rule 2.110 of the Insolvency Rules 1986, as amended ('the Rules').
- 1.3 This report should be read in conjunction with the earlier reports to creditors dated 26 February 2009 and 6 August 2009.

2. BACKGROUND

- 2.1 The Company was incorporated on 25 October 2004. Statutory information on the company is included within Appendix 1.
- 2.2 The purpose of the administration was to achieve one of the following objectives:
- Rescuing the Company as a going concern, or
 - Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration), or
 - Realising property in order to make a distribution to one or more secured or preferential creditors.
- 2.3 As previously reported, the administration has been successful in achieving the third objective with a sale of the business and assets of the Company and the subsequent distribution to the secured creditors.

3. PROGRESS OF THE ADMINISTRATION TO DATE

- 3.1 As previously reported, the joint administrators achieved a sale of the business and assets to the Metpro Group ('Metpro') on 5 February 2009 for a total consideration of £100,000. This sale excluded the Dixon Coater machine. A breakdown of this sale consideration is shown below:

| Item | Value (£) |
|-----------------------|----------------|
| Stock | 5,000 |
| Fixtures and Fittings | 4,000 |
| Plant and Machinery | 91,000 |
| Total | 100,000 |

Dixon Coater Machine

- 3.2 The Dixon Coater machine was widely marketed by agents Sanderson Weatherall ('agents') in the pursuit of a purchaser but despite several parties showing an initial level of interest, no offers were initially received. Due to the lack of interest shown, the joint administrators instructed the agents to pursue other options for disposal of the machine which included its removal from the Company premises for scrap value.
- 3.3 The agents advised that due to the size and complexity of the machine, there would be a cost attached in removing and disposing of it in the region of £12,000. As a result of which no realisations would have been received.
- 3.4 The joint administrators approached Metpro and asked them to consider making an offer for the machine. This was received in the sum of £7,500. With no other offers tendered and with the costs to remove and dispose of it in mind, a sale for the machine was agreed with Metpro on 13 March 2009 which was completed for the sum of £7,500 inclusive of UK VAT.

Book debts

- 3.5 The Company's book debts were subject to an invoice finance agreement with Ultimate whom the Company granted a 1st ranking mortgage debenture dated 2 December 2005 over the fixed and floating assets of the Company.
- 3.6 At the date of appointment, the balance outstanding to Ultimate was £113,709.
- 3.7 After collection of the Company's book debts, a shortfall of £2,232.38 existed to Ultimate. This shortfall was paid to Ultimate on 8 May 2009 from funds held in the administration estate in full and final settlement of Ultimate's indebtedness with the Company.

Receipts and payments account

- 3.8 A detailed copy of the joint administrators receipts and payments account is shown in Appendix 2.

4. JOINT ADMINISTRATORS' REMUNERATION

- 4.1 The joint administrators' remuneration was approved by the secured creditors, Ultimate and Bank of Scotland plc, in accordance with the joint administrators' initial proposals.
- 4.2 The joint administrators' time costs for the period 12 January 2009 up to and including 5 January 2010 total £73,251. A schedule of the time costs are set out at Appendix 3.
- 4.3 A total of £23,500 plus VAT and disbursements has been drawn to date for time spent by the joint administrators and their staff in this matter. The joint administrators have also drawn £1,500 plus VAT for time costs in respect to placing the Company into administration which were drawn in accordance with the joint administrators' initial proposals.

5. DIVIDEND PROSPECTS / PRESCRIBED PART

Secured Creditors

Ultimate Finance (UK) Limited

- 5.1 In consideration for the monies advanced under the book debt factoring agreement the Company granted Ultimate a mortgage debenture dated 2 December 2005, which confers fixed and floating charges over all of the assets of the Company.
- 5.2 At the date of the joint administrators appointment, the Company's indebtedness to Ultimate was approximately £113,709 subject to any further accruing interest and charges.
- 5.3 Ultimate have been paid in full under this mortgage debenture.

Bank of Scotland plc

- 5.4 In consideration for the monies advanced under the loan agreement and overdraft facility, the Company granted Bank of Scotland plc ('BOS') a 2nd ranking debenture dated 15 November 2006, which confers fixed and floating charges over all of the assets of the Company.
- 5.5 At the date of appointment, the Company's estimated indebtedness to BOS was £347,000 subject to any further accruing interest and charges.
- 5.6 The joint administrators have made payments to BOS totalling £44,851. No further payments will be made to BOS in this matter.

Preferential Creditors

- 5.7 Pursuant to the directors' statement of affairs, the estimated preferential claims are £55,845. A significant element of these claims will be for the employees' statutory entitlements of which most are subrogated to the Secretary of State following payment by the Redundancy Payments Office.
- 5.8 Although the joint administrators have not received notification of the preferential creditors' claims, there are insufficient funds available to enable a distribution to the preferential creditors.

