

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

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

### 1 Company details

Company number 

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Company name in full 

Montessori (Baby Unit) Ltd
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→ **Filling in this form**  
Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) 

Neil Charles
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Surname 

Money
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### 3 Liquidator's address

Building name/number 

126
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Street 

New Walk
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Post town 

Leicester
-----------

County/Region

Postcode 

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Country

### 4 Liquidator's name ①

Full forename(s)

Surname

① **Other liquidator**  
Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number

Street

Post town

County/Region

Postcode 

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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 2	d 6	m 1	m 1	y 2	y 0	y 2	y 1
To date	d 2	d 5	m 1	m 1	y 2	y 0	y 2	y 2


### 7 Progress report

☒ The progress report is attached

### 8 Sign and date

Liquidator's signature

Signature

X 

X

Signature date

d 2	d 4	m 1	m 1	y 2	y 0	y 2	y 3
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LIQ03

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**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

Company name

Address

Post town

County/Region

Postcode

Country

DX

Telephone



**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.



**Important information**

All information on this form will appear on the public record.



**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.



**Further information**

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

**MONTESSORI (BABY UNIT) LTD ("THE COMPANY")  
IN CREDITORS' VOLUNTARY LIQUIDATION**

**LIQUIDATORS' PROGRESS REPORT TO CREDITORS AND MEMBERS  
FOR THE PERIOD ENDING 25 NOVEMBER 2022**

**STATUTORY INFORMATION**

Company name:	Montessori (Baby Unit) Ltd
Registered office:	126 New Walk Leicester LE1 7JA
Former registered office:	Room 4 140 Regent Road Leicester LE1 7PA
Registered number:	08834200
Liquidators' name:	Neil Money
Liquidators' address:	126 New Walk Leicester LE1 7JA
Liquidators' date of appointment:	26 November 2021

**LIQUIDATORS' ACTIONS SINCE APPOINTMENT**

- Creditors – Dealing with creditor correspondence, emails and telephone conversations regarding their claims and adjudicating on creditor claims.
- Accounts – I undertook a review of the available company records along with discussions with the Company director and accountant in order to compile a schedule of the assets and a basis and strategy to realise the same for the benefit of creditors.
- Investigation - I conducted a statutory investigation into the affairs of the Company and conduct of the directors and submitted my confidential report to the Insolvency Service, within three months of my appointment, as required. Further details are contained in the next section of this report.

There is certain work that I am required by the insolvency legislation to undertake in connection with the liquidation that provides no financial benefit for the creditors. A description of the routine work undertaken since my appointment as Liquidator is contained in Appendix 1.

**RECEIPTS AND PAYMENTS**

My Receipts & Payments Account for the period from 26 November 2021 to 25 November 2022 is attached at Appendix 2.

**ASSET REALISATIONS**

**SIP13**

I am required, in accordance with Statement of Insolvency Practice 13 ("SIP 13"), to disclose to creditors the details of any asset sold by the Liquidator to connected parties. I can confirm that, to date, there have been no such sales to connected parties.

## **ASSETS**

### Tangible Assets

The director advised that all items (office furniture, nursery furniture and toys) were left at the trading premises as rent was not paid. Items that were recovered by the company included used toys and used office furniture, which perished due to the lack of dry storage, as such, no realisations have been made in this regard.

### Bounce Back Loan

I can confirm that upon investigation it transpired that a refund of £5,000.00 was due from the director, as a result of the way the funds received under the Bounce Back Loan Scheme were utilised. I am in the process of taking recovery action against the director.

## **LIABILITIES**

### Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company has no current charges over its assets.

### Preferential Creditors

The Directors' Statement of Affairs anticipated £2,230.86 in preferential creditors. I can confirm that no claims have been received to date.

### Secondary Preferential Creditors (HM Revenue & Customs)

The Directors' Statement of Affairs anticipated £47,063.56 secondary in preferential creditors in respect of PAYE/NIC. I can confirm that no claims have been received to date.

