

AM23

Notice of move from administration to dissolution



Companies House

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

1 Company details

Company number 0 9 6 7 9 9 4 8

Company name in full Mr Lee's Pure Foods Co. Ltd

→ Filling in this form

Please complete in typescript or in bold black capitals.

2 Court details

Court name The High Court of Justice, Business & Property Courts of England and Wales, Insolvency and Companies List

Court number C R - 2 0 2 2 - 0 0 0 0 1 4 1 2

3 Administrator's name

Full forename(s) James Andrews

Surname Saunders

4 Administrator's address

Building name/number The Chancery

Street 58 Spring Gardens

Post town Manchester


County/Region

Postcode M 2 1 E W

Country

AM23

Notice of move from administration to dissolution

5	Administrator's name ①		
Full forename(s)	Robert John		① Other administrator Use this section to tell us about another administrator.
Surname	Armstrong		
6	Administrator's address ②		
Building name/number	The Shard		② Other administrator Use this section to tell us about another administrator.
Street	32 London Bridge Street		
Post town	London		
County/Region			
Postcode	S E 1 9 S G		
Country			
7	Final progress report		
	<input checked="" type="checkbox"/> I have attached a copy of the final progress report		
8	Sign and date		
Administrator's signature	Signature X  X		
Signature date	d 1 2 m 0 5 y 2 0 y 2 3		

**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 Wendy.Hopkins

Company name Kroll Advisory Ltd.

Address The Shard

32 London Bridge Street

Post town London

County/Region

Postcode SE1 9SG

Country

DX

Telephone +44 (0) 121 214 1120

**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

Final Progress Report to Creditors

12 May 2023

Mr Lee's Pure Foods Co. Ltd
(In Administration)

*Joint Administrators' Final Progress Report for the period from 13
November 2022 to 12 May 2023 with a summary of the Administration.*

Kroll Advisory Ltd.
The Shard
32 London Bridge Street
London
SE1 9SG

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1. Introduction

The Joint Administrators were appointed on 13 May 2022 by the Directors of the Company.

This report is the Joint Administrators' Final Progress Report and provides creditors with a final account of the Administration of the Company, together with a summary of the Administration as a whole.

The Joint Administrators have explained the exit route from the Administration and the outcome for each class of creditor.

You will find other important information in this Final Progress Report, such as the costs the Joint Administrators incurred.

A glossary of the abbreviations and definitions used throughout this document is attached at Appendix 8.

Please also note that an important legal notice about this Final Progress Report is attached at Appendix 9.

2. Creditor Summary

Summary of Proposals

- The Joint Administrators' Proposals for achieving the purpose of the Administration, namely achieving a better result for the Company's creditors as a whole, than would be likely if the Company were wound up (without first being in Administration), were approved by creditors using deemed consent on 21 July 2022 without modifications.
- There were no major amendments to or deviations from the Proposals.

The Joint Administrators consider that the second objective of an Administration has been achieved as it is considered that a better result for the Company's creditors has been achieved than if the Company were wound up, without first being in Administration. The Administration allowed the Joint Administrators time to explore if a sale of the business and assets on a going concern basis was possible and ensured the value of the assets was retained pending sale. Furthermore, employees were retained for a short period in order to protect the value of a subsidiary entity.

A summary of the Proposals is included at Appendix 2. A copy of the Proposals is available via the Portal at <https://www.ips-docs.com>.

Progress to Date

- At the Appointment Date, the Company had high operating costs, low turnover and minimal funds available. It was therefore not viable to continue to trade the Company in Administration on a short-term basis, and its operations were mothballed.
- The Joint Administrators undertook an accelerated sale and marketing process. The Joint Administrators liaised with several interested parties, however, it was not possible to agree a sale of the business as a whole and the employees were made redundant on 26 May 2022.

- As no buyer was found to purchase the business as a going concern, the Joint Administrators sought a purchaser for the Company's assets which has now concluded.
- All residual asset realisations, including a tax refund, have been finalised.
- The Joint Administrators have progressed the statutory matters required to move the Company to dissolution.

Outcome for Creditors

- The Company does not have a secured creditor.
- There have been insufficient asset realisations to enable a distribution to ordinary or secondary Preferential Creditors.
- There have been insufficient asset realisations to enable a distribution to non-preferential unsecured creditors.

Please note, this report provides creditors with a final account of the Administration of the Company, together with a summary of the Administration as a whole. The Previous Reports and the Proposals are available to view on the Portal and paper copies can be provided free of charge by writing to Wendy.Hopkins@kroll.com. Unless otherwise stated, all amounts in this Final Progress Report and appendices are stated net of VAT.

3. Progress of the Administration

This section provides a final update on the strategy for the Administration and progress made, including a summary of the information provided in the Previous Reports.

