

LIQ03

Notice of progress report in voluntary winding up



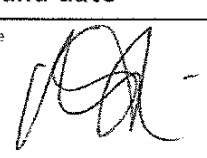
Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1	Company details	
Company number	0 7 7 8 8 5 2 2	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	Enigma Digital Limited	
2	Liquidator's name	
Full forename(s)	Richard Paul James	
Surname	Goodwin	
3	Liquidator's address	
Building name/number	79 Caroline Street	
Street	Birmingham	
Post town	B3 1UP	
County/Region		
Postcode		
Country		
4	Liquidator's name ①	
Full forename(s)		① Other liquidator Use this section to tell us about another liquidator.
Surname		
5	Liquidator's address ②	
Building name/number		② Other liquidator Use this section to tell us about another liquidator.
Street		
Post town		
County/Region		
Postcode		
Country		



LIQ03




Notice of progress report in voluntary winding up

6										Period of progress report								
From date		d	2	d	6	m	1	m	0	y	2	y	0	y	2	y	1	
To date		d	2	d	5	m	1	m	0	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 style="display: flex; align-items: center;"> <div style="margin-right: 10px;">X</div> <div style="flex-grow: 1;">  </div> <div style="margin-left: 10px;">X</div> </div>																
Signature date		d	3	d	1	m	1	m	0	y	2	y	0	y	2	y	2	

LIQ03

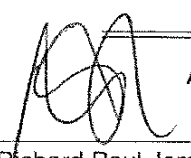
Notice of progress report in voluntary winding up

 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	Jon Cole
Company name	Butcher Woods
Address	79 Caroline Street
	Birmingham
Post town	B3 1UP
County/Region	
Postcode	
Country	
DX	
Telephone	0121 236 6001
 Checklist	
We may return forms completed incorrectly or with information missing.	
Please make sure you have remembered the following:	
<input type="checkbox"/> The company name and number match the information held on the public Register.	
<input type="checkbox"/> You have attached the required documents.	
<input type="checkbox"/> 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	

Enigma Digital Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £	From 26/10/2021 To 25/10/2022 £	From 26/10/2021 To 25/10/2022 £
	SECURED ASSETS	
	Intellectual Property	13,000.00
		13,000.00
	ASSET REALISATIONS	
NIL	Book Debts	NIL
77,242.00	Cash in client account	77,242.00
830.00	Furniture & Equipment	200.00
	Sundry Refund	50.93
		77,492.93
	COST OF REALISATIONS	
	Agents/Valuers Fees (1)	600.00
	Bank Charges	34.90
	Statutory Advertising	505.35
	Storage Costs	1,400.00
		(2,540.25)
	SECONDARY PREFERENTIAL CREDITORS	
(1,593.00)	HMRC	NIL
		NIL
	UNSECURED CREDITORS	
(50,000.00)	Barclays Bank plc	NIL
(18,310.00)	Employees	NIL
(125,000.00)	Future Fund	NIL
(1,301.00)	HMRC	NIL
(62,500.00)	Mangrove IV Investments S.A.R.L	NIL
(9,833.00)	Trade & Expense Creditors	NIL
(62,500.00)	Vitzu Limited	NIL
		NIL
	DISTRIBUTIONS	
(1,501.00)	A Ordinary Shareholders	NIL
(128.00)	Growth Shareholders	NIL
(778.00)	Ordinary Shareholders	NIL
		NIL
(255,372.00)		87,952.68
	REPRESENTED BY	
	Bank 2 Current	90,091.61
	Vat Payable	(2,640.00)
	Vat Receivable	501.07
		87,952.68


Richard Paul James Goodwin
Liquidator

Notice of decision by correspondence

Enigma Digital Limited - In Creditors' Voluntary Liquidation

Company Number: 07788522

NOTICE IS GIVEN by Richard Paul James Goodwin to the creditors of Enigma Digital Limited that set out below is a resolution for your consideration under rule 18.30 of The Insolvency (England and Wales) Rules 2016. Please complete the voting section below indicating whether you are in favour or against the following decision:

1. That the Liquidator's fees be increased in accordance with the report prepared in connection with the request for a fee increase and issued with the notice of the proposed decision.

The final date for votes is 21 November 2022, the decision date.

