

The Insolvency Act 1986

**R2.47****Notice of move from  
administration to creditors'  
voluntary liquidation****Pursuant to paragraph 83(3) of Schedule B1 to the  
Insolvency Act 1986 and Rule 2.47 of the Insolvency  
(Scotland) Rules 1986**

Name of Company
Microemissive Displays Limited

Company number
SC179570

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

I/We (a) James B Stephen  
BDO LLP  
4 Atlantic Quay  
70 York Street  
Glasgow  
G2 8JX

David J Hill  
BDO LLP  
4 Atlantic Quay  
70 York Street  
Glasgow  
G2 8JX

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

having been appointed administrator(s) of (b) Microemissive Displays Limited, 4 Atlantic Quay,  
70 York Street, Glasgow, G2 8JX

(c) Insert date of  
appointment

on (c) 25th November 2008

(d) insert name of  
appointor/applicant

by (d) William Miller, director of the Company  
hereby give notice that:

the provisions of paragraph 83(2) of Schedule B1 to the Insolvency Act 1986 apply, and it is  
proposed that (e) James B Stephen & David J Hill of BDO LLP, 4 Atlantic Quay, 70 York Street,  
Glasgow, G2 8JX  
will be the liquidator(s) of the company (IP No(s) 9273 & 6161)

We attach a copy of the final progress report

Signed

Joint / Administrator(s)

Dated

**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.

James B Stephen

The company  
will be visible  
publicly

Number

DX Exchange

When you have completed and signed this form, please send it to the  
Registrar of Companies at:-

Companies House, 37 Castle Terrace, Edinburgh EH1 2EB  
235 Edinburgh / LP 4 Edinburgh-2

Comp

SCT



COMPANIES HOUSE

**Private & Confidential**

«NAME»

30 October 2009

«A1»

«A2»

«A3»

«A4»

«A5»

Your Ref: «CREF»

Our Ref: MIC003/JBS/DER/C15

Please ask for David Reid

Direct Dial: 0141 249 8422

**TO ALL CREDITORS**

Dear Sirs

**Microemissive Displays Limited ("the Company") - In Administration**

Further to my last report to 24 May 2009, I now supply my final report in respect of this case, and report as follows:

**1 Statutory Information**

The Joint Administrators are James B Stephen and David J Hill ("the Administrators") of BDO LLP, 4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX and they were appointed in respect of the Company on 25 November 2008. Under the provisions of paragraph 100(2) of schedule B1 of the Insolvency Act 1986 the Administrators carry out their functions jointly and severally and neither Administrator has exclusive power to exercise any function.

The Administrators were appointed by the Directors of the Company, pursuant to Paragraph 22 of schedule B1 of the Insolvency Act 1986. The Administration proceedings are dealt with in the Court of Session.

The Company's registered office was situated at Scottish Microelectronics Centre, West Mains Road, Edinburgh, EH9 3JF and is now situated at 4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX, and the registered number is SC179570.

**2 Summary of the Joint Administrator's original proposals**

Pursuant to Rule 2.42 of the Insolvency (Scotland) Rules 1986, I attach a summary of the Administrators original proposals which were approved on 3 February 2009.

- (a) They continue to realise assets in accordance with objective 2 of the statutory purpose of the Administration.
- (b) They make payments to the preferential creditors and distribution to the unsecured creditors.



- (c) Exit the administration by way of dissolving the companies under paragraph 84 of Schedule B1 of the Insolvency Act 1986.
- (d) To consider and if thought fit appoint a creditors' committee to assist the Joint Administrators (such committee must comprise of between 3 and 5 creditors).

In the absence of a creditors committee:

- (e) The remuneration of the Joint Administrators is approved on a time costs basis, which may be drawn at the discretion of the Joint Administrators.
- (f) That the Joint Administrators claims for remuneration in respect of Microemissive Displays Group plc for the period 26 November 2008 to 16 January 2009 in the sum of £53,870.40 plus VAT are approved.
- (g) That the Joint Administrators claims for remuneration in respect of Microemissive Displays Limited for the period 26 November 2008 to 16 January 2009 in the sum of £39,265.05 plus VAT are approved.

