

LIQ03

Notice of progress report in voluntary winding up



Companies House

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refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 1 7 5 1 9 1 7

Company name in full Micro Enterprises Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Dean Anthony

Surname Nelson

3 Liquidator's address

Building name/number St Helens House

Street King Street

Post town Derby

County/Region

Postcode D E 1 3 E E

Country

4 Liquidator's name ①

Full forename(s) Nicholas Charles Osborn

Surname Lee

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 158 Edmund Street

Street Birmingham

Post town B3 2HB

County/Region

Postcode


Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report															
From date	^d	0	^d	8	^m	0	^m	6	^y	2	^y	0	^y	2	^y	1
To date	^d	0	^d	7	^m	0	^m	6	^y	2	^y	0	^y	2	^y	2
7	Progress report															
<input checked="" type="checkbox"/> The progress report is attached																
8	Sign and date															
Liquidator's signature	<div>Signature</div> <div>  </div>															
Signature date	^d	2	^d	7	^m	0	^m	7	^y	2	^y	0	^y	2	^y	2

**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 **Kieran Marshall**

Company name **PKF Smith Cooper**

Address **St Helen's House**

King Street

Post town **Derby**

County/Region

Postcode

D	E	1		3	E	E
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Country

DX

Telephone **01332 332021**

**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 or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

THE JOINT LIQUIDATORS' ANNUAL PROGRESS REPORT TO 7 JUNE 2022
MICRO ENTERPRISES LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION

Dean Anthony Nelson

PKF Smith Cooper
St Helen's House, King Street, Derby, DE1 3EE
01332 332021

Nicholas Charles Osborn Lee

PKF Smith Cooper
158 Edmund Street, Birmingham, B3 2HB
0121 236 6789

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DEFINITIONS

“Act”	Insolvency Act 1986
“CFA”	Conditional Fee Arrangement
“CIS”	Construction Industry Scheme
“Company”	Micro Enterprises Limited – in Liquidation
“Counsel”	Louis Doyle QC
“CT”	Corporation Tax
“EOS”	Estimated Outcome Statement as at 7 June 2022
“Firm”	PKF SC Advisory Limited T/A PKF Smith Cooper
“HMRC”	HM Revenue and Customs
“HP”	Howes Percival LLP
“Joint Liquidators”	Dean Anthony Nelson and Nicholas Charles Osborn Lee of the Firm
“LBA”	Letter Before Action
“MCL”	Micro Corporation Limited
“NatWest”	National Westminster Bank Plc
“NIC”	National Insurance Contributions
“PAYE”	Pay As You Earn
“POD”	Proof of Debt
“PP”	Prescribed Part
“R&P”	Receipts and Payments Account to 7 June 2022
“Review Period”	Period covering 8 June 2021 to 7 June 2022
“Rules”	Insolvency (England & Wales) Rules 2016
“Shakespeares”	Shakespeare Martineau LLP
“SOA”	Statement of Affairs as at 6 June 2018
“SIP”	Statement of Insolvency Practice
“VAT”	Value Added Tax
“Whole Period”	8 June 2018 to 7 June 2022

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ANNUAL PROGRESS REPORT FOR MICRO ENTERPRISES LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION

1. EXECUTIVE SUMMARY

A summary of key information in this report is detailed below.

1.1 Assets

Asset	Estimated to realise per SOA (£)	Realisations to Date (£)	Anticipated Future Realisations (£)	Total Anticipated Realisations (£)
Cash at Bank	641	631	-	631
Foreign Exchange Refund	-	745	-	745
VAT Recoverable	-	-	-	-
Bank Interest Gross	-	6	-	6
Sundry Refund	-	44	-	44
Settlement of Right of Action	-	-	Uncertain	Uncertain
Total	641	1,426	Uncertain	Uncertain

1.2 Expenses

Expense	Expense Incurred (But Not Necessarily Paid) to Date (£)	Anticipated Further Expense to Closure (£)	Total Anticipated Expense (£)
Joint Liquidators' Fees	35,287	Uncertain	Uncertain
Legal Fees and Disbursements	293	Uncertain	Uncertain
Counsel's Fees	-	Uncertain	Uncertain
Courier Costs	17	-	17
Postage (Category 1)	30	31	61
Specific Bond	30	-	30
Statutory Advertising	150	-	150
Storage Costs	106	94	200
Mileage (Category 2)	-	15	15
Contingency	-	660	660
Total	35,884	Uncertain	Uncertain

1.3 Dividend Prospects

Creditor Class	Distribution / Dividend Paid to Date	Anticipated Distribution / Dividend, Based Upon the Above
Secured Creditor	N/A	N/A
Preferential Creditors	N/A	N/A
Secondary Preferential Creditors	N/A	N/A
Unsecured Creditors	Nil	Uncertain

1.4 Summary of Key Issues Outstanding

- Finalise the Joint Liquidators' investigations, as detailed at section 3;
- Finalise the Company's tax position with HMRC, including VAT;
- Obtain clearance from HMRC for closure of the case; and
- Circulate the Joint Liquidators' final account to members and creditors.