1. In order for their votes to be counted creditors must submit to me their completed voting form so that it is received at Butcher Woods Limited, 79 Caroline Street, Birmingham, B3 1UP by no later than 23.59 hours on 21 November 2022. It must be accompanied by proof of their debt, (if not already lodged). Failure to do so will lead to their vote being disregarded.
2. Creditors must lodge proof of their debt (if not already lodged) at the offices of Butcher Woods Limited by no later than 23.59 on 21 November 2022, without which their vote will be invalid.
3. Creditors with claims of £1,000 or less must have lodged proof of their debt for their vote to be valid.
4. Any creditors who have previously opted out from receiving documents in respect of the insolvency proceedings are entitled to vote on the decision provided they have lodged proof of their debt.
5. Creditors may, within 5 business days of delivery of this notice to them, request a physical meeting of creditors be held to determine the outcome of the decision below. Any request for a physical meeting must be accompanied by valid proof of their debt (if not already lodged). A meeting will be convened if creditors requesting a meeting represent a minimum of 10% in value or 10% in number of creditors or simply 10 creditors, where "creditors" means "all creditors."
6. Creditors have the right to appeal a decision of the convener made under Chapter 8 of Part 15 of The Insolvency (England and Wales) Rules 2016 about Creditors' Voting Rights and Majorities, by applying to court under Rule 15.35 of The Insolvency (England and Wales) Rules 2016 within 21 days of 21 November 2022 the Decision Date.

Creditors requiring further information regarding the above, should either contact me at Butcher Woods Limited, 79 Caroline Street, Birmingham, B3 1UP, or contact Jon Cole by telephone on 0121 236 6001, or by email at jon.cole@butcher-woods.co.uk.

DATED THIS 31ST OCTOBER 2022



R P J Goodwin
Liquidator

Enigma Digital Limited - In Creditors' Voluntary Liquidation

Company Number: 07788522

Voting on Decision

1. That the Liquidator's fees be increased in accordance with the report prepared in connection with the request for a fee increase and issued with this notice.

For / Against

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:

Name of
creditor: _____

Signature of
creditor: _____

(Complete the following if signing on behalf of creditor, e.g. director/solicitor)

Capacity in which
signing document: _____

Dated _____

Notice of invitation to form a Liquidation Committee

Enigma Digital Limited

Company Number: 07788522

NOTICE IS GIVEN by the Richard Paul James Goodwin to the creditors of Enigma Digital Limited of an invitation to form a Liquidation Committee under rule 6.19 of The Insolvency (England and Wales) Rules 2016.

1. Creditors are invited to determine whether a Liquidation Committee should be established.
2. A Committee may be formed if a minimum of 3 and a maximum of 5 creditors are willing to become members.
3. Nominations can only be accepted for a creditor to become a member of the Committee if they are an unsecured creditor and have lodged a proof of their debt that has not been disallowed for voting or dividend purposes.
4. Please complete the section below, and include the name and address of any person you wish to nominate to act as a member of the Committee. The completed document should be returned to Butcher Woods Limited, 79 Caroline Street, Birmingham, B3 1UP so that it is received by no later than 23.59 on **21 November 2022**, the decision date.

The final date for the decision about the formation of a committee and for nominations for members of the Committee is 21 November 2022, the decision date.

DATED THIS 31ST DAY OF OCTOBER 2022



R P J Goodwin
Liquidator

Enigma Digital Limited – In Creditors' Voluntary Liquidation

Company Number: 07788522

Voting on Decision

1. That a Liquidation Committee should be established.

For/Against

I wish to nominate the following creditor to act as a member of the committee:

Name of nominated creditor _____

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:

Name of creditor: _____

Signature of creditor: _____

(Complete the following if signing on behalf of creditor, e.g. director/solicitor)

Capacity in which signing document: _____

Dated: _____

**LIQUIDATOR'S PROGRESS REPORT TO CREDITORS AND MEMBERS FOR THE YEAR ENDING 25
OCTOBER 2022**

Enigma Digital Limited ("the Company") – In Creditors' Voluntary Liquidation

STATUTORY INFORMATION

Company name: Enigma Digital Limited

Registration number: 07788522

Registered Office: 79 Caroline Street, Birmingham, B3 1UP

Former Registered Office: C/O Prime Accountants Group, 3 Caroline Court, 13
Caroline Street, Birmingham, B3 1TR

Principal trading activity: Production of software

Liquidator's names: Richard Paul James Goodwin

Liquidator's address: 79 Caroline Street, Birmingham, B3 1UP

Liquidator's contact details: jon.cole@butcher-woods.co.uk and 0121 236 6001.