Strategy and Progress to Date

As previously reported, due to restrictions on funding, it was not possible to trade the business in Administration in the short term and the Joint Administrators sought to achieve a sale of the Company's business and / or assets.

It was not possible to agree a sale on a going concern basis and the employees were made redundant on 26 May 2022 and the Joint Administrators sought a purchaser for the Company's assets.

Asset Realisations

Realisations during the Cumulative Period and the Final Period are set out in the receipts and payments account at Appendix 3.

A summary of the most significant realisations during the Administration is provided below:

Sale of Assets

On 28 September 2022, the Joint Administrators completed a sale of certain assets to the Purchaser for total consideration of £15,000. A breakdown of the consideration is provided below:

Asset	Consideration (£)
Intellectual Property	11,450
Plant and Machinery	2,249
Furniture and Equipment	750
Stock	550
Debtors	1
Total	15,000

The consideration was paid in full, upon completion on 28 September 2022.

The Joint Administrators are satisfied that the sale to the Purchaser represented the best obtainable value for the assets in the circumstances. Further details regarding the marketing activities undertaken, the sale process and SIP 13 considerations are provided in the Previous Reports.

No further realisations will be received from this source.

Tax Refund

The Directors SOA detailed a VAT refund with a book value of £3,460 and a nil estimated to realise value.

Following the Appointment Date, the Joint Administrators liaised with HMRC. Enquiries established that a corporation tax refund was due. A refund totalling £49,771 was received from HMRC in the Final Period.

No further realisations will be received from this source.

Cash at Bank

As at the Appointment Date, cash at bank and funds held with the Company's credit card provider was estimated to realise £6,990 according to the SOA.

Shortly after their appointment, the Joint Administrators contacted the Bank and Credit Card Provider to request that the balance held be remitted to the Administration.

In the Cumulative Period, £6,963 was received from the Bank and £27 was received from the Credit Card Provider.

No further realisations will be received from this source.

Debtors

According to the SOA, the outstanding debtors (excluding the debt sold to the Purchaser) had a book value of £13,836 and an estimated to realise value of £805.

The Joint Administrators analysed the debtor ledger, however, it was clear that many of the debts listed had already been paid to the Company prior to the Administration and were therefore unrealisable.

During the Cumulative Period, the Joint Administrators realised book debts (excluding the debt sold to the Purchaser) totalling £804.

No further realisations will be received from this source.

Stock

The SOA listed stock with a book value of £61,320 (excluding the cookbook stock sold to the Purchaser) and an estimated to realise value of £550.

The stock comprised a mixture of raw materials and finished products. A significant proportion of the overall stockholding had passed its best before end dates which impacted the recoverable balance.

The stock was marketed as part of the asset sale process, however, due to the age and the significant risk of ransom payments to storage facilities to release the items, the Purchaser did not wish to acquire it.

Due to the costs of realising the stock on an ex-situ basis, it was not economically viable to do so, and the Joint Administrators abandoned the residual stock (excluding the stock sold to the Purchaser).

No further realisations will be received from this source.

Inter-Company Debtors/Loans

On the Appointment Date, the Company records showed that the Company had two wholly owned subsidiaries, Mr Lee's Pure Foods USA, Inc and Mr Lee's Pure Foods Co Pty Limited, which are corporate entities incorporated in the USA and Australia, respectively.

The Company's shareholding in Mr Lee's Pure Foods USA, Inc had a book value of £77. The Company funded this entity's losses and an intercompany debtor arose with a value of £1,539,653 at the Appointment Date.

The Joint Administrators were not able to achieve a sale of the shares, despite an extensive marketing process, and no realisations will be recoverable for this asset. For further details, please refer to the Previous Reports.

Prior to the Appointment Date, the Company wrote down the value of its investment in the Australian entity (which had a book value of £59) and wrote off the balance due to the Company (which totalled £1,351,031 at the Appointment Date). Strike off action was in progress for this entity and no sums were realised for the debt or shares.

No realisations will be received from this source.

Tax Refund

The Directors' SOA detailed a VAT refund with a book value of £3,460 and a nil estimated to realise value.

Following the Appointment Date, the Joint Administrators liaised with HMRC. Enquiries established that a corporation tax refund was due. A refund totalling £49,771 was received from HMRC in the Final Period.

No further realisations will be received from this source.

Bank Interest

During the Final Period, bank interest totalling £3 has accrued for the benefit of the Administration.

No further realisations will be received from this source.

Prepayments

During the Final Period, a refund totalling £49 was received for the benefit of the Administration.

No further realisations will be received from this source.

Investigations

The Joint Administrators reviewed the affairs of the Company to find out if there were any actions which could be taken against third parties to increase recoveries for creditors.