A further resolution is put to the creditors:

- (h) That the Joint Administrators be discharged from liability under the Administration per Paragraph 98 of Schedule B1 of the Insolvency Act 1986, 28 days after the Joint Administrators' filing their final report and sending it to creditors.

### **3 Receipts & Payments**

I enclose, for your information, a summary of my receipts and payments to date showing a balance in hand of £602,813.12 & \$54,814.30. I consider the contents to be largely self explanatory, although I would comment specifically on the following receipts that have occurred since my last report on 02 June 2009.

### **4 Steps taken during the course of the Administration**

- **Stock**

As you are aware the Company owned a small amount of stock which was held by its subcontractors in Taiwan. After negotiations this stock was sold to a customer in China.

- **Book Debts**

Following lengthy negotiations, the Company's remaining debtor has agreed to pay a total of \$59,240 in four equal monthly instalments of \$14,810. To date, one payment of \$14,810 has been received.

- **Tax Refund**

As you are aware after reviewing the Company books and records it was apparent that the Company may have been entitled to reclaim a substantial refund from HM Revenue and Customs ("HMRC"). This was in respect of unclaimed Research and Development tax credits. I can confirm that after liaising extensively with HMRC, the Administrators successfully reclaimed £714,613, as shown on the attached receipts and payments account.

- **Sale of Plant & Equipment & Patents**

I would advise that our agent, Sweeney Kincaid Limited, has completed a sale of the majority of the Company's plant and equipment. The only items which were not included in the sale were a number of PC's, which hold information on the Company's patent portfolio.

As you are aware it was my intention to negotiate a sale of the Company patents in conjunction with a sale of the assets of its associated Company in Germany. I believed this would result in a greater return to creditors. Unfortunately due to market conditions the sale of patents and assets located in Germany fell through. It is now my intention to sell the patents independently from the assets located in Germany which are held by the German Administrator.

In addition to the above, all other statutory matters have been dealt with.

**5 Modifications to the Joint Administrators' proposals**

Pursuant to Paragraph 54 of Schedule B1 of the Insolvency Act 1986 the Joint Administrators revised proposals were deemed approved on 19 June 2009, and the creditors resolved that the Joint Administrators should exit the Administration by way of Creditor's Voluntary Liquidation and that James B Stephen and David J Hill be appointed Joint Liquidators.

**6 Future of the Company**

It is now the Administrator's intention to file a notice under Paragraph 83 of Schedule B1 of the Insolvency Act 1986 with the Registrar of Companies in order to exit the Administration by way of a Creditors' Voluntary Liquidation. I attach Form 2.25B (Scot) for creditors information.

**7 Assets to be dealt with by the Joint Liquidators**

Pursuant to Rule 2.47 (1) of the Insolvency (Scotland) Rules 1986 I can advise that the Joint Liquidators will continue to collect the remaining book debt payments and progress the sale of the Company patents.

**8 Outcome for creditors**

Under Section 176A of the Insolvency Act 1986 where after 15 September 2003 Company has granted to a creditor a floating charge a proportion of the net property of the Company must be made available purely for the unsecured creditors. As the Company has no outstanding floating charges, this provision will not apply.

I would advise you that, based on present information, there will be sufficient realisations to enable a dividend to be paid to preferential and unsecured creditors. The actual quantum of the dividend will be dependent both on the level of realisations achieved from the sale of the Company's patent portfolio, together with the amount of creditors claims that are submitted.

The creditor's claims noted to us to date total approximately £26,259,548. Please note that all claims are subject to adjudication and that no claims have been admitted for dividend purposes.

Following the agreement of creditors', it is now my intention to move the Administration to Creditors' Voluntary Liquidation to enable a distribution to be made.

**9 Administrators' Remuneration**

The creditors have already approved the Joint Administrators remuneration on a time costs basis and, to date, I have drawn £119,514.85 in respect of remuneration as shown on the attached receipts and payment account.

I attach a schedule which summarises the time costs that have accrued during the period 25 November 2008 to 23 October 2009 and indicates the work undertaken in that respect. The total time costs incurred of £146,431.15 reflect a total of 704 hours charged to the assignment at an average charge out rate of £207.99.