Date of appointment: 26 October 2021

LIQUIDATOR'S ACTIONS SINCE THE APPOINTMENT OF THE LIQUIDATOR

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 the appointment of the Liquidator is contained in Appendix 1.

RECEIPTS AND PAYMENTS

My Receipts & Payments Account for the period from 26 October 2021 to 25 October 2022 is attached at Appendix 4. All amounts are shown net of VAT. I have reconciled the account against the financial records that I am required to maintain.

The balance of funds are held in a non-interest bearing estate bank account.

ASSETS

Mr James Gregory, of Messrs MGR Appraisals, a firm of professional, independent valuation agents were instructed to provide an independent professional valuation of the Company's tangible and intangible assets for the purposes of the Estimated Statement of Affairs.

Tangible Assets

The Statement of Affairs estimated this asset, representing the Computer Equipment in the possession of the Company at the date of appointment, would realise £830. One of the Company director's, Mr A Porter, expressed interest in making an offer for these assets. On appointment, Mr Porter was requested to make an offer which was received totalling £200.

After discussing the offer with MGR Appraisals and confirming there had been no other offers received, it was decided the offer should be accepted as it was anticipated that incurring costs of recovery, storage and sale would outweigh the potential benefit to creditors.

Book Debts

It was understood the outstanding sales ledger, amounting to £3,882, was due to the Company from 1 customer and that the directors considered it was unlikely this balance could be realised. After investigating the potential for recovery of this balance on appointment, I confirm there was no realistic potential for recovery.

Cash in Client Account

The Statement of Affairs estimated this asset would realise £77,242 and represented funds that had previously been held in the Company's current account. These funds were held in a client account operated by Butcher Woods and transferred to the Liquidation estate account on appointment.

Intellectual Property

During the initial period of the Liquidation, expressions of interest were received in the Intellectual Property owned by the Company which were duly reported to MGR Appraisals to consider suitability for acceptance. An offer was received and recommended for acceptance at £13,000 from Whatto Limited, of which, Mr Aldo Fucelli Pessot Del Bo, a director of the Company in Liquidation, is the sole director.

As can be seen in the enclosed Receipts & Payments Account at Appendix 4, the sale consideration has been received in full.

PRE-APPOINTMENT FEES

WORK AS LIQUIDATOR

The work I have to undertake as Liquidator, can be divided into different categories of work. Information is set out below about the type of work that falls within each category of work and why I need to undertake it.

Administration:

This represents the work that my staff and I have to undertake in respect of the routine administrative functions of the case, including preparing, reviewing and issuing statutory reports. It also includes my control and supervision of the work done by my staff on the case.

Such work does not give direct financial benefit to the creditors, but I have to undertake it in order to meet my obligations under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that I must follow. More information about the work that I have already undertaken is included at Appendix 1, while information about the work I will be undertaking as Liquidator in respect of this category of work is set out at Appendix 2 and in the Fees Estimate provided at Appendix 3.

Realisation of assets:

This represents the work I will undertake to protect and then realise the Company's assets. It also includes work in connection with supervising the professional advisors that I intend to instruct to assist me in realising the Company's assets. More details about those professional advisors is set out below in the expenses section of this report. If the Company's assets are recovered, I will first use the proceeds to meet the costs and expenses of the case and then distribute any balance to the creditors in the statutory order of priority.

I have provided information in the assets section above about my strategy for realising the Company's and about the work that I have already undertaken and will undertake, as Liquidator in connection with

that strategy. More information about the work that I have already undertaken is included at Appendix 2, while information about the work I will be undertaking as Liquidator in respect of this category of work is set out at Appendix 3.

Creditors:

I need to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of my management of the case, and also to ensure that I have accurate information about who to send notices and reports to. I will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. I am required to undertake this work as part of my statutory functions.

Dividends – I have to undertake certain statutory formalities in order that I can pay a dividend to creditors. This includes writing to all creditors who have not lodged proofs of debt, and reviewing the claims and supporting documentation lodged by creditors in order to formally agree their claims, which may involve requesting additional information and documentation from the creditors. I am required to undertake this work as part of my statutory functions, but it is also of direct benefit to the creditors as it will enable me to make a distribution to creditors.