### Prescribed Part

There are provisions of the insolvency legislation that require a liquidator to set aside a percentage of a company's assets for the benefit of the unsecured creditors in cases where the company gave a "qualifying floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property."

A company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. A liquidator has to set aside:

- 50% of the first £10,000 of the net property; and
- 20% of the remaining net property

up to a maximum of £600,000.

There is no qualifying floating charge in this case so the prescribed part provisions do not apply.

### Crown Creditors

The Directors' Statement of Affairs included £1,485.42 owed to HM Revenue & Customs in respect of an unsecured non-preferential debt. I can advise that HM Revenue & Customs have not yet submitted a claim.

### Non-preferential unsecured Creditors

The Directors' Statement of Affairs included thirteen non-preferential unsecured creditors (including the Crown) with an estimated total liability of £303,161.52. I have received claims from three creditors at a total of £64,904.98. I have not received claims from ten creditors with original estimated claims in the statement of affairs of £250,679.53.

## Employees

The Directors' Statement of Affairs included twenty-five employees with non-preferential unsecured claims in the proceedings, with an estimated total liability of £144,921.87. Employees are entitled to claim various elements of the sums due to them from Redundancy Payments Service, who may subsequently lodge a claim in the liquidation. I can confirm that no claims have been received to date from Redundancy Payments Service.

## **DIVIDEND PROSPECTS**

I can confirm that on current information there appears to be no likelihood of a distribution to any class of creditor due to insufficient funds.

## **INVESTIGATION INTO THE AFFAIRS OF THE COMPANY**

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. I am required by the Statements of Insolvency Practice to undertake such an initial investigation and the work detailed below has been undertaken in connection with that initial investigation. Specifically, I recovered, listed and reviewed the Company's accounting records; obtained and reviewed copy bank statements for the twelve months prior to the Company ceasing to trade from the Company's bankers; and compared the information in the Company's last set of accounts with that contained in the statement of affairs lodged in the Liquidation and made enquiries about the reasons for the changes.

I identified the following area where I considered that further investigation was required:

Misuse of funds received under the Bounce Back Loan Scheme.

The above matter is being investigated and work undertaken to further the investigations with a view to making a recovery for the benefit of the creditors.

Within three months of my appointment as Liquidator, I am required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present Director would make them unfit to be concerned with the management of the Company. I would confirm that my report has been submitted.

## **PRE-APPOINTMENT REMUNERATION**

The creditors previously authorised the payment of a fee of £4,000.00 plus VAT for my assistance with preparing the statement of affairs and arranging the decision procedure for creditors to appoint a liquidator.

The fee for preparing the Statement of Affairs and arranging the decision procedure for creditors to appoint a Liquidator was paid by the Company.

## **LIQUIDATOR'S REMUNERATION**

My remuneration was approved on a fixed fee of £16,735.50 for my work in respect of statutory, case progression, case administration, creditors and investigation.

I have not been able to draw any remuneration in respect of work done for which my fees were approved as a fixed fee.

I was also authorised to draw 20% of realisations for my work in respect of the realisation of any asset except cash at bank. Based on realisations I achieved I am entitled to remuneration of £100.00.

I have not been able to draw any remuneration in respect of work done for which my fees were approved as a % of realisations.

Finally, I was also authorised to draw 15% of distributions made for my work agreeing creditors' claims and making the distribution to creditors. No distributions have been made to creditors I am therefore entitled to remuneration of £Nil.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/creditor-guides/>. A copy of 'A Creditors Guide to Liquidators' Fees' also published by R3, is available at the link [www.cba-insolvency.co.uk](http://www.cba-insolvency.co.uk). Please note that there are different versions of the Guidance Notes and in this case, you should refer to the April 2017 version.

## LIQUIDATOR'S EXPENSES

I have incurred expenses of £2,333.52 in the reporting period.

I have not been able to draw any expenses in this matter.