1.5 Closure

Due to the issues outstanding as listed above, it is difficult to estimate the timing of the closure of the Liquidation.

2. ADMINISTRATION AND PLANNING

2.1 Statutory Information

Statutory information may be found at Appendix I.

The Joint Liquidators are required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progressing of the administration of the case, which ensures that work is carried out to high professional standards. A detailed list of these tasks may be found in Appendix IV.

2.2 Reporting

The Joint Liquidators have met their statutory and regulatory duties to report to creditors, as listed below. In consideration of the need for transparency and engagement with creditors, care has been taken to ensure that reports and other communications with creditors have provided useful details of the strategies pursued and the outcomes anticipated.

During the Review Period, the following key documents have been issued:

- The Joint Liquidators' Annual Progress Report to 7 June 2021.

2.3 Other Administration Tasks

During the Review Period, the following material tasks in this category were carried out.

- Consulting with staff as regards practical and technical aspects of the case to ensure efficient progress;
 - Maintaining case files, which must include records to show and explain the administration and any decisions made by the Joint Liquidators that materially affect the administration of the estate;
 - Monitoring and maintaining an adequate statutory bond;
 - Conducting periodic case reviews to ensure that the Liquidation is progressing efficiently, effectively and in line with the statutory requirements;
 - Maintaining and updating the estate cash book and bank accounts, including bank reconciliations and processing receipts and payments; and
 - Periodic post appointment CT return to 7 June 2021.
-

3. ENQUIRIES AND INVESTIGATIONS

During the Review Period, the Joint Liquidators have continued with their investigations, as detailed in their previous annual progress reports.

As previously reported, the Company had entered into a number of transactions which left insufficient funds in the business, to be able to settle any contingent future tax liabilities, should they crystallise. These liabilities have now crystallised, rendering the Company insolvent. The Joint Liquidators are currently, with the assistance and advice from HP, pursuing rights of action against the Directors, as they have been unable to provide a sufficient explanation to justify the transactions, and provide details as to how they believe the Company's financial position and the position of creditors were not worsened by them.

During the Review Period, progression has been made in relation to the pursuit of these rights of actions. HP have sent an initial LBA to the Directors via their solicitors, Shakespeares, detailing the proposed actions to be taken by the Joint Liquidators.

The Directors refuted the claims made in the LBA, and Shakespeares provided a response, giving the reasons why the position set out in the LBA was disputed.

HP advised the Joint Liquidators that in order to progress any discussions with the Directors and Shakespeares, it would be necessary to obtain Counsel's opinion in relation to the strength of the claims being made against them.

Therefore, Louis Doyle QC, has been instructed during the Review Period to advise on the strength of the Joint Liquidators' claim and to assist in any subsequent negotiations should a settlement be proposed. Counsel subsequently advised the Joint Liquidators that their claim was strong and should be pursued.

Upon receipt of this advice, HP issued a revised LBA to Shakespeares in relation to the Joint Liquidators' claim.

Following extensive liaison between HP and Shakespeares, Shakespeares advised that the Directors potentially intended to propose a settlement of the rights of action to finalise all claims against them.

At this point, a without prejudice settlement meeting was convened and held on 30 June 2022. The meeting was held with all parties involved, including HMRC, in their capacity as the Company's majority creditor.

Please note, HP and Shakespeares are now working on finalising the heads of terms for the settlement, which includes negotiating with HMRC to obtain their approval of it.

As noted above, HMRC, in their capacity as the majority creditor, are fully aware of the position in relation to the potential settlement.

The position of the settlement will be disclosed in the Joint Liquidators' next report, once the heads of terms have been finalised.

4. REALISATION OF ASSETS

4.1 Bank Interest

During the Review Period, 47p has been received in respect of bank interest. Given the small amount, this will not be subject to a CT charge from HMRC.

There have been no further realisations during the Review Period.

5. CREDITORS

Irrespective of whether sufficient realisations are achieved to pay a dividend to creditors, the Joint Liquidators have had to carry out key tasks which are detailed in the list at Appendix IV. The following sections explain the anticipated outcomes to creditors and any distributions paid.

5.1 Secured Creditors

The Company had granted the following security:

Type of Charge	Date Created	Beneficiary
Debenture	17 August 1999	NatWest

The Company does not have an outstanding liability owed to NatWest.