The Joint Administrators have filed their confidential report with BEIS regarding the conduct of the directors of the Company who served in the three years prior to the Appointment Date.

There are no outstanding lines of enquiry.

Costs

Payments made in the Cumulative Period and the Final Period are set out in the receipts and payments account at Appendix 3. Further, the Joint Administrators have detailed the costs incurred and paid during the Cumulative Period and the Final Period in the schedule of expenses at Appendix 4.

A summary of the most significant payments during the Administration is provided below:

Agents/Valuers Fees

Hilco Appraisal Ltd were instructed by the Joint Administrators to value certain assets of the Company and assist in the sale process. Fees totalling £4,500 were paid in the Cumulative Period, of which £1,500 was paid during the Final Period.

IT Costs

During the Cumulative Period, £1,371 was paid to Data City Computers Ltd in respect of electronic storage of the Company books and records.

Legal Fees

During the Cumulative Period, £1,427 was paid to Bermans Solicitors in respect of legal advice regarding the sale of the business and assets.

4. Outcome for Creditors

Secured Creditors

There are no registered charges in respect of the Company and as such the Company has no secured creditors.

Preferential Creditors

As detailed in the SOA, Preferential Creditor claims consist of £26,033 in respect of employee holiday pay claims and £16,642 due to HMRC.

Ordinary Preferential Creditors

The ordinary Preferential Creditor claims consisted of employee claims for arrears of pay and holiday pay, the majority of which are likely to be subrogated to BEIS following payment to the employees by the RPS.

The RPS submitted a preferential claim totalling £10,380 on 30 July 2022 in respect of payments made to the Company's former employees.

There will be insufficient realisations to enable a distribution to ordinary Preferential Creditors.

Secondary Preferential Creditors

HMRC submitted a secondary preferential claim totalling £6,176 on 21 November 2022. Secondary Preferential Creditor claims are paid after the ordinary Preferential Creditor claims are settled in full.

There will be insufficient realisations to enable a distribution to the secondary Preferential Creditors.

Prescribed Part

The Company is not subject to any floating charges and therefore, the Prescribed Part provisions will not apply.

Non-Preferential Unsecured Creditors

According to the SOA, non-preferential unsecured creditors total £3,159,088. Claims received in the Administration to date total £76,582.

There were insufficient realisations to enable a distribution to non-preferential unsecured creditors.

To confirm, there will be no distributions to any class of creditor.

5. Other Matters

Creditors' Committee

A creditors committee was not established in the Administration.

Joint Administrators' Receipts and Payments Account

A receipts and payments account for the Final Period and the Cumulative Period is shown at Appendix 3.

At the end of the Final Period, there is a nil balance in the Administration estate.

Creditors' Rights

Further information regarding the remuneration and disbursements of the Joint Administrators, including creditors' rights to challenge such costs is provided at Appendix 7, Statement of Creditors' Rights.

6. Fees, Expenses and Pre-Administration Costs

Fees and Expenses

Time Costs

Time has been charged in six-minute units. Details of the time charged for the Final Period and the Cumulative Period are attached at Appendix 5.

Time costs incurred in the Final Period total £28,960, which represents 84 hours at an average hourly rate of £343.

Time costs incurred in the Cumulative Period total £149,055, which represents 393 hours at an average hourly rate of £379.

In accordance with SIP 9, the Joint Administrators have provided further narrative detail of the time costs incurred at Appendix 6.

It is anticipated that a further £2,000 of time costs will be incurred in bringing the Administration to a formal conclusion.

Fees

The Joint Administrators' basis of remuneration, to be fixed by reference to time properly given by them and their staff in attending to matters arising in the Administration, was approved by non-preferential unsecured creditors, on 21 July 2022 via a decision by correspondence. Creditors also approved the fee estimate of £100,035, on this date, together with approval to draw Category 2 Expenses.

The Joint Administrators' have incurred total time of £149,055 against their initial fee estimate of £100,035. The Joint Administrators' have exceeded their fee estimate by £49,020. This is mainly due to additional time costs in respect of Administration and Planning, Investigations, Realisation of Assets and Closing matters which were not accounted for in the original fee estimate, largely as a result of the sales process being more protracted than originally envisaged by the Joint Administrators. While the fee estimate has been exceeded, no additional approval has been sought.

During the Cumulative Period, the Joint Administrators have drawn total remuneration of £61,050, all of which was during the Final Period.

Details of the total fees drawn by the Joint Administrators for the Cumulative Period and the Final Period are detailed in the receipts and payments account at Appendix 3.

Expenses

Expenses are any payments from the Administration which are neither an Administrator's remuneration nor a distribution to a creditor or member. Expenses also include disbursements. Disbursements are payments which are first met by the Administrator and then reimbursed to the Administrator from the Administration.