More information about the work that I have already undertaken is included at Appendix 1, while information about the work I will be undertaking as Liquidator in respect of this category of work is set out at Appendix 2 and in the Fees Estimate provided at Appendix 3.

Investigations:

The insolvency legislation gives Liquidator powers to take recovery action in respect of what are known as antecedent transactions, where assets have been disposed of prior to the commencement of the insolvency procedure, and also in respect of matters such as misfeasance and wrongful trading. I am required by the Statements of Insolvency Practice to undertake an initial investigation in all cases to determine whether there are any potential recovery actions for the benefit of creditors.

More information about the work that I have already undertaken is included at Appendix 1, while information about the work I will be undertaking as Liquidator in respect of this category of work is set out at Appendix 2 and in the Fees Estimate provided at Appendix 3.

If I identify potential recoveries, or matters for further investigation, I will then need to undertake additional work to investigate them in detail and attempt recovery where necessary for the benefit of creditors. I cannot fix the basis of my remuneration for dealing with such unknown or uncertain assets at present, and if such assets are identified I will seek approval for an appropriate fee basis.

I am also required by legislation to report to the Secretary of State on the conduct of the Directors. I have to undertake this work to enable me to comply with this statutory obligation, which is of no direct benefit to the creditors, although it may identify potential recovery actions.

LIQUIDATOR'S REMUNERATION

My remuneration was approved by the creditors on 16 November 2021 on a time cost basis based on a fees estimate of £5,000. The fees estimate acts as a cap and I cannot draw remuneration in excess of that estimate without first seeking approval from the creditors. My total time costs to date amount to £11,700, representing 69.75 hours of work at a blended charge out rate of £167.74 per hour.

I have yet to draw any remuneration in this matter.

As you can see from the information provided in this report, the total time costs I have incurred in this matter, in respect of the categories of work for which I am being remunerated on a time cost basis, have exceeded the total estimated remuneration I set out in my fees estimate when my remuneration was authorised by the creditors. The reasons my time costs have exceeded the fees estimate are a result of having to undertake additional work, including dealing with additional creditors I was not made aware of at the commencement of Liquidation, completion of a sale of the Intellectual Property and unforeseen time spent

dealing with employee claims. I have not drawn remuneration in excess of my fees estimate, although at the same time that I am issuing this report I am seeking a fee increase to enable me to do so.

Some of this additional work does not give direct financial benefit to the creditors, but I have to undertake it in order to meet my requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that I must follow.)

Time cost basis

I am seeking approval for undertaking an additional 65.93 hours work at a cost of £12,990 at a "blended" rate of £197.02 per hour. This will increase my fees estimate to £17,990 in respect of 93.90 hours at a cost at a "blended" rate of £191.59 per hour. This increased fees estimate is in respect of the work my staff and I are undertaking in respect of the following categories of work, namely: Administration; Realisation of Assets; Creditors; and Investigations. I enclose a revised fees estimate at Appendix 3.

This increased fees estimate will act as a cap on my time costs so that I cannot draw fees of more than the total estimated time costs without obtaining further approval. If my time costs incurred on the case exceed the estimate, or are likely to exceed the estimate, I will provide an explanation as to why that is the case in the next progress report I send to creditors.

I only anticipate needing to seek approval to draw fees in excess of this increased estimate if my additional work leads to further areas of investigation, potential further asset recoveries and any associated recovery actions; or if the realisation of assets gives rise to the need to participate in arbitration or legal proceedings; or if the circumstances of the case change again such that I find that it is taking longer than anticipated to undertake the work required to complete the case.

Based on the value of the known assets of the Company I anticipate being able to draw my increased fees estimate in full.

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 <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of Guidance Notes issued with Statement of Insolvency Practice 9, and they can be accessed at www.butcher-woods.co.uk/creditors-information.php. There are different versions of these Guidance Notes, and in this case please refer to the most recent version. Please note that we have also provided further information about an office holder's remuneration and expenses in our practice fee recovery sheet, which can be accessed at www.butcher-woods.co.uk/creditors-information.php.