5.2 Preferential Creditors

The Company does not have any Preferential Creditors.

5.3 Secondary Preferential Creditors

In any insolvency process started from 1 December 2020, HMRC is a Secondary Preferential Creditor for the following liabilities:

- VAT;
- PAYE Income Tax;
- Employees' NIC;
- CIS deductions; and
- Student Loan Deductions.

This will mean that, if there are sufficient funds available, any of the above amounts owed by the Company will be paid after the Preferential Creditors have been paid in full.

As this appointment was made prior to 1 December 2020, HMRC is not a Secondary Preferential Creditor in this matter.

5.4 Unsecured Creditors

The Joint Liquidators have received the following Unsecured Claims:

Creditor	SOA (£)	Claim Received (£)
Trade and Expense Creditors	-	173
HMRC	624,384	2,321,898
MCL	3,000	-
Smith Hannah Limited	900	-
Total	<u>628,284</u>	<u>2,322,071</u>

Please be advised that PODs may still be received (although this is unlikely other than HMRC) and therefore the total value of unsecured claims is not known at present.

In addition, as noted in section 3, the Joint Liquidators and HP are liaising with HMRC regarding a settlement agreement, which will include the settlement of tax liabilities to HMRC.

HMRC are in the process of finalising the position of their claim in respect of the Company, and therefore the position noted in the table above may change.

The position of any revised claim from HMRC will be detailed in the Joint Liquidators' next report.

5.5 Dividend Prospects

It is anticipated that there will be funds available to facilitate a dividend distribution to Unsecured Creditors in this matter. However, the timing and quantum of the dividend distribution is dependent on the finalisation of any settlement agreement with the Directors of the Company, as detailed in section 3.

5.6 PP

Where a floating charge is created after 15 September 2003 a PP of the Company's net property shall be made available to Unsecured Creditors.

The Company does not have an outstanding liability owed to NatWest, and consequently there will be no PP in this Liquidation. In addition, the debenture with NatWest was created in August 1999, and therefore the provisions of the PP will not apply.

6. ETHICS

Please also be advised that Joint Liquidators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

6.1 General Ethical Considerations

During the Review Period, further reviews have been carried out, and no new threats to compliance with the Code of Ethics have been identified. For clarity, the Joint Liquidators were also appointed as Joint Liquidators of MCL on 19 July 2019; a company associated by virtue of common directorship. Whilst this appointment is ongoing, it is being treated in isolation, and does not affect this Liquidation. As such, no safeguards are required in this respect.

6.2 Specialist Advice and Services

When instructing third parties to provide specialist advice and services or having the specialist services provided by the Firm, the Joint Liquidators are obligated to ensure that such advice or work is warranted and that the advice or work contracted reflects the best value and service for the work undertaken. The Firm reviews annually the specialists available to provide services within each specialist area and the cost of those services to ensure best value. The specialists chosen usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment. Details of the specialists specifically chosen in this matter are detailed at section 7.4

7. FEES AND EXPENSES

7.1 Pre-Appointment Costs

Paid by Company Prior to Appointment

A fixed fee in respect of the pre appointment costs of £10k plus VAT was agreed and paid by the Directors of the Company, prior to the passing of the winding up resolution.

No further fees will be paid in relation to pre appointment fees.

7.2 The Joint Liquidators' Fees

It is the Firm's practice to ensure that work is conducted by the appropriate staff member at the appropriate level of experience. Junior members of staff deal with the day to day administration on cases and a Manager, Director or Partner then oversees the work undertaken. Where the issues are complex and litigious, the work will be closely supervised or undertaken by a Manager, Director or Partner.

The basis of the Joint Liquidators' fees has not yet been fixed. The Joint Liquidators' proposals in relation to the setting of a fee basis, will be issued at a later date, once the matters detailed at section 3 are concluded.

For completeness, the Joint Liquidators' time costs for the Review Period total c.£10.8k, representing c.54 hours at an average hourly rate of c.£202. The time costs for the Review Period are detailed at Appendix V.

The time costs for the Whole Period of appointment amount to c.£35.3k representing c.209 hours at an average hourly rate of c.£169.

No fees have been drawn during the Review Period or Whole Period.

The Joint Liquidators intend to seek creditors' approval for the fees, based on their time costs incurred throughout the period of Liquidation. However, this approval will be sought from the Unsecured Creditors, once the position of the settlement discussed in section 3 of this report has been finalised. At this point, the Unsecured Creditors will be invited to consider the Joint Liquidators' proposal in this regard under separate cover.

7.3 Expenses

An amended SIP, SIP 9, was issued on 1 April 2021. The amended SIP 9 has changed some of the terminology and introduced additional disclosure requirements. The information below may therefore not reflect the information previously provided.