Expenses are divided into those that do not need approval before they are charged to the Administration (Category 1 Expenses) and those that do (Category 2 Expenses).

The Joint Administrators provided in the Proposals an estimate of expenses for the Administration, totalling £11,599. This was for information purposes only and could possibly change over the course of the Administration. Creditors have been kept updated of any variations with associated reasons in the Previous Reports.

Appendix 4 details the final update of the expenses estimate. Appendix 4 also details the expenses incurred and paid for in the Final Period and the Cumulative Period.

In the Final Period, Category 1 Expenses of £813 were incurred and £3,464 were paid. No Category 2 Expenses were incurred, £100 were paid in the Final Period.

During the Cumulative Period, Category 1 Expenses of £10,089 were incurred and paid in full. Category 2 Expenses incurred totalled £100, all of which were paid in the Final Period.

No further expenses will be drawn.

Additional Information

Also attached at Appendix 6 is a narrative summary of the work carried out to assist creditors in understanding the progress of the Administration, the associated costs and expenses of the related activities and any financial benefit to creditors.

Details of how to obtain further information relating to the fees and expenses of the Joint Administrators is set out at Appendix 7.

Pre-Administration Costs

Pre-Administration costs are fees, charges and expenses incurred by the Joint Administrators or their firm, or another person qualified to act as an insolvency practitioner before the Company entered Administration, but with a view to it doing so.

Pre-Administration Costs	Paid	Unpaid	Total
Kroll fees	Nil	£5,877	£5,877
Legal fees	£1,379	Nil	£1,379
Total	£1,379	£5,877	£7,255

On 21 July 2022, the pre-Administration costs were approved by non-preferential unsecured creditors via correspondence, to be paid out of the assets of the Company.

The pre-Administration legal fees and disbursements totalling £1,379 were paid in the Cumulative Period. The pre-Administration time costs in respect of Kroll were not drawn from the Administration estate and remain outstanding.

7. Conclusion of the Administration

The Joint Administrators have now concluded the Administration. This is the Joint Administrators' Final Progress Report on the Administration, and no further reports will be issued.

The Joint Administrators have filed a copy of this Final Progress Report with the Registrar of Companies together with the requisite notice to dissolve the Company.

The Administration will cease to have effect when the Registrar of Companies registers these documents. The Company will be automatically dissolved three months after that date.

The Joint Administrators will be discharged from liability in respect of any actions as Joint Administrators.

Discharge does not prevent the exercise of the Court's power in relation to any misfeasance action against the Joint Administrators.

If you require any further information or assistance, please do not hesitate to contact Wendy Hopkins.

Yours faithfully
For and on behalf of
Mr Lee's Pure Foods Co. Ltd

A handwritten signature in black ink, appearing to be 'James Saunders', written over a faint circular stamp or watermark.

James Saunders
Joint Administrator

Encs.

The affairs, business and property of the Company are being managed by the Joint Administrators, James Andrew Saunders and Robert John Armstrong, who act as agents for the Company and without personal liability. Both are licensed by the Insolvency Practitioners Association.

Appendix 1 – Statutory Information

Company information	
Company and trading name	Mr Lee's Pure Foods Co. Ltd
Date of incorporation	10 July 2015
Registered Number	09679948
Company Directors and Shareholdings	Mr Christopher Fung – 383,322 Ordinary Shares Mr Stephen Moss – 1,728,201 Ordinary Shares Dr Batholomew Sayle – 1,059,222 Ordinary Shares Venture Development Partners Ltd – Mr Graeme Hossie is a beneficial owner of Venture Development Partners Ltd and owns 3,265,505 ordinary shares in the Company
Trading address	Suite 1, 99 Holdenhurst Road, Bournemouth, BH8 8DY
Registered office	<div> <div>Current:</div> <div>The Shard 32 London Bridge Street London, SE1 9SG</div> <div>Former:</div> <div>3 Durrant Road Bournemouth Dorset, BH2 6NE</div> </div>
Any Other trading names	Mr Lee's Noodles
Administration information	
Administration Appointment	The Administration appointment granted in High Court of Justice, Business and Property Courts of England and Wales, Insolvency and Companies List (Chd), case reference CR-2022- 001412
Appointor	Directors
Date of Appointment	13 May 2022
Joint Administrators	James Saunders and Robert Armstrong
Original purpose	Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration)
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2) of Schedule B1
Current Administration expiry date	12 May 2023
Prescribed Part	The Prescribed Part is not applicable in this case
Application of EC Regulations	These proceedings have been defined as the Main Proceedings under Article 3 of the EC Regulations

Appendix 2 – Approved Proposals

The following proposals were approved by creditors on 21 July 2021 by deemed consent without modifications:

General

- To continue to deal with such outstanding matters in relation to the Company as the Joint Administrators consider necessary until such time as the Administration ceases to have effect;
- To do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Act, as they, in their sole and absolute discretion, consider desirable or expedient in order to achieve the purpose of the Administration;
- To investigate and, if appropriate, pursue any claims the Company may have for the benefit of the Company's creditors; and
- Seek an extension to the Administration period if considered necessary.