LIQUIDATOR'S EXPENSES

Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the estate. Expenses are split into:

- category 1 expenses, which are payments to persons providing the service to which the expense relates who are not an associate of the office holder; and
- category 2 expenses, which are payments to associates or which have an element of shared costs. Before being paid category 2 expenses require approval in the same manner as an office holder's remuneration.

Category 1 expenses

I have incurred the following category 1 expenses in the Liquidation:

Nature of category 1 expense	Amount incurred/ accrued in reporting period	Amount incurred/ accrued in total	Amount unpaid
------------------------------	--	-----------------------------------	---------------

Agents Fees	£600.00	£600.00	£0.00
Storage Costs	£1,400.00	£1,400.00	£0.00
Bonding	£276.00	£276.00	£0.00
Statutory Advertising	£505.35	£505.35	£0.00
Postage	£157.16	£157.16	£0.00
Total	£2,938.51	£2,938.51	£0.00

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

Professional Advisor	Nature of Work	Basis of Fees
MGR Appraisals	Valuer/Auctioneer	Fixed fee
Asset Storage Limited	Archive Storage	Volume of boxes held
Courts Advertising Limited	Statutory Advertising	Fixed fee

My choice of professional advisors 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 confirmed that they hold appropriate regulatory authorisations. I have reviewed the fees they have charged and am satisfied that they are reasonable in the circumstances of this case and represents value for money.)

I anticipate instructing the following professional advisors to undertake work on this case:

Professional Advisor	Nature of Work	Fee Arrangement
ERA Solutions Limited	Payroll services	Time costs

As indicated earlier in this report, employee claims have been received that were not anticipated on the Statement of Affairs that will need reviewing and agreement with a view to a preferential and unsecured distribution during the course of the Liquidation. In this event, it is anticipated I will instruct ERA Solutions, a firm of payroll agents, to perform this task on behalf of the Liquidation.

My choice of professional advisors is based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I have also confirmed that they hold appropriate regulatory authorisations and will ensure that the fees they will charge represents value for money.

Category 2 expenses

I have obtained approval to pay the following category 2 expenses. I have incurred the following category 2 expenses in the Liquidation:

Nature of category 2 expense	Amount incurred/ accrued in reporting period	Amount incurred/ accrued in total	Amount unpaid
Printing & Photocopying	£187.95	£187.95	£187.95
Total	£187.95	£187.95	£187.95

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 Statement of Affairs did not anticipate receipt of any claims from employees. Claims have been received since the date of appointment and processed accordingly and at the appropriate time, consideration of the claims will be given with a view to a distribution, where appropriate. The Statement of Affairs estimated £1,593 in respect of secondary preferential creditors relating to HMRC's claim. I have yet to receive details of HMRC's final preferential claim in this matter.

Non-preferential unsecured Creditors

The statement of affairs included 11 non-preferential unsecured creditors with an estimated total liability of £329,444. I have not received the claims from any of these creditors to date.

DIVIDEND PROSPECTS

Preferential Creditors

After taking into account asset realisations and expenses incurred to date, together with estimated future realisations, expenses and my proposed remuneration, I think that it is likely that I will be able to pay preferential creditors in full.

Non-preferential unsecured Creditors

After taking into account asset realisations and expenses incurred to date, together with estimated future realisations, expenses and my proposed remuneration, I think that I will be able to pay a small dividend will be paid to non-preferential unsecured creditors.

A proof of debt is enclosed, and if you have not already lodged one you should now complete and return it to me, together with evidence in support of your claim.

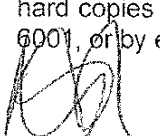
FURTHER INFORMATION

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 Joint Liquidators' 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 Joint Liquidators as being excessive, and/or the basis of the Joint Liquidators' 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 Butcher Woods can be found at www.butcher-woods.co.uk/creditors-information.php.

SUMMARY

The Liquidation will remain open until such time as my fee increase has been considered appropriately and the dividend processes to preferential and non-preferential unsecured creditors can be fully resolved. I estimate that this will take approximately 3-6 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 Jon Cole on 0121 236 6001, or by email at jon.cole@butcher-woods.co.uk.



Richard Paul James Goodwin
LIQUIDATOR

Appendix 1 Details of Work undertaken to date

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. 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 an office holder must follow.

Case planning - devising an appropriate strategy for dealing with the case and giving instructions to 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 (this is insurance required by statute that every insolvency office holder must obtain for each insolvency appointment).