The expenses, which include disbursements, that have been incurred and not yet paid during the period are detailed on Appendix VII.

The Category 1 expenses incurred, but not necessarily paid for in the Review Period total c.£0.3k plus VAT are detailed at Appendix VII (and those paid at Appendix II) and represent payments to parties not associated with the Firm, who have provided services or goods for the administration of the assignment.

No Category 2 expenses have been incurred during the Review Period. However, for clarity, the basis of calculation for the Firm's Category 2 disbursements are detailed at Appendix VIII. Please note that some Category 2 expenses have been incurred following the end of the Review Period, and approval for the payment of these disbursements will be sought from creditors upon finalisation of the settlement with the Directors.

Information about this insolvency process may be found on the R3 website at <http://www.creditorinsolvencyguide.co.uk/>.

A copy of 'A Creditors' Guide to Fees' may be found at <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees//page/1>.

Please then download the "Liquidation: A Guide for Creditors on Insolvency Practitioner Fees".

A hard copy of the Creditors' Guide may be obtained on request.

7.4 Other Professional Costs

7.4.1 Legal Fees

HP have been instructed during the Whole Period as legal advisors in assisting the Joint Liquidators' in respect of their investigations detailed at section 3 and the pursuit of the rights of action. HP costs have been agreed on a CFA basis, as follows:

- Time costs in dealing with this matter at HP's standard hourly rates;
- 100% success fee uplift; and
- Disbursements.

Following the end of the Review Period, on 29 June 2022, HP have confirmed that their current time costs in dealing with this matter amounted to c.£20.3k (exclusive of VAT). These costs will increase, as a result of holding the without prejudice settlement meeting, and further extensive negotiations being following the meeting.

HP's additional time costs and full fees incurred will be detailed further in the Joint Liquidators next report.

However, as HP have been instructed on a CFA basis, no fees will be due or payable until a settlement with the Directors has been agreed and paid. Therefore, as a settlement has yet to be finalised, HP's fees for the purpose of this report are therefore not being declared as incurred costs.

This position is likely to change, and will be reported in further detail once a settlement is agreed.

7.4.2 Counsel's Fees

As detailed in section 3 of this report, Counsel was instructed by the Joint Liquidators during the Review Period to conduct the following:

- To provide advise in relation to the strength of the Joint Liquidators' claims against the Directors;
- To assist HP in any settlement negotiations with the Directors and Shakespeares.

Counsel's costs have been agreed on a CFA basis, with the following terms:

- Time costs in dealing with this matter at HP's standard hourly rates;
- 50% success fee uplift; and
- Disbursements.

Following the end of the Review Period, on 29 June 2022, Counsel has confirmed that his time costs in dealing with this matter amount to c.£16.6k (exclusive of VAT). These costs will increase, as a result of holding the without prejudice settlement meeting, and further extensive negotiations being held following the meeting.

Counsel's additional time costs and full fees incurred will be detailed further in the Joint Liquidators next report, once the settlement is completed.

However, as Counsel have been instructed on a CFA basis, no fees will be due or payable until a settlement with the Directors has been agreed and paid. Therefore, as

a settlement has yet to be finalised, Counsel's fees for the purpose of this report are therefore not being declared as incurred costs.

This position is likely to change, and will be reported in further detail once a settlement is agreed.

8. CREDITORS' RIGHTS

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Joint Liquidators' remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Joint Liquidators' fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

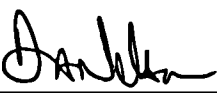
9. CONCLUSION

The administration of the case will be continuing to finalise the following outstanding matters that are preventing this case from being closed:

- Finalise the Joint Liquidators' investigations, as detailed at section 3;
- Finalise the Company's tax position with HMRC, including VAT;
- Obtain clearance from HMRC for closure of the case; and
- Circulate the Joint Liquidators' final account to members and creditors.

A copy of the Firm's privacy notice can be found at <https://www.pkfsmithcooper.com/bri-privacy-notice/>.

If you require any further information, please contact Kieran Marshall at this office.