Distributions

- To make distributions to the preferential creditors where funds allow; and
- To make distributions to the unsecured creditors where funds allow;

End of Administration

That the Joint Administrators might use any or a combination of the following exit route strategies in order to bring the Administration to an end:

- Apply to Court for the Administration order to cease to have effect from a specified time and for the return of control to the Directors;
- Place the Company into Creditors' Voluntary Liquidation if deemed appropriate. It is proposed that the Joint Administrators, currently James Saunders and Robert Armstrong of Kroll would act as Joint Liquidators should the Company be placed into Creditors' Voluntary Liquidation. The Creditors may nominate a different person as the proposed Liquidator, provided the nomination is received at this office prior to the approval of these Proposals. Any action required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them;
- Petition the Court for a winding-up order placing the Company into Compulsory Liquidation if deemed appropriate. It is proposed that the Joint Administrators, currently James Saunders and Robert Armstrong of Kroll would act as Joint Liquidators should the Company be placed into Compulsory Liquidation without further recourse to Creditors. Any action required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them; and

- Take the necessary steps to give notice of move from Administration to dissolution with the Registrar of Companies because (1) the Company has no remaining property which might permit a distribution to its Creditors, and (2) all outstanding matters have been satisfactorily completed.

Alternatively, the Joint Administrators may allow the Administration to end automatically.

Appendix 3 – Receipts and Payments Account

Mr Lee's Pure Foods Co. Ltd
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 13/11/2022 To 12/05/2023 £	From 13/05/2022 To 12/05/2023 £
	ASSET REALISATIONS		
	Bank Interest Gross	2.53	2.60
6,990.00	Cash at Bank	NIL	6,990.44
805.00	Debtors	NIL	805.48
750.00	Furniture & Equipment	NIL	750.00
11,450.00	Intellectual Property	NIL	11,450.00
NIL	Inter-Company Debtors/Loans	NIL	NIL
2,249.00	Plant & Machinery	NIL	2,249.00
	Prepayments	49.20	49.20
550.00	Stock	NIL	550.00
NIL	Tax Refund	49,771.17	49,771.17
		49,822.90	72,617.89
	COST OF REALISATIONS		
	Accountants Fees	800.00	800.00
	Agents/Valuers Fees	1,500.00	4,500.00
	Bank Charges	1.11	1.11
	Bordereau	225.00	225.00
	Data Room Costs	NIL	598.00
	Insurance of Assets	674.54	674.54
	IT Costs	NIL	1,371.46
	Joint Administrators' Disbursements	105.80	105.80
	Joint Administrators' Remuneration	61,050.46	61,050.46
	Legal Disbursements Pre Insolvency	NIL	50.00
	Legal Fees	NIL	1,426.50
	Legal Fees Pre Insolvency	NIL	1,328.50
	Marketing Costs	245.00	245.00
	Stationery & Postage	NIL	125.85
	Statutory Advertising	NIL	103.50
	Storage Costs	12.17	12.17
		(64,614.08)	(72,617.89)
	PREFERENTIAL CREDITORS		
(26,033.00)	Employee Arrears/Hol Pay	NIL	NIL
		NIL	NIL
	SECONDARY PREFERENTIAL CREDITORS		
(16,642.00)	HMRC	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(1,825,260.00)	Convertible Loans	NIL	NIL
(43,820.00)	Employees	NIL	NIL
(181,389.00)	Investment Funds	NIL	NIL
(136,619.00)	Trade Creditors	NIL	NIL
(972,000.00)	Unsecured Loans	NIL	NIL
		NIL	NIL
(3,178,969.00)		(14,791.18)	0.00
	REPRESENTED BY		
			NIL