Convening a decision procedure to seek a decision from creditors to approve the basis of remuneration.

Supervising the work of advisors instructed on the case to assist in dealing with pension schemes; obtaining reports and updates from them on the work done; and checking the adequacy of the work done.

Dealing with all routine correspondence and emails relating to the case.

Opening, maintaining and managing the estate bank account.

Creating, maintaining and managing a cashbook.

Undertaking regular bank reconciliations of the estate bank account.

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.

Filing returns at Companies House.

Preparing and filing VAT returns.

Preparing and filing Corporation Tax returns.

Realisation of assets:

This represents the work involved in the protection and realisation of assets, which is undertaken directly for the benefit of creditors.

Corresponding with debtors and attempting to collect outstanding book debts.

Supervising the work of advisors instructed on the case to assist in dealing with the collection of book debts, obtaining reports and updates from them on the work done; and checking the adequacy of the work done.

Liaising with the bank regarding the closure of the account.

Instructing agents to value assets.

Liaising with agents to realise assets.

Instructing solicitors to assist in the realisation of assets.

Creditors

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 their statutory functions

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 Service. The office holder is required to undertake this work as part of their statutory functions.

Obtaining information from the case records about employee claims.

Completing documentation for submission to the Redundancy Payments Service.

Corresponding with employees regarding their claims.

Supervising the work of advisors instructed on the case to assist in dealing with employee claims; obtaining reports and updates from them on the work done; and checking the adequacy of the work done.

Liaising with the Redundancy Payments Service 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:

The insolvency legislation gives the office holder powers to take recovery action in respect of what are known as antecedent transactions, where assets have been disposed of prior to the commencement of the insolvency procedure, and also in respect of matters such as misfeasance and wrongful trading. The office holder is required by the Statements of Insolvency Practice to undertake an initial investigation in all cases to determine whether there are potential recovery actions for the benefit of creditors.

Recovering the books and records for the case.

Listing the books and records recovered.

Submitting an online return on the conduct of the Directors as required by the Company Directors Disqualification Act.

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

Appendix 2: Details of future work to be undertaken in the Liquidation

A. Work for which the Liquidator is seeking to be remunerated on a time cost basis:

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. 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 an office holder must follow.

Convening a decision procedure to seek a decision from creditors to approve the basis of remuneration.

Dealing with all routine correspondence and emails relating to the case.

Opening, maintaining and managing the estate bank account.

Creating, maintaining and managing a cashbook.

Undertaking regular bank reconciliations of the estate bank account.

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.

Filing returns at Companies House.

Preparing and filing VAT returns.

Preparing and filing Corporation Tax returns.

Preparing, reviewing and issuing a final account of the Liquidation to creditors and members.

Filing a final return at Companies House.

Realisation of assets:

This represents the work involved in the protection and realisation of assets by the office holder and their staff, which is undertaken directly for the benefit of creditors.

Corresponding with debtors and attempting to collect outstanding book debts.

Creditors:

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 their statutory functions

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 Service. The office holder is required to undertake this work as part of their statutory functions.)

Dealing with creditor correspondence, emails and telephone conversations regarding their claims.

Maintaining up to date creditor information on the case management system.

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 Service. The office holder is required to undertake this work as part of their 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.

Supervising the work of advisors instructed on the case to assist in dealing with employee claims; obtaining reports and updates from them on the work done; and checking the adequacy of the work done.

Liaising with the Redundancy Payments Office regarding employee claims.

Dividends - the office holder has to undertake certain statutory formalities in order to enable them to pay a dividend to creditors. This work is primarily undertaken for the benefit of creditors, but it also includes work that the office holder is required to undertake as part of their statutory functions

Delivering a notice of intended dividend in respect of the proposed dividend to creditors who have not lodged a proof of debt.

Placing a gazette notice inviting creditors to participate in the proposed dividend.

Reviewing the claims and supporting documentation lodged by creditors in order to formally agree their claims.

Requesting additional information and documentation from creditors in support of their claim, as necessary.

Calculating the dividend to creditors.

Issuing a notice of declaration of dividend and paying the dividend to creditors.

Paying tax deducted from the dividends paid to employees.