Signed 

D A Nelson
Joint Liquidator
25 July 2022

ANNUAL PROGRESS REPORT FOR MICRO ENTERPRISES LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION

STATUTORY INFORMATION

APPENDIX I

ANNUAL PROGRESS REPORT FOR MICRO ENTERPRISES LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION

Statutory Information

Company Name	Micro Enterprises Limited
Former Trading Name	Micro Enterprises Limited
Company Number	01751917
Registered Office	St Helen's House, King Street, Derby, DE1 3EE
Former Registered Office	50 Woodgate, Leicester, LE3 5GF
Office Holders	Dean Anthony Nelson and Nicholas Charles Osborn Lee
Office Holders' Address	PKF Smith Cooper, St Helen's House, King Street, Derby, DE1 3EE PKF Smith Cooper, 158 Edmund Street, Birmingham, B3 2HB
Date of Appointment	8 June 2018
Directors in Last 3 Years	Nitin Chouhan (Appointed 19 December 2003) Terry Grub (Appointed 30 March 1991)
Secretaries in Last 3 Years	Nitin Chouhan (Appointed 6 April 2001)
Debentures	National Westminster Bank Plc. Contains fixed and floating charge. Created on 17 August 1999 and delivered on 1 September 1999. Floating charge covers all the property and undertaking of the Company. No outstanding liabilities owed.
Class of Shares Issued	100 £1 Ordinary Shares
Share Capital	£100
Name of Shareholder	Micro Corporation Limited
Names and company numbers of parent, subsidiary and associated companies	Micro Corporation Limited - 04794174 TGNC Limited – 08570468 TG Global Investments Limited – 08145583 MCL Hitchin Limited – 12059286 MCL Corporation Limited – 11375399 MCL Group of Companies Limited – 09991308 MCL Holdco B Limited – 09991251 MCL Investments Limited – 09036980 TN Capital Limited – 09037254

JOINT LIQUIDATORS' R&P

APPENDIX II

Micro Enterprises Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 08/06/2021 To 07/06/2022 £	From 08/06/2018 To 07/06/2022 £
	SECURED CREDITORS		
NIL	National Westminster Bank Plc	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
	Bank Interest Gross	0.47	5.92
641.00	Cash at Bank	NIL	630.51
	Foreign Exchange Refund	NIL	744.92
	Sundry Refunds	NIL	43.80
NIL	VAT Recoverable	NIL	NIL
		0.47	1,425.15
	COST OF REALISATIONS		
	Courier Costs	NIL	16.67
	Legal Fees and Disbursements	292.50	292.50
	Specific Bond	NIL	30.00
	Statutory Advertising	NIL	150.00
	Storage Costs	25.58	106.07
		(318.08)	(595.24)
	UNSECURED CREDITORS		
(3,955.22)	HM Revenue and Customs	NIL	NIL
(341,324.13)	HM Revenue and Customs - CT	NIL	NIL
(26,104.56)	HM Revenue and Customs - NIC	NIL	NIL
(253,000.40)	HM Revenue and Customs - PAYE	NIL	NIL
(3,900.00)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(627,743.31)		(317.61)	829.91
	REPRESENTED BY		
	Bank 1 Current		714.21
	Vat Receivable		115.70
			829.91

Note:

The amounts stated are net of VAT.

The funds are held in an interest-bearing bank account.



Dean Anthony Nelson
Joint Liquidator

JOINT LIQUIDATORS' EOS

APPENDIX III

Micro Enterprises Limited
(In Liquidation)
Joint Liquidators' Estimated Outcome Statement
As at 07/06/2022

Statement of Affairs £		Realised / Paid	Projected	Total £
	SECURED CREDITORS			
NIL	National Westminster Bank Plc	NIL	NIL	NIL
		NIL	NIL	NIL
	ASSET REALISATIONS			
NIL	VAT Recoverable	NIL	NIL	NIL
641.00	Cash at Bank	630.51	NIL	630.51
	Foreign Exchange Refund	744.92	NIL	744.92
	Bank Interest Gross	5.92	NIL	5.92
	Sundry Refunds	43.80	NIL	43.80
		1,425.15	NIL	1,425.15
	COST OF REALISATIONS			
	Specific Bond	30.00	NIL	30.00
	Courier Costs	16.67	NIL	16.67
	Legal Fees and Disbursements	292.50	NIL	292.50
	Postage (Category 1)	NIL	60.94	60.94
	Storage Costs	106.07	93.93	200.00
	Statutory Advertising	150.00	NIL	150.00
	Mileage	NIL	15.30	15.30
	Contingency	NIL	659.74	659.74
		(595.24)	(829.91)	(1,425.15)
	UNSECURED CREDITORS			
(3,900.00)	Trade & Expense Creditors	NIL	NIL	NIL
(253,000.40)	HM Revenue and Customs - PAYE	NIL	NIL	NIL
(26,104.56)	HM Revenue and Customs - NIC	NIL	NIL	NIL
(341,324.13)	HM Revenue and Customs - CT	NIL	NIL	NIL
(3,955.22)	HM Revenue and Customs	NIL	NIL	NIL
		NIL	NIL	NIL
	DISTRIBUTIONS			
(100.00)	Ordinary Shareholders	NIL	NIL	NIL
		NIL	NIL	NIL
(627,743.31)		829.91	(829.91)	(0.00)
	REPRESENTED BY			
	Vat Receivable	115.70	(115.70)	NIL
	Bank 1 Current	714.21	(714.21)	NIL
		829.91	(829.91)	NIL



Dean Anthony Nelson
Joint Liquidator

ANNUAL PROGRESS REPORT FOR MICRO ENTERPRISES LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION

DETAILED LIST OF WORK UNDERTAKEN IN THE REVIEW PERIOD

APPENDIX IV

ANNUAL PROGRESS REPORT FOR MICRO ENTERPRISES LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION

Below is detailed information about the tasks undertaken by the Joint Liquidators, during the Review Period.