Appendix 4 – Analysis of Expenses Incurred

Joint Administrators' Expenses: comparison with estimate - Category 1 Expenses

Expenses	Original Expenses Estimate	Actual Expenses incurred in the Final Period	Actual Expenses incurred in the Cumulative Period	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
	(£)	(£)	(£)	
Accounting Fees – LB Group Ltd	1,000.00	800.00	800.00	
Agents/Valuers Fees - Hilco Appraisal Limited	4,500.00	Nil	4,500.00	
Data Room Costs – Ansarada UK Ltd	458.00	Nil	598.00	
Insurance – AUA Insolvency Risk Services Limited	1,000.00	Nil	674.54	
IT Costs – RedStone IT Limited	600.00	Nil	Nil	
IT Costs – Data City Computers Ltd	Nil	Nil	1,371.46	Higher than originally anticipated but required for safe custody of records.
Legal Fees - Bermans Solicitors	2,500.00	Nil	1,426.50	
Marketing Costs – IP-Bid Limited	245.00	Nil	245.00	
Stationery and Postage – Accurate Mailing Services Ltd	250.00	Nil	125.85	
Statutory Advertising – Courts Advertising Limited	99.45	Nil	103.50	
Bonding – AON UK Limited	225.00	Nil	225.00	
Bank Charges - Royal Bank of Scotland Plc	Nil	1.11	1.11	-
Storage Costs – Total Data Management Ltd	500.00	12.17	12.17	
Company Search – Company Registrations Online Ltd	5.70	Nil	5.70	
Mail Redirection – Royal Mail	216.00	Nil	Nil	
Total	11,599.15	813.28	10,088.83	

Joint Administrators' Expenses: comparison with estimate - Category 2 Expenses

Expenses	Original Expenses Estimate	Actual Expenses incurred in the Final Period	Actual Expenses incurred in the Cumulative Period	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
	(£)	(£)	(£)	
Mileage and subsistence	Nil	Nil	100.10	
Total	Nil	Nil	100.10	

Joint Administrators' Expenses: Category 1 and Category 2

Category 1 Expenses			Final Period		Cumulative Period	
Company	Activity	Fee Basis	Incurred (£)	Paid (£)	Incurred (£)	Paid (£)
LB Group Ltd	Fees for tax advice and submission of corporation tax returns	Fixed fee per unit	800.00	800.00	800.00	800.00
Hilco Appraisal Limited	Agents' fees for valuing the Company assets and assisting in the asset sale process	Time Costs	Nil	1,500.00	4,500.00	4,500.00
Ansarada UK Ltd	Data room for sale of business	As Incurred	Nil	Nil	598.00	598.00
AUA Insolvency Risk Services Limited	Insurance of assets	As Incurred	Nil	674.54	674.54	674.54
Data City Computers Ltd	IT back up for Company books and records	As Incurred	Nil	Nil	1,371.46	1,371.46
Bermans Solicitors	Legal fees for advice in relation to sale of Company assets	Time Costs	Nil	Nil	1,426.50	1,426.50
IP Bid Ltd	Marketing of business and assets	As Incurred	Nil	245.00	245.00	245.00
Accurate Mailing Services Ltd	Stationery and Postage – sending documents to creditors	Fixed fee per unit	Nil	Nil	125.85	125.85
Courts Advertising Limited	Statutory Advertising	Fixed Fee per unit	Nil	Nil	103.50	103.50
AON UK Ltd	Bond Premium	Fixed Fee	Nil	225.00	225.00	225.00
Royal Bank of Scotland	Bank Charges	As Incurred	1.11	1.11	1.11	1.11
Total Data Management Ltd	Storage of books and records	Fixed fee per unit	12.17	12.17	12.17	12.17
Company Registrations Online Ltd	Company searches	Fixed fee per unit	Nil	5.70	5.70	5.70
Total			813.28	3,463.52	10,088.83	10,088.83

Category 2 Expenses			Final Period		Cumulative Period	
Company	Activity	Fee Basis	Incurred (£)	Paid (£)	Incurred (£)	Paid (£)
Kroll Advisory Ltd.	Staff travel and subsistence	Pence per mile	Nil	100.10	100.10	100.10
Total			Nil	100.10	100.10	100.10

Notes

The above costs exclude VAT.

The Joint Administrators' choice of professional advisors was based on their perception of the experience and ability of the respective firms/individuals to perform their work, the complexity and nature of the assignment and the basis of their fee.

Kroll, being the employer of the Joint Administrators and the staff working on the Administration, is considered an associate of the Administrators.

It is considered that these expenses are fair and reasonable and proportionate to the Administration.