Investigations:

The insolvency legislation gives the office holder powers to take recovery action in respect of what are known as antecedent transactions, where assets have been disposed of prior to the commencement of the insolvency procedure, and also in respect of matters such as misfeasance and wrongful trading. The office holder is required by the Statements of Insolvency Practice to undertake an initial investigation in all cases to determine whether there are potential recovery actions for the benefit of creditors.

Recovering the books and records for the case.

Listing the books and records recovered.

Submitting an online 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

FEES ESTIMATE SUMMARY

Case name: Enigma Digital Limited

The office holder is seeking to be remunerated on a time cost basis. We use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform, recording time spent in 6 minute units. Narrative is recorded to explain the work undertaken and the time spent is analysed into different categories of work. This document provides an estimate as to how much time the office holder and his staff will spend undertaking specific tasks within broad categories of work, and the time costs of undertaking such work, which will depend upon the grade, or grades, of staff undertaking the work and the number of hours spent undertaking the work by each grade of staff. The estimated time that will be spent undertaking the work in each category of work has been multiplied by the applicable charge out rate for each member of staff that it is anticipated will undertake work in that category to arrive at the estimated total time costs attributable to that category of work on the case. We have then divided that estimated total by the estimated number of hours to arrive at what is known as a blended hourly charge out rate for that category of work. The sum of all the estimates for the different categories of work is the total estimated time costs to undertake all the necessary work on the case. Again, we have then divided that estimated total by the estimated number of hours to arrive at a blended hourly charge out rate for the case as a whole.

The hourly charge out rates that will be used on this case are:

£

Partner – appointment taker	300.00
Manager	150.00
Case Administrator	120.00
Cashier	100.00
Support staff	100.00

Description of the tasks to be undertaken	Estimated time to be taken to undertake the work	Estimated value of the time costs to undertake the work £	Blended charge out rate to undertake the work £
ADMINISTRATION			
Administering the affairs of the company/debtor in accordance with the Insolvency Legislation and Statements of Insolvency Practice	52.00	£9,065.00	£174.33

INVESTIGATIONS			
Undertaking initial investigations into the affairs of the company/debtor with a view to identifying potential asset recoveries for the benefit of creditors	6.10	£1,125.00	£184.43
REALISATION OF ASSETS			
Protecting and realising the assets of the company/debtor.	18.20	£3,975.00	£218.41
CREDITORS			
Maintaining records of the claims of creditors and formally agreeing them and paying a dividend if sufficient realisations are made	17.60	£3,825.00	£217.33
Note: where pensions specialists and/or employment claims specialists are instructed as professional advisors are instructed on a case, the office holder will not charge any remuneration to the case in respect of such work, other than in respect of supervising and monitoring their work.			
GRAND TOTAL FOR ALL CATEGORIES OF WORK			
	93.90	17,990.00	£191.59

Explanatory Note: This estimate has been provided to creditors at an early stage in the administration of the case and before the office holder has full knowledge of the case. Whilst all possible steps have been taken to make this estimate as accurate as possible, it is based on the office holder's current knowledge of the case and their knowledge and experience of acting as office holder in respect of cases of a similar size and apparent complexity. As a result, the estimate does not take into account any currently unknown complexities or difficulties that may arise during the administration of the case. If the time costs incurred on the case by the office holder exceed the estimate, or is likely to exceed the estimate, the office holder will provide an explanation as to why that is the case in the next progress report sent to creditors. Since the office holder cannot draw remuneration in excess of this estimate without first obtaining approval to do so, then where the office holder considers it appropriate in the context of the case, they will seek a resolution to increase the fee estimate so that they will then be able to draw additional remuneration over and above this estimate.

Note 2: Administration and planning - This represents the work that is 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.

Note 3: Investigations - The insolvency legislation gives the office holder powers to take recovery action in respect of what are known as antecedent transactions, where assets have been disposed of prior to the commencement of the insolvency procedure (and also in respect of matters such as misfeasance and wrongful trading). The office holder is required by the Statements of Insolvency Practice to undertake an initial investigation in all cases to determine whether there are potential recovery actions for the benefit of creditors and the time costs recorded represent the costs of undertaking such an initial investigation. If potential recoveries or matters for further investigation are identified then the office holder will need to incur additional time costs to investigate them in detail and to bring recovery actions where necessary, and further information will be provided to creditors and approval for an increase in fees will be made as necessary. Such recovery actions will be for the benefit of the creditors and the office holder will provide an estimate of that benefit if an increase in fees is necessary. The office holder is also required by legislation to report to the Department for Business, Innovation and Skills on the conduct of the directors and the work to enable them to comply with this statutory obligations is of no direct benefit to the creditors, although it may identify potential recovery actions.