General Description	Includes
Statutory and General Administration	
Statutory/Advertising	Filing of documents to meet statutory requirements including annual receipts and payments accounts CT return for the period ended 7 June 2021 Bonding the case for the value of the assets
Document Maintenance/File Review/Checklist	Filing of documents Periodic file reviews documenting strategy Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
Bank Account Administration/Cashiering	Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments Cheque requisitions/Journals/Daily Bank Postings
Planning / Review	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case
Books and Records / Storage	Dealing with records in storage
Reports	Preparing and circulating the Joint Liquidators' Annual Progress Report to 7 June 2021
Investigations	
Litigation / Recoveries	Extensive liaison and strategy calls regarding litigation with HP Extensive liaison with HP regarding potential rights of action Reviewing correspondence prepared by HP to parties subject to potential rights of action Reviewing and approving the LBA prepared by HP to be sent to Shakespeares Providing information to HP to assist in the preparation of the LBA Liaising with Counsel regarding their fees and agreeing their fee basis Liaising with Counsel regarding the strength of the Joint Liquidators claim and the best strategy to obtain a settlement Arranging for a without prejudice settlement meeting to be held with the Directors, Shakespeares, HP, Counsel and HMRC, in their capacity as the majority creditor
Creditors and Distributions	
Creditor Communication	Liaising extensively with HMRC in respect settlement figures

ANNUAL PROGRESS REPORT FOR MICRO ENTERPRISES LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION

TIME COST INFORMATION FOR THE REVIEW PERIOD AND WHOLE PERIOD

APPENDIX V

Micro Enterprises Limited

TIME COST SUMMARY FOR THE WHOLE PERIOD

SIP9 SubCategory / Staff Grade	Partner	Director	Manager	Senior Ad'or	Ad'or	Junior Ad'or	Cashier	Other	Total Hours	Charge	AvgRate
Administration and planning (Includes; Cashiering, Statutory Reporting, Special Projects and Case Specific Matters)	8.00	17.60	2.15	64.60	1.15	16.60	9.15	6.85	126.10	19,300.42	153.06
Creditors (Includes Employees)	1.00	8.40	-	10.30	-	-	0.20	1.00	20.90	4,140.50	198.11
Investigations	8.90	9.50	-	41.90	-	-	-	-	60.30	11,573.00	191.92
Realisation of assets	-	-	-	2.10	-	-	-	-	2.10	273.00	130.00
Trading	-	-	-	-	-	-	-	-	-	-	-
Total	<u>17.90</u>	<u>35.50</u>	<u>2.15</u>	<u>118.90</u>	<u>1.15</u>	<u>16.60</u>	<u>9.35</u>	<u>7.85</u>	<u>209.40</u>	<u>35,286.92</u>	<u>168.51</u>
Total Charge	<u>6,343.50</u>	<u>9,085.50</u>	<u>372.50</u>	<u>16,333.00</u>	<u>149.50</u>	<u>1,452.75</u>	<u>842.50</u>	<u>707.67</u>	<u>35,286.92</u>		

Micro Enterprises Limited

TIME COST SUMMARY FOR THE REVIEW PERIOD

SIP9 SubCategory / Staff Grade	Partner	Director	Manager	Senior Ad'or	Ad'or	Junior Ad'or	Cashier	Other	Total Hours	Charge	AvgRate
Administration and planning (Includes; Cashiering, Statutory Reporting, Special Projects and Case Specific Matters)	1.40	5.90	0.10	15.00	2.25	-	2.10	1.63	28.38	4,781.17	168.45
Creditors (Includes Employees)	0.60	1.60	-	3.70	-	-	-	-	5.90	1,298.50	220.08
Investigations	4.40	5.60	-	9.30	-	-	-	-	19.30	4,743.00	245.75
Realisation of assets	-	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-	-	-	-
Total	6.40	13.10	0.10	28.00	2.25	-	2.10	1.63	53.58	10,822.67	201.98
Total Charge	2,306.00	3,373.50	19.00	4,576.00	210.00	-	190.00	148.17	10,822.67		