Appendix 5 – Analysis of Time Charged

Mr Lee's Pure Foods Co. Ltd (In Administration)
Analysis of the Joint Administrators' time costs for the Final Period

Classification of Work Function	Hours				Total Hours	Time Cost (£)	Avg. Hourly Rate (£)
	Managing Director	Manager	Senior	Assistant			
Administration & Planning							
Case review & Case Diary management	0.00	1.40	0.00	3.80	5.20	1,750.00	336.54
Cashiering & accounting	0.00	7.30	0.00	4.30	11.60	4,401.50	379.44
Dealings with directors & management (inc associated updates/reporting)	0.00	0.90	0.00	0.00	0.90	436.50	485.00
IPS set up & maintenance	0.00	0.00	0.10	0.00	0.10	42.00	420.00
Statement of affairs	0.00	1.50	0.00	0.60	2.10	775.50	369.29
Statutory matters (Meetings & Reports & Notices)	0.00	4.40	0.85	15.20	20.45	6,507.50	318.22
Strategy planning & control (incl engagement financial control)	0.00	2.60	0.00	7.80	10.40	3,181.50	305.91
Tax Compliance / Planning	0.00	1.90	0.00	12.80	14.70	3,758.00	255.65
Creditors							
Dealings with creditors and employees	0.00	0.70	0.00	0.20	0.90	352.50	391.67
Realisation of Assets							
Book debts	0.00	0.10	0.00	0.00	0.10	44.50	445.00
Other Tangible Assets	0.00	0.20	0.00	0.00	0.20	89.00	445.00
Plant & Machinery & Fixtures & Motor Vehicles	0.00	0.40	0.00	0.00	0.40	280.00	700.00
Pre-Appointment Tax Reclaims	0.00	0.90	0.00	0.00	0.90	422.50	469.44
Sale of business	0.00	1.80	0.00	0.30	2.10	939.00	447.14
Closings							
Closings	0.00	0.60	0.00	0.00	0.60	330.00	550.00
General Administration	0.00	1.50	0.00	2.40	3.90	1,424.32	365.21
Reviewing	0.00	1.80	0.00	0.00	1.80	756.00	420.00
Statutory Matters	0.00	4.20	0.00	0.00	4.20	1,928.00	459.05
Tax matters	0.00	0.60	0.00	0.20	0.80	316.00	395.00
Treasury Matters	0.00	1.80	0.00	1.30	3.10	1,225.50	395.32
Total Hours	0.00	34.60	0.95	48.90	84.45		342.92
Total Time Costs	0.00	16,139.50	365.00	12,455.32		28,959.82	

Mr Lee's Pure Foods Co. Ltd (In Administration)
Analysis of the Joint Administrators' time costs for the Cumulative Period

Classification of Work Function	Hours				Total Hours	Time Cost (£)	Avg. Hourly Rate (£)
	Managing Director	Manager	Senior	Assistant			
Administration & Planning							
Case review & Case Diary management	0.00	2.80	0.00	13.00	15.80	4,271.00	270.32
Cashiering & accounting	0.00	12.10	0.00	19.40	31.50	10,111.00	320.98
Dealings with directors & management (inc associated updates/reporting)	0.00	3.80	0.00	6.30	10.10	3,185.00	315.35
IPS set up & maintenance	0.00	0.00	0.10	5.60	5.70	1,170.00	205.26
Insurance	0.00	0.80	0.00	0.00	0.80	356.00	445.00
Statement of affairs	0.00	5.60	0.00	1.30	6.90	2,818.00	408.41
Statutory matters (Meetings & Reports & Notices)	0.00	12.30	4.65	31.20	48.15	15,241.00	316.53
Strategy planning & control (incl engagement financial control)	1.30	20.70	0.00	13.60	35.60	16,271.00	457.05
Tax Compliance / Planning	0.00	2.40	0.00	15.60	18.00	4,714.50	261.92
Creditors							
Dealings with creditors and employees	0.00	12.40	0.00	33.90	46.30	12,789.00	276.22
Non Pref Creditors / Employee claims handling	0.00	0.00	0.00	4.50	4.50	900.00	200.00
Investigations							
CDDA & reports & Communication	0.00	4.30	0.00	7.60	11.90	3,929.50	330.21
Financial review and investigations (S238/239 etc)	0.00	3.00	0.00	3.60	6.60	1,911.00	289.55
Realisation of Assets							
Book debts	0.00	1.20	0.00	8.00	9.20	2,840.00	308.70
Freehold and Leasehold Property	0.00	0.40	0.00	0.00	0.40	178.00	445.00
Goodwill and Intellectual Property Rights	0.00	0.60	0.00	2.00	2.60	827.00	318.08
Other Intangible Assets	0.30	2.70	0.00	0.00	3.00	1,638.50	546.17
Other Tangible Assets	0.00	2.60	0.00	1.40	4.00	1,549.00	387.25
Plant & Machinery & Fixtures & Motor Vehicles	0.00	0.60	0.00	0.00	0.60	369.00	615.00
Pre-Appointment Tax Reclaims	0.00	0.90	0.00	0.00	0.90	422.50	469.44
Sale of business	1.90	111.00	0.00	2.60	115.50	57,096.00	494.34
Stock & Work In Progress	0.00	0.80	0.00	0.00	0.80	422.00	527.50
Trading							
Trading - Retention of Title & Claims handling	0.00	0.10	0.00	0.00	0.10	66.50	665.00
Closings							
Closings	0.00	0.60	0.00	0.00	0.60	330.00	550.00
General Administration	0.00	1.50	0.00	2.40	3.90	1,424.32	365.21
Reviewing	0.00	1.80	0.00	0.00	1.80	756.00	420.00
Statutory Matters	0.00	4.20	0.00	0.00	4.20	1,928.00	459.05
Tax matters	0.00	0.60	0.00	0.20	0.80	316.00	395.00
Treasury Matters	0.00	1.80	0.00	1.30	3.10	1,225.50	395.32
Total Hours	3.50	211.60	4.75	173.50	393.35		378.94
Total Time Costs	2,275.00	105,412.00	1,809.00	39,559.32		149,055.32	