In terms of Rule 2.39(2) I seek creditor's approval for the Joint Administrators outstanding time costs of £26,916.30. I should be grateful if you would complete and return the attached Proxy Form, indicating your approval or rejection to this resolution.

In terms of Rule 2.28(5) the closing date for receipt of votes and comments shall be 16 November 2009. Should no responses to the resolution put forward be received

I am obliged to convene a meeting of creditors which will add to the cost of the Administration.

Any single creditor, or group of creditors, of the Company whose debt(s) amount to at least 10% of the total debts of the Company may, within five business days from the date of this letter, require me to summon a creditors meeting to consider the matter therein. A deposit in relation to costs of calling the meeting would be payable by the creditor(s) requesting the meeting in terms of Rule 7.6(4) of the Insolvency (Scotland) Rules 1986.

The result of the postal vote will be intimated to you in terms of Rule 2.35.

### **Disbursements**

Where disbursements are recovered in respect of precise sums expended to third parties there is no necessity for these costs to be authorised. These are known as category 1 disbursements. I report that since 24 May 2009 no category 1 disbursements have accrued.

Some administrators recharge expenses for example postage, stationery, photocopying charges, telephone and fax costs, which cannot economically be recorded in respect of each specific case. Such expenses, which are apportioned to cases, require the approval of the creditors, before they can be drawn, and these are known as category 2 disbursements. The policy of BDO LLP is not to charge any category 2 disbursements.

Yours faithfully  
For and on behalf of  
Microemissive Displays Limited



James B Stephen  
Joint Administrator

Encs: Form 2.20B (Scot)  
Form 2.25B (Scot)

James B Stephen is authorised by the Institute of Chartered Accountants in England & Wales  
David J Hill is authorised by the Institute of Chartered Accountants of Scotland  
Please note that the Administrators are agents of the company and act without personal liability.

**Microemissive Displays Limited**  
**(In Administration)**  
**Joint Administrators' Abstract of Receipts & Payments**

Statement of Affairs	From 25/05/2009 To 23/10/2009	From 25/11/2008 To 23/10/2009
<b>ASSET REALISATIONS</b>		
Plant & Equipment	103,410.00	103,410.00
Stock	NIL	13,398.54
Book Debts	NIL	32.32
Tax Refund	NIL	714,631.43
VAT Refund	NIL	24,970.20
Cash at Bank	NIL	45,662.91
Cash in hand	NIL	333.84
Insurance Refund	2,392.47	2,392.47
Bank Interest Gross	NIL	77.90
D&O insurance payments	NIL	2,100.00
Pension Refund	392.54	392.54
	<u>106,195.01</u>	<u>907,402.15</u>
<b>COST OF REALISATIONS</b>		
Agents/Patent Fees	19,553.00	52,676.28
Agents/Valuers Fees	16,699.56	16,699.56
Legal Fees (1)	18,424.05	21,144.05
Ransom payment to Lease Creditor	19,261.40	19,261.40
Unapplied pension costs	392.54	392.54
	<u>(74,330.55)</u>	<u>(110,173.83)</u>
<b>COST OF ADMINISTRATION</b>		
Bordereau Return	NIL	823.00
Public Notices	NIL	994.33
Rents Payable	NIL	18,410.70
Insurance of Assets	2,198.33	5,731.79
Product Quality Control	NIL	190.30
Telephone Telex & Fax	532.99	2,119.39
Inhibition Costs	NIL	15.00
Duty Payment	NIL	1,799.56
Consultancy Fees	202.50	21,182.00
Administrators Fees	80,249.80	119,514.85
Administrators Outlays	1,499.60	2,130.65
Final Equipment payment	NIL	10,804.60
Cleanroom access	NIL	300.00
	<u>(84,683.22)</u>	<u>(184,016.17)</u>
	<u>(52,818.76)</u>	<u>613,212.15</u>

**REPRESENTED BY**

VAT Receivable	701.03
Barclays Bank - Current a/c	602,813.12
Client	(295.00)
VAT Payable	(4,120.50)
Vat Control Account	14,113.50
	<u>613,212.15</u>

