

Edgar Filing: REUNION INDUSTRIES INC - Form 8-K

REUNION INDUSTRIES INC

Form 8-K

May 06, 2010

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549-1004

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported) May 6, 2010

REUNION INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

DELAWARE	01-15739	06-1439715
-----	-----	-----
(State of Incorporation)	(Commission File No.)	(IRS Employer ID No.)

11 STANWIX STREET, SUITE 1400
PITTSBURGH, PENNSYLVANIA 15222

(Address of principal executive offices, including zip code)

(412) 281-2111

(Registrant's telephone number, including area code)

NOT APPLICABLE

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the

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Exchange Act (17 CFR 240.13e-4(c))

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Item 8.01 - Other Events

As previously reported, on November 26, 2007 Reunion Industries, Inc. ("Reunion") filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Connecticut, Bridgeport Division (the "Bankruptcy Court"). Reunion continues to operate as "debtor-in-possession" in that proceeding under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code. Attached to and made a part of this Report is a Reunion Financial Report that contains summarized financial data from the Monthly Operating Reports that were filed with the Bankruptcy Court and the United States Trustee pursuant to Rule 2015 of the Federal Rules of Bankruptcy Procedure for the first three months of the 2010 year.

During the first quarter of 2010, no additional shares of common stock were acquired by the Company. As a result, in accord with a previously reported authorization by the Company's Board of Directors, the total number of shares of common stock acquired by the Company in open market transactions remained at 367,248 at an average price per share acquired of \$0.24.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Current Report on Form 8-K to be signed on its behalf by the undersigned, hereunto duly authorized.

Date: May 6, 2010

REUNION INDUSTRIES, INC.
(Registrant)

By: /s/ John M. Froehlich

John M. Froehlich
Executive Vice President
of Finance and Chief
Financial Officer

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UNITED STATES BANKRUPTCY COURT
BRIDGEPORT DIVISION - DISTRICT OF CONNECTICUT

In re REUNION INDUSTRIES, INC. Case No. 07-50727 (AHWS)

Reporting Period: 1st QTR - 2010

FINANCIAL DATA EXTRACTED FROM MONTHLY OPERATING REPORTS

DOCUMENT	FORM NO.
Schedule of Cash Receipts and Disbursements	MOR-1
Statement of Operations	MOR-2
Balance Sheet	MOR-3
Status of Post-petition Taxes	MOR-4
Summary of Unpaid Post-petition Debts	MOR-4
Accounts Receivable	MOR-5

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REUNION INDUSTRIES, INC.

CASH RECEIPTS AND DISBURSEMENTS

FIRST QTR OF 2010

FORM: MOR-1

Cash - beginning of period excluding	\$ 1,970,778
Plus: Collections on receivables	3,379,806
Plus: Miscellaneous/Titan receipts	340,170
Less: Disbursements	
Net payroll	925,358
Payroll taxes	451,810
Titan disbursements	24,924
Other operating	2,408,935
Income Tax payments	0
Reorganization:	
Professional fees	0
U.S. Trustee fees - quarterly	0

Total	3,811,027

Cash - end of period	\$ 1,879,727
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REUNION INDUSTRIES, INC.
STATEMENT OF OPERATIONS
FOR THE PERIODS ENDED MARCH 31, 2010

FORM: MOR-2

(\$ amounts in thousands)

	QTR Ended -----	Post Petition to -----
Net Sales	\$ 3,867	\$ 50,541
Cost of Sales:		
Standard Cost	3,070	37,221
Variances & Other	315	5,697
	-----	-----
Gross Profit	482	7,623
Operating Expenses:		
Marketing	135	1,964
General & Admin	667	9,030
	-----	-----
Operating Profit	(320)	(3,371)
Other Income (Expense)	35	40,067
Equity in China JV	7	1,253
Reorganization exp:		
Professional fees	0	(615)
U.S. Trustee fees	0	(81)
Adequate Protection Paym't Exp.	0	(450)
Interest (Expense) - excluding Adequate Protection Payments	(35)	(4,696)
	-----	-----
Profit before tax	(313)	32,107
Income Tax	0	(1,302)
	-----	-----
Net Income	\$ (313)	\$ 30,805

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NOTE: Other income(expense) above primarily reflects the gain on the sale of the Company's CP Industries division in April of 2008.