Note 4: Realisation of Assets - This is the work that needs to be undertaken to realise the known assets in the case. If this work is undertaken, the office holder anticipates that the assets will realise the estimated to realise amounts provided to creditors.

Note 5: 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). That work will include dealing with queries received from both the ex-employees and the RPO to facilitate the processing of the claims. The office holder is required to undertake this work as part of his statutory functions. Claims of creditors - the office holder needs 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 will also have 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. Dividends - the office holder has to undertake certain statutory formalities in order to enable him to pay a dividend to creditors. This include writing to all creditors who have not lodged proofs of debt and reviewing the claims and supporting documentation lodged by creditors in order to formally agree their claims, which may involve requesting additional information and documentation from the creditors.

Enigma Digital Limited
(In Liquidation)

LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 26/10/2021 To 25/10/2022 £	From 26/10/2021 To 25/10/2022 £
RECEIPTS			
Intellectual Property		13,000.00	13,000.00
Furniture & Equipment	830.00	200.00	200.00
Book Debts	NIL	0.00	0.00
Cash in client account	77,242.00	77,242.00	77,242.00
Sundry Refund		50.93	50.93
Vat Payable		2,640.00	2,640.00
		<u>93,132.93</u>	<u>93,132.93</u>
PAYMENTS			
Book Debts		0.00	0.00
Agents/Valuers Fees (1)		600.00	600.00
Storage Costs		1,400.00	1,400.00
Statutory Advertising		505.35	505.35
Bank Charges		34.90	34.90
HMRC	(1,593.00)	0.00	0.00
Trade & Expense Creditors	(9,833.00)	0.00	0.00
Employees	(18,310.00)	0.00	0.00
Barclays Bank plc	(50,000.00)	0.00	0.00
Future Fund	(125,000.00)	0.00	0.00
Mangrove IV Investments S.A.R.L	(62,500.00)	0.00	0.00
Vitzu Limited	(62,500.00)	0.00	0.00
HMRC	(1,301.00)	0.00	0.00
A Ordinary Shareholders	(1,501.00)	0.00	0.00
Growth Shareholders	(128.00)	0.00	0.00
Ordinary Shareholders	(778.00)	0.00	0.00
Vat Receivable		501.07	501.07
		<u>3,041.32</u>	<u>3,041.32</u>
BALANCE - 25 October 2022			<u><u>90,091.61</u></u>

Time Entry - SIP9 Time & Cost Summary

2528 - Enigma Digital Limited
All Post Appointment Project Codes
From: 26/10/2021 To: 25/10/2022

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	1.80	13.80	10.25	2.00	27.85	4,040.00	145.06
Case Specific Matters	0.00	7.50	0.00	4.00	11.50	1,525.00	132.61
Creditors	0.80	4.70	0.50	0.00	6.10	1,035.00	169.67
Investigations	1.40	4.70	0.00	0.00	6.10	1,125.00	184.43
Marketing	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Non Chargeable	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pre Appointment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	8.30	9.90	0.00	0.00	18.20	3,975.00	218.41
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	12.40	40.60	10.75	6.00	69.75	11,700.00	167.74
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

Appendix 6: Estimate of expenses to be incurred in the Liquidation

Type of category 1 expense	Estimated Amount £
Bonding - this is insurance required by statute that every officeholder has to obtain for the protection of each estate, with the premium being based on the value of the Company's assets	276.00
Gazetting – various notices relating to the Company have to be placed in the London Gazette	505.35
Postage	157.16
Travel expenses	-
Storage of accounting records – the Company's accounting records have to be stored by the officeholder until 12 months after the dissolution of the Company.	1,400.00
ERA Solutions, employment protection act specialists	250.00
MFG Solicitors.	450.00
MGR Appraisals, valuation agents	600.00
Total estimated category 1 expenses	<hr/> 3,638.51

Type of category 2 expense	Estimated Amount £
Printing & Photocopying	187.95
Total estimated category 2 expenses	<hr/> 187.95