Prescribed Part

- 5.9 Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a prescribed part of the Company's net property shall be made available to unsecured creditors.
- 5.10 Although the floating charges in this matter were created post 15 September 2003, there are insufficient net realisations to enable a distribution under the prescribed part.

Non Preferential Creditors

- 5.11 According to the directors' statement of affairs, non-preferential creditors total £1,645,485. The non-preferential creditors can be summarised as follows:

| | £ |
|---------------------------|-------------------------|
| Trade & Expense Creditors | 451,473 |
| Directors' Loan | 653,451 |
| HM Revenue & Customs | 179,407 |
| Employee Claims | 361,154 |
| Total | <u>1,645,485</u> |

- 5.12 There are insufficient funds to make a payment to the non-preferential creditors in this matter.

6. JOINT ADMINISTRATORS' PROPOSALS

- 6.1 The joint administrators' proposals are attached at Appendix 4.

7. END OF ADMINISTRATION

- 7.1 The joint administrators will now take the appropriate steps to give notice to the Registrar of Companies under Paragraph 84 of Schedule B1 to the Act, to the effect that the Company has no property to realise which might permit a distribution to its unsecured creditors, at which stage the administration will cease. The Company will be dissolved three months following the registration of the notice at Companies House.
- 7.2 Should any funds be received after the expiry of the three months from the date of closure of the administration, I will liaise with the Treasury Solicitor to determine whether these funds are "Bona Vacantia".

8. OTHER MATTERS

- 8.1 If you require further information or assistance, please do not hesitate to contact my colleague, Steven Barry.


David Whitehouse
Joint Administrator

APPENDIX 1

STATUTORY INFORMATION

STATUTORY INFORMATION

| | | |
|--------------------------------|---|--|
| Date of incorporation | 25 October 2004 | |
| Registered number | 05268377 | |
| Company director | Leighton Thomas Carnell Brian Thomas Davies Stephen Maguire | |
| Company secretary | Terry Dean | |
| Shareholders | Rap Environmental Packaging Limited | |
| Head office | Unit 2 Seeleys Point Seeleys Road Tyseley Birmingham | |
| Registered Office | Current: 11 St James Square Manchester M2 6DN | Formerly: Unit 2, Seeleys Point Seeleys Road Tyseley Birmingham B11 2LQ |
| Any Other Trading Names | Carrs Rapaid Limited Ever 2505 Limited | |

APPENDIX 2

JOINT ADMINISTRATORS RECEIPTS AND PAYMENTS ACCOUNT

**RAPAI (BIRMINGHAM) LIMITED
(IN ADMINISTRATION)**

**Joint Administrators' Abstract of Receipts and Payments
To 5 January 2010**

| RECEIPTS | Total (£) |
|---|--------------------------|
| Plant and Machinery | 97,521.74 |
| Furniture & Equipment | 4,000.00 |
| Stock | 5,000.00 |
| Licence Fee | 15,000.00 |
| Sundry Refund | 450.43 |
| Bank Interest | 120.67 |
| | <u>122,092.84</u> |
| PAYMENTS | |
| Indirect Labour | 500.00 |
| Heat & Light | 750.00 |
| Statutory Advertising | 213.12 |
| Joint administrators' Remuneration | 23,500.00 |
| Joint administrators' Disbursements | 394.80 |
| Pre-administration Time Costs | 1,500.00 |
| Legal Fees | 12,100.17 |
| Agents Fees | 6,315.00 |
| Professional Fees | 820.00 |
| Charge Holder - Ultimate Finance UK Limited | 2,232.38 |
| Charge Holder - Bank of Scotland plc | 44,851.17 |
| Rent | 12,948.32 |
| Licence Fee | 15,000.00 |
| Insurance | 824.98 |
| Storage Costs | 70.90 |
| Bank Charges | 72.00 |
| | <u>122,092.84</u> |
| Balance in Hand | <u>0.00</u> |
| | <u>122,092.84</u> |

APPENDIX 3
SCHEDULE OF JOINT ADMINISTRATORS' TIME COSTS

RAPAI (BIRMINGHAM) LIMITED - RAP001
Analysis of Administrators' time costs for the period 12 January 2009 to 5 January 2010