I have incurred the following expenses in the period since my appointment as Liquidator:

Type of expense	Amount incurred/ accrued in the reporting period
Statutory Advertisements	£261.00 plus VAT
Specific Bond	£30.00 plus VAT
Postage	£111.52
<b>Total</b>	<b>£402.52 plus VAT</b>

I have incurred the following category 2 disbursements in the period since my appointment as Liquidator:

Type of category 2 disbursement	Amount incurred/ accrued in the reporting period
Photocopying	£157.00 plus VAT
<b>Total</b>	<b>£157.00 plus VAT</b>

I have used the following agents or professional advisors in the reporting period:

Professional Advisor	Nature of Work	Basis of Fees
ERA Solutions Limited	Employee Assistance	Fixed Fee

The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also considered that the basis on which they will charge their fees represented value for money. I have reviewed the charges they have made and am satisfied that they are reasonable in the circumstances of this case.

Nature of expense	Estimated expenses	Expenses incurred to date
Employee claims assistance	£1,600.00 plus VAT	£1,600.00 plus VAT
<b>Total</b>		<b>£1,600.00 plus VAT</b>

As at 25 November 2022 then, as you can see from the information provided in this report, the expenses I have incurred in this matter have exceeded the total expenses I estimated I would incur when my remuneration was authorised by the creditors. The reasons I have exceeded the expenses estimate are the additional costs involved regarding employees' claims.

## **FURTHER INFORMATION**

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 Liquidator's remuneration and expenses within 21 days of their 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 unsecured creditors (including the creditor in question), apply to Court to challenge the amount of remuneration charged by the Liquidator as being excessive, and/or the basis of the Liquidator's remuneration, and/or the amount of the expenses incurred as being excessive, within 8 weeks of their receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about CBA Business Solution can be found at <http://www.cba-insolvency.co.uk/wp-content/uploads/2019/10/Provision-of-Services-Regulations-Summary-Sheet.pdf>.

## **SUMMARY**

The Liquidation will remain open until recovery of the funds from the director has been fully resolved. I estimate that this will take approximately 3 months and once resolved the Liquidation will be finalised and our files will be closed.

If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Victoria Ely on 0116 262 6804, or by email at [victoria.ely@cba-insolvency.co.uk](mailto:victoria.ely@cba-insolvency.co.uk).



**Neil Money**  
**Liquidator**



## Appendix 1

### 1. Administration

This represents the work involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holder and their managers. It does not give direct financial benefit to the creditors but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Setting up physical case files.
- Setting up the case on the practice's electronic case management system and entering data.
- Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment.
- Obtaining a specific penalty bond.
- Convening a decision procedure to seek a decision from creditors to approve the officeholders' remuneration.
- Dealing with all routine correspondence and emails relating to the case.
- Opening, maintaining and managing the office holder's estate bank account.
- Creating, maintaining and managing the office holder's cashbook.
- Undertaking regular bank reconciliations of the bank account containing estate funds.
- Reviewing the adequacy of the specific penalty bond on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case, by case administrators.
- Preparing, reviewing and issuing annual progress reports to creditors and members.
- Preparing and filing VAT returns.
- Preparing and filing Corporation Tax returns.

### 2. Creditors

**Employees** - The office holder needs to deal with the ex-employees in order to ensure that their claims are processed appropriately by the Redundancy Payments Office (RPO). The office holder is required to undertake this work as part of their statutory functions.

**Claims of creditors** - the office holder needs to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder also needs to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of his statutory functions.

- Obtaining information from the case records about employee claims.
- Completing documentation for submission to the Redundancy Payments Office.
- Corresponding with employees regarding their claims.
- Liaising with the Redundancy Payments Office regarding employee claims.
- Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
- Maintaining up to date creditor information on the case management system.

### Investigations:

- Recovering the books and records for the case.
- Listing the books and records recovered.
- Preparing a report or return on the conduct of the directors as required by the Company Directors Disqualification Act.
- Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc.

- Reviewing books and records to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors

**Montessori (Baby Unit) Ltd**  
**(In Liquidation)**  
**Liquidator's Summary of Receipts & Payments**

**Note:**

**Neil Charles Money**  
Liquidator