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REUNION INDUSTRIES, INC.
BALANCE SHEET
AS OF THE PERIODS SHOWN

(\$ amounts in thousands)

FORM: MOR-3

	26-Nov-07	31-Dec-09	31-Mar-10
	-----	-----	-----
ASSETS:			
Cash and Equivalents	\$ 754	\$ 1,971	\$ 1,880
Net Receivables	7,166	1,326	1,802
Net Inventory	12,369	1,998	2,044
Other Current Assets	3,029	1,520	1,376
	-----	-----	-----
Current	23,318	6,815	7,102
Net Property	6,300	3,302	3,230
Goodwill	10,994	1,491	1,491
CSV policies	2,200	1,340	1,140
Interest in China JV	3,009	4,255	4,262
	-----	-----	-----
Total	\$ 45,821	\$ 17,203	\$ 17,225
	=====	=====	=====
LIABILITIES & EQUITY:			
Current Maturities of Debt	\$ 0	\$ 0	\$ 0
Trade Payables	3,305	677	1,165
Accrued Income Taxes	0	101	101
Accrued Interest	544	1,074	1,063
Customer Deposits	4,424	0	0
Accrued Other	4,272	6,397	6,255
	-----	-----	-----
Current	12,545	8,249	8,584
Secured Debt and interest	53,418	0	0
Other Liabilities	3,101	1,184	1,184
	-----	-----	-----
Total Liabilities	69,064	9,433	9,768

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Total Equity	(23,243)	7,770	7,457
	-----	-----	-----
Total	\$ 45,821	\$ 17,203	\$ 17,225
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REUNION INDUSTRIES, INC.
SUMMARY OF UNPAID POST PETITION TAXES AND DEBTS
AS OF MARCH 31, 2010

FORM: MOR-4

(\$ Amounts in 000's)

TAXES:

	Beg Liability	Accrued	Paid	Ending Liability
	-----	-----	-----	-----
NON-PAYROLL TAXES:				
Sales	\$ 0			\$ 0
Excise	\$ 0			\$ 0
Real Property	\$ 0			\$ 0
Personal Property	\$ 0			\$ 0

PAYROLL TAXES - See attached page 2

Payroll taxes are being immediately paid to the
Company's payroll service company who files and pays
the Company's payroll taxes.

DEBTS:

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	Current	Days Past Due				Total
		0-30	31-60	61-90	Over 91	
Payable-excl Professional	\$ 549	\$ 322	\$ 131	\$ 42	\$ 0	\$ 1,044
Wages Payable	36					36
Taxes Payable	0					0
Rent-Building	0					0
Adequate Protect'n Paymts	0					0
Professional Fees	6	11	15	17	72	121
Amounts due Insiders	0	0	0	0	74	74
	-----	-----	-----	-----	-----	-----
Total	\$ 591	\$ 333	\$ 146	\$ 59	\$ 146	\$ 1,275
	=====	=====	=====	=====	=====	=====

Explanations:

Wages represent hourly wages earned in the current month that were paid in the following month.

Professional fees are due Reid and Riege.

Amounts due insiders represent post petition interest on note and guaranty fees.

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REUNION INDUSTRIES, INC.
 ACCOUNTS RECEIVABLE
 AS OF MARCH 31, 2010

 (\$ Amounts in 000's)

FORM: MOR-5

TRADE ACCOUNTS RECEIVABLE RECONCILIATION:

Trade Receivables - beg of month	\$ 1,466
Plus: Invoiced during the month	3,872
Less: Amounts collected	(3,380)
Less: Credits/Adjustments	(10)

Trade Receivables - end of month	\$ 1,948

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ACCOUNTS RECEIVABLE AGINGS:

0-30	\$ 1,429
31-60	418
61-90	92
91+	9

Total trade receivables	1,948
Non-trade receivables	0
Less: Reserve for bad debts	(146)

Net Receivables - per balance sheet	\$ 1,802
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