| Classification of Work Function | Hours | | | | | Total Hours | Time Cost | Average Hourly Rate |
|--|------------------|------------------|------------------|-----------------|---------|----------------|------------------|------------------------|
| | Partner | Manager | Senior | Assistants | Support | | | |
| Cashiering & accounting | 0.40 | 0.70 | 2.20 | 4.80 | | 8.10 | 1,728.50 | 213.40 |
| CDDA, reports & Communicaton | | | 13.50 | | | 13.50 | 2,430.00 | 180.00 |
| Closings | | 0.20 | 4.00 | 2.20 | | 6.40 | 1,085.00 | 169.53 |
| Employee matters | | 1.40 | 18.00 | 0.50 | | 19.90 | 3,723.50 | 187.11 |
| Financial review and investigations (S238/239 etc) | | | 0.70 | | | 0.70 | 126.00 | 180.00 |
| Fixed charge assets | | 6.00 | 20.20 | | | 26.20 | 5,316.00 | 202.90 |
| Floating charge assets | | 1.10 | | | | 1.10 | 346.50 | 315.00 |
| General admin | | 8.40 | 50.60 | 17.40 | | 76.40 | 13,076.50 | 171.16 |
| General correspondence | 1.00 | | 9.30 | 0.90 | | 11.20 | 2,271.50 | 202.81 |
| IPS set up & maintenance | | 0.10 | | | | 0.10 | 32.50 | 325.00 |
| No Milestone | | | | | | | | |
| Proposals | | | 8.50 | 1.30 | | 9.80 | 1,647.00 | 168.06 |
| Retention of title | | | 14.00 | | | 14.00 | 2,520.00 | 180.00 |
| Sale of business | 5.50 | 30.00 | 13.50 | | | 49.00 | 13,160.00 | 268.57 |
| Secured Creditors | 5.30 | | 1.00 | | | 6.30 | 2,273.50 | 360.87 |
| Statement of affairs | | | 3.00 | | | 3.00 | 540.00 | 180.00 |
| Statutory matters (Meetings, Reports and Notices) | | 7.00 | 36.90 | | | 43.90 | 8,602.00 | 195.95 |
| Strategy planning & control | 16.90 | 7.30 | 28.70 | | | 52.90 | 14,078.00 | 266.12 |
| Unsecured creditors | | | | 1.90 | | 1.90 | 294.50 | 155.00 |
| Total Hours | 29.10 | 62.20 | 224.10 | 29.00 | | 344.40 | 73,251.00 | 212.69 |
| Total Fees Claimed (£) | 11,516.50 | 17,999.00 | 40,533.00 | 3,202.50 | | | 73,251.00 | |

APPENDIX 4
JOINT ADMINISTRATORS' PROPOSALS

JOINT ADMINISTRATORS' PROPOSALS

The Joint Administrators propose the following:

That the Joint Administrators continue the Administration to deal with such outstanding matters in relation to the Company as the Joint Administrators consider necessary until such time as the Administration ceases to have effect.

That the Joint Administrators do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Insolvency Act 1986, as they, in their sole and absolute discretion consider desirable or expedient in order to achieve the purpose of the Administration.

That the Joint Administrators seek an extension to the Administration period if deemed necessary.

That the Joint Administrators, once all outstanding matters have been satisfactorily completed, take the necessary steps to give notice under paragraph 84 of Schedule B1 of the Insolvency Act 1986 to the Registrar of Companies to the effect that the Company has no property which might permit a distribution to its creditors, at which stage the Administration will cease.

That the Joint Administrators, in the event that they form the view that a distribution can be made to unsecured creditors, take the necessary steps to put the Company into creditors' voluntary liquidation. It is proposed that the Joint Administrators, currently David John Whitehouse and Stephen Gerard Clancy of MCR would act as Joint Liquidators should the Company be placed into Creditors' Voluntary Liquidation. In accordance with Paragraph 83(7) of Schedule B1 to the Insolvency Act 1986 and Rule 2.117(3) of the Insolvency Rules 1986 (as amended) the creditors may nominate a different person as the proposed Liquidator, provided such nomination is made before these proposals are approved.

That the Joint Administrators' be discharged from all liability pursuant to paragraph 98 of Schedule B1 to the Insolvency Act 1986, upon filing the end of the Administration or their appointment otherwise ceasing.

That the Joint Administrators' remuneration be fixed by reference to the time properly spent by them and their staff in attending to matters arising in the Administration.

That MCR be authorised to draw fees of £1,500 plus VAT in respect of time costs incurred in assisting in placing the company into Administration in accordance with Rule 2.67(1)(c).

That the Joint Administrators be authorised to draw their firm's internal costs and expenses in dealing with the Administration ("Category 2 Disbursements"), if any.

That the Joint Administrators be authorised to instruct and pay MCR Receivables Management Limited to assist with the collection of book debts, where considered appropriate.

Pursuant to Rule 2.33(5) of the Insolvency Rules 1986, the proposals in paragraph 12.1 shall be deemed to be approved by the creditors on the expiry of the period in which a meeting can be requisitioned by creditors in the manner described in paragraph 10.2 above, provided that no meeting has been so requisitioned.

The Joint Administrators will be seeking the following resolutions from the secured creditors:

That the Joint Administrators be discharged from all liability pursuant to paragraph 98 of Schedule B1 to the Insolvency Act 1986, upon filing the end of the Administration.

That the Joint Administrators' remuneration be fixed by reference to the time properly spent by them and their staff in attending to matters arising in the Administration.

That MCR be authorised to draw fees of £1,500 plus VAT in respect of time costs incurred in assisting in placing the company into Administration in accordance with Rule 2.67(1)(c).

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