.....  
James B Stephen  
Joint Administrator

**Microemissive Displays Ltd (Dollar)**  
**(In Administration)**  
**Joint Administrator's Abstract of Receipts & Payments**

Statement of Affairs	From 05/05/2009 To 23/10/2009	From 25/11/2008 To 23/10/2009
<b>ASSET REALISATIONS</b>		
Stock	31,968.94	73,188.41
Book Debts	14,810.00	14,810.00
	<u>46,778.94</u>	<u>87,998.41</u>
<b>COST OF REALISATIONS</b>		
Stock Assembly Costs	NIL	13,016.96
Delivery Costs	NIL	68.34
	<u>NIL</u>	<u>(13,085.30)</u>
<b>COST OF ADMINISTRATION</b>		
Bank Charges	38.28	98.81
	<u>(38.28)</u>	<u>(98.81)</u>
	<u>46,740.66</u>	<u>74,814.30</u>

**REPRESENTED BY**

Bank 1 - Current IB  
Transfer to Sterling Account

54,814.30

20,000.00

74,814.30

.....  


Joint Administrator



Summary of Time Charged and Rates Applicable for the Period From 25/11/2008 to 23/10/2009

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL		AV RT
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	
1. Steps on Appointment	7.00	2,366.00	7.00	1,442.00			43.35	6,211.65			5.00	560.00	62.35	10,579.65	169.68
2. Planning and Strategy			2.00	412.00			4.90	695.80					6.90	1,107.80	160.55
3. General Administration	0.25	106.75	69.25	14,462.50			34.85	4,940.70	2.00	291.00	29.45	2,486.00	135.80	22,286.95	164.12
4. Assets Realisation/Dealing	124.99	42,262.00	45.50	9,525.00			208.00	29,580.50					378.49	81,367.50	214.98
5. Trading Related Matters	18.00	6,084.00											18.00	6,084.00	338.00
6. Employee Matters	2.00	676.00							1.00	156.00	6.90	774.80	19.20	2,908.95	151.51
7. Creditor Claims													18.85	2,647.00	140.42
8. Reporting			8.50	1,828.50			18.85	2,647.00					16.90	3,021.30	178.78
9. Work	47.51	16,428.00					8.40	1,192.80					47.51	16,428.00	345.78
	199.75	67,922.75	132.25	27,670.00	0.00	0.00	327.65	46,570.60	3.00	447.00	41.35	3,820.80	704.00	146,431.15	207.99

Net Total

704.00	146,431.15
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Other Disbursements

Billed

Grand Total

2,130.65
121,645.50
26,916.30

**The Insolvency Act 1986****PROXY****Pursuant to Rules 7.14 and 7.15 of the Insolvency  
(Scotland) Rules 1986**

Microemissive Displays Limited  
(In Administration)

Name of Creditor/Member

Address

(hereinafter called 'the principal')

Insert the name  
and  
address of  
the proxy  
holder and of  
any  
alternatives. A  
proxy holder  
must be an  
individual aged  
over 18.

Name of Proxy-Holder 1.

Address

Whom failing 2.

Whom failing 3.

I appoint the above person to be the principal's proxy-holder at:-

Delete  
appropriate

as

\*the postal meeting of creditors/members of the above Company to be held on  
16 November 2009 or at any adjournment of that meeting.

**Voting Instructions**

**The proxy-holder is authorised** to vote or abstain from voting in the name, and on behalf, of the principal in respect of any matter(s), including resolution(s), arising for determination at said meeting(s) and any adjournment(s) thereof and to propose any resolution(s) in the name of the principal, either

- (i) in accordance with instructions given below, or
- (ii) if no instructions are given, in accordance with his/her own discretion.

Complete only if you wish to instruct the proxy-holder to vote for a specific person as liquidator

**Resolutions:**

(1) That the Joint Administrators remuneration for the period 25 May 2009 to 23 October 2009 be fixed at £26,916.30 (Exc VAT).

(Delete as Appropriate)

Delete if the proxy-holder is only to vote as directed in (1)

I agree / disagree with the proposed remuneration and disbursements.