ANNUAL PROGRESS REPORT FOR MICRO ENTERPRISES LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION

TIME COSTS SUMMARY FOR THE REVIEW PERIOD AND WHOLE PERIOD

APPENDIX VI

ANNUAL PROGRESS REPORT FOR MICRO ENTERPRISES LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION

Work Category	Actual time Costs Incurred During the Review Period			Actual time Costs Incurred During the Whole Period		
	Number of Hours	Average Hourly Rate £ Per Hour	Total Time Costs £	Number of Hours	Average Hourly Rate £ Per Hour	Total Time Costs £
Administration (including Statutory Reporting)	23.4	168.45	4,781.17	126.1	153.06	19,300.42
Realisation of Assets	-	-	-	2.1	130.00	273.00
Creditors (Claims and Distribution)	5.9	220.08	1,298.50	20.9	198.11	4,140.50
Investigations	19.3	245.75	4,743.00	60.3	191.92	11,573.00
Total	53.6	201.98	10,822.67	209.4	168.51	35,286.92

ANNUAL PROGRESS REPORT FOR MICRO ENTERPRISES LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION

EXPENSES SUMMARY FOR THE REVIEW PERIOD AND WHOLE PERIOD

APPENDIX VII

ANNUAL PROGRESS REPORT FOR MICRO ENTERPRISES LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION

Below are details of the Joint Liquidators' expenses for the Review Period and the Whole Period.

Expenses	Actual expenses incurred (But Not Necessarily Paid) during the Review Period £	Actual expenses incurred (But Not Necessarily Paid) during the Whole Period £	Future Anticipated Expenses £	Notes
Category 1 Expenses				
Legal Fees and Disbursements	293	293	Uncertain	As HP have been instructed on a CFA basis, their fees will not be payable unless a settlement noted in section 3 is reached. As the settlement has yet to be agreed, no fees have been incurred for the purpose of this report. However, the time costs incurred to date by HP are detailed in section 7.4.1 of this report.
Counsel Fees	-	-	Uncertain	As Counsel have been instructed on a CFA basis, their fees will not be payable unless a settlement noted in section 3 is reached. As the settlement has yet to be agreed, no fees have been incurred for the purpose of this report. However, the time costs incurred to date by Counsel are detailed in section 7.4.2 of this report.
Specific Bond	-	30	-	
Statutory Advertising	-	150	-	
Courier Costs	-	17	-	
Printing and Postage (Category 1)	30	30	30	
Storage Costs	26	106	94	
Total	349	626	Uncertain	

ANNUAL PROGRESS REPORT FOR MICRO ENTERPRISES LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION

Expenses	Actual expenses incurred (But Not Necessarily Paid) during the Review Period £	Actual expenses incurred (But Not Necessarily Paid) during the Whole Period £	Future Anticipated Expenses £	Notes
Category 2 Expenses				
Mileage (Own Car Usage)	-	-	15	Please be advised that payment of these expenses now requires specific approval from 1 April 2021. The request for approval will be sought by the Joint Liquidators under separate cover.
Total	-	-	15	

JOINT LIQUIDATORS' CHARGE-OUT RATES AND DISBURSEMENTS POLICY

Information for creditors in relation to fees, expenses and disbursements as of 1 April 2021

General information for creditors regarding insolvency matters

Creditors wishing to understand or find out more information in relation to this or any other type of insolvency process may visit the website here:

<http://www.creditorinsolvencyguide.co.uk/>

This website is a step-by-step guide designed to help creditors navigate their way through an insolvency process and has been produced by R3, the UK insolvency trade body.

A creditors' guide to the fees payable in an insolvency process and the process an insolvency practitioner is required to adopt for seeking approval of his or her fees may be acquired from the following website:

<https://www.r3.org.uk/what-we-do/publications/professional/fees>

If any party is unable to obtain a copy of either of the above guides, please contact the individual referred to below who will furnish you with a copy, free of charge:

- **Contact** – Anita Godson
- **Telephone** – 01332 332021
- **Email** – creditor.correspondence@pkfsmithcooper.com
- **Post** – St Helen's House, King Street, Derby, DE1 3EE

Dean Anthony Nelson, Nicholas Charles Osborn Lee, Andrew Paul Stevens and Michael Paul Roome are licensed in the United Kingdom to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales. They are all bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment, which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>. When acting as Receiver, Administrative Receiver or Administrator they act as agent only, without personal liability and when acting as Administrator, the affairs, business and property of the company are being managed by them. Regulated by the Institute of Chartered Accountants in England & Wales for a range of investment business activities. When taking appointments, the firm's licensed Insolvency Practitioners are Data Controllers of personal data as defined by the Data Protection Act 1998 and the General Data Protection Regulations 2018. PKF Smith Cooper will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the appointments which they take. For further details see the firm's privacy policy which can be accessed on our website using the following link <https://www.pkfsmithcooper.com/bri-privacy-notice/>

Information specific to PKF Smith Cooper

Grade	Charge out rate (£ per hour)
Partner	355
Director	255
Senior Manager/Manager	190
Assistant Manager	190
Senior Insolvency Administrator	165
Administrator	130
Junior Administrator	90
Cashier	90
Other	60

Time costs are calculated using 6-minute units.

The Office Holder does not recover the costs of support staff other than where their time is specifically incurred and can be identified in dealing with work undertaken on a specific engagement.

Expenses

In accordance with Statement of Insolvency Practice 9 (SIP9) expenses are any payments from the estate outside of the office holder's remuneration or distributions to creditors or members.

Expenses are divided into two categories:-

- Category 1 expenses are payments to an independent third party for costs which are directly referable to the engagement. Category 1 expenses can be paid without prior approval. Examples may include statutory advertising, specific bond insurance, external room hire and storage costs.
- Category 2 expenses are payments to associates or which have an element of shared costs. Category 2 expenses may be drawn if they have been approved in the same manner as office holder's remuneration. This includes mileage which is charged at 45p per mile.

Expenses also include disbursements, which are costs paid for by the office holder's firm initially but subsequently recharged to the estate, with the office holder's firm being reimbursed.

Information for creditors in relation to fees, expenses and disbursements as of 1 April 2022

General information for creditors regarding insolvency matters

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Information specific to PKF Smith Cooper

Grade	Charge out rate (£ per hour)
Partner	375
Director	270
Senior Manager	210
Manager	200
Assistant Manager	190
Senior Insolvency Administrator	175
Administrator	140
Junior Administrator	95
Cashier	95
Other	65

Time costs are calculated using 6-minute units.

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Expenses

In accordance with Statement of Insolvency Practice 9 (SIP9) expenses are any payments from the estate outside of the office holder's remuneration or distributions to creditors or members.

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- Category 1 expenses are payments to an independent third party for costs which are directly referable to the engagement. Category 1 expenses can be paid without prior approval. Examples may include statutory advertising, specific bond insurance, external room hire and storage costs.
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Expenses also include disbursements, which are costs paid for by the office holder's firm initially but subsequently recharged to the estate, with the office holder's firm being reimbursed.

INFORMATION FOR CREDITORS IN RELATION TO FEES AND DISBURSEMENTS

W	smithcooper.co.uk
F	01332 650290

VAT	123354934
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INFORMATION RELEVANT AT 1 APRIL 2017

General information to creditors regarding insolvency matters

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- Contact – Emily Oliver
- Telephone – 01332 332021
- Email – creditor.correspondence@smithcooper.co.uk
- Post – St Helen's House, King Street, Derby, DE1 3EE

Sent from: Smith Cooper, St Helen's House, King Street, Derby DE1 3EE

Smith Cooper is the trading name of SC Advisory Services Limited, a company registered in England. Registered number: 7678255
Registered Office: St Helen's House, King Street, Derby DE1 3EE
A list of directors is available for inspection at the above address.



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Information specific to Smith Cooper

Grade	Charge out rate (£ per hour)
Partner	355
Director	255
Manager	190
Assistant Manager	190
Senior Insolvency Administrator	165
Administrator	130
Junior Administrator	90
Cashier	90
Other	60
Time costs are calculated using 6 minute units.	

The Office Holder does not recover the costs of support staff other than where their time is specifically incurred and can be identified in dealing with work undertaken on a specific engagement.

Agent's Costs

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes:

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

Disbursements

In accordance with Statement of Insolvency Practice 9 (SIP9) the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1, being expenses directly referable to a third party, eg statutory advertising, external meeting room hire, specific bond insurance and courier costs, external archive, storage and subsequent destruction and Company Search fees, or Category 2, being expenses incurred by the firm and recharged to the estate, which may include a profit element, eg postage, stationery and storage.

Category 1 disbursements are recoverable in full from the estate without the prior approval of creditors. Category 2 disbursements are recoverable in full from the estate, subject to the basis of the disbursement allocation being approved by creditors in advance.

Category 2 disbursements are proposed to be recovered, subject to obtaining the requisite approval, as follows:-

Postage	Charged at actual cost (first class)
Photocopying	Recharged at 17p per sheet
Storage	Charged at cost
Room Hire	£50 per meeting held Smith Cooper offices
Archiving case files & closure	Recharged at £42.70 per box
Archiving records & closure	Recharged at £9.55 per box
Mileage	45p per mile