Set forth any voting instructions for the proxy-holder. If more room is required, attach a separate sheet

Should you disagree with any resolution please put your comments below.

Signed \_\_\_\_\_ Date \_\_\_\_\_

Name in BLOCK LETTERS \_\_\_\_\_

Position of signatory in relation to the creditor/member or other authority for signing

\_\_\_\_\_

**Notes for the Principal and Proxy-holder**

1. The chairman of the meeting who may be nominated as proxy-holder, will be the insolvency practitioner who is presently \*liquidator/receiver/administrator/nominee under the voluntary arrangement or a director of the company.
2. All proxies must be in this form or a form substantially to the same effect with such variations as circumstances may require (Rules 7.15(3) and 7.30).
3. To be valid the proxy must be lodged at or before the meeting at which it is to be used (Rule 7.16(2)).
4. Where the chairman is nominated as proxy-holder he cannot decline the nomination (Rule 7.14(4)).
5. The proxy-holder may vote for or against a resolution for the appointment of a named person to be liquidator jointly with another person, unless the proxy states otherwise (Rule 7.16(4)).
6. The proxy-holder may propose any resolution in favour of which he would vote by virtue of this proxy (Rule 7.16(5)).
7. The proxy-holder may vote at his discretion on any resolutions not dealt with in the proxy, unless the proxy states otherwise (Rule 7.16(6)).
8. The proxy-holder may not vote in favour of any resolution which places him, or any associates of his in a position to receive remuneration out of the insolvent estate unless the proxy specifically directs him so to vote (Rule 7.19(1)).
9. Unless the proxy contains a statement to the contrary, the proxy-holder has a mandate to act as representative of the principal on the creditors' or liquidation committee (Rule 4.48).

The Insolvency Act 1986

**Administrator's progress report****R2.38**

Pursuant to Rule 2.38 of the Insolvency (Scotland) Rules 1986

Name of Company

Microemissive Displays Limited

Company number

SC179570

(a) Insert full  
name(s) and  
address(es) of  
administrator(s)I/We (a)  
James B Stephen  
BDO LLP  
4 Atlantic Quay  
70 York Street  
Glasgow  
G2 8JXDavid J Hill  
BDO LLP  
4 Atlantic Quay  
70 York Street  
Glasgow  
G2 8JX

administrator(s) of the above company attach a progress report for the period

from

to

(b) Insert date(s)

(b) 25 May 2009

(b) 23 October 2009

Signed

Joint / Administrator(s)

Dated

**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 record

James B Stephen

DX Number

DX Exchange

Companies House receipt date barcode

When you have completed and signed this form, please send it to the Registrar of Companies at:-  
**Companies House, 37 Castle Terrace, Edinburgh EH1 2EB**  
**DX 235 Edinburgh / LP 4 Edinburgh-2**

The Insolvency Act 1986

**R2.47****Notice of move from  
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Insolvency Act 1986 and Rule 2.47 of the Insolvency  
(Scotland) Rules 1986**

Name of Company

Microemissive Displays Limited

Company number

SC179570

(a) Insert full  
name(s) and  
address(es) of  
administrator(s)#We (a) James B Stephen  
BDO LLP  
4 Atlantic Quay  
70 York Street  
Glasgow  
G2 8JXDavid J Hill  
BDO LLP  
4 Atlantic Quay  
70 York Street  
Glasgow  
G2 8JX(b) Insert name and  
address of the  
registered office of  
companyhaving been appointed administrator(s) of (b) Microemissive Displays Limited, 4 Atlantic Quay,  
70 York Street, Glasgow, G2 8JX(c) Insert date of  
appointment

on (c) 25th November 2008

(d) insert name of  
appointor/applicant

by (d) William Miller, director of the Company

hereby give notice that:

the provisions of paragraph 83(2) of Schedule B1 to the Insolvency Act 1986 apply, and it is  
proposed that (e) James B Stephen & David J Hill of BDO LLP, 4 Atlantic Quay, 70 York Street,  
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will be the liquidator(s) of the company (IP No(s) 9273 &amp; 6161)

We attach a copy of the final progress report

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Dated

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