Appendix 6 – Narrative of work carried out for the Cumulative Period

SIP 9 narrative for the Cumulative Period

Administration and Planning /
Statutory and Compliance /
Cashiering / Tax

- Monitoring and reviewing the Administration strategy;
- Briefing staff on the Administration strategy and matters in relation to workstreams;
- Regular case management and reviewing of process including regular team update meetings and calls;
- Meeting with management to review and update strategy and monitor progress;
- Reviewing and authorising junior staff correspondence and other work;
- Dealing with queries arising during the appointment;
- Reviewing matters affecting the outcome of the Administration;
- Allocating and managing staff/case resourcing and budgeting exercises and reviews;
- Liaising with legal advisors regarding various instructions, including agreeing content of engagement letters;
- Complying with internal filing and information recording practices, including documenting strategy decisions;
- Ensuring compliance with all statutory obligations within the relevant timescales;
- Uploading information to the Portal;
- Drafting and publishing the Proposals and previous progress report;
- Reviewing time costs to date and producing analyses of time incurred which is compliant with SIP 9;
- Monitoring the fees estimate;
- Monitoring the expenses estimate;
- Preparing statutory receipts and payments accounts;
- Arranging for the posting of receipts to the Joint Administrators' accounting system;
- Renewing bonding and complying with statutory requirements;
- Analysing and considering the tax effects of asset sales;
- Analysing VAT related transactions; and
- Dealing with post appointment tax compliance.

Creditors

- Updating the list of unsecured creditors;
- Responding to enquiries from creditors regarding the Administration and submission of claims;
- Reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records; and
- Drafting statutory progress reports.

Investigations

- Managing and reviewing the Company books and records;
- Arranging for a back-up of the Company's IT systems to be taken;
- Investigating the affairs of the Company to identify any actions available to the Company against third parties in respect of antecedent transactions or other litigation;
- Obtaining records from third parties;
- Reviewing pre-appointment transactions; and
- Documenting investigations.

Realisation of Assets

- Collating information from the Company's records regarding assets;
- Liaising with agents in respect of the valuation and sale of assets;
- Reviewing outstanding debtors and strategy;
- Communicating with landlords;
- Liaising with third parties regarding costs incurred;
- Undertaking a marketing process to dispose of the Company's business and assets;
- Liaising with interested parties;
- Liaising with solicitors to agree the legal structure for the disposal of the assets;
- Reviewing and agreeing invoices;
- Reviewing costs incurred to ensure recorded accurately;
- Arranging payments to agents and solicitors in a timely manner;
- Liaising with HMRC regarding the tax reclaim;
- Realising the residual prepayments and sundry assets; and
- Liaising with the bank and credit card provider for the transfer of funds.

Trading

- Reviewing retention of title claims

Appendix 7 – Statement of Creditors' Rights

Rule numbers refer to Insolvency (England & Wales) Rules 2016 (as amended)

Section or paragraph numbers refer to Insolvency Act 1986

If you require a copy of any relevant rule or section, please contact Wendy Hopkins at Wendy.Hopkins@kroll.com.

Information for creditors on remuneration and expenses of Administrators

Information regarding the fees and expenses of Administrators, including details of Kroll's expenses policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "Administration: A Creditor's Guide to Insolvency Practitioner Fees". This can be viewed and downloaded from the website at:

<https://www.kroll.com/en-gb/services/restructuring-advisory/creditor-guides-and-employee-fact-sheets>

Should you require a copy, please contact this office.

Creditors' requests for further information

If you would like to request more information about the Joint Administrators' remuneration and expenses disclosed in this Final Progress Report, you must do so in writing within 21 days of receiving this report.

Requests from unsecured creditors must be made with the concurrence of at least 5% in value of unsecured creditors (including, the unsecured creditor making the request) or with the permission of the Court.

Creditors' right to challenge our remuneration and expenses

If you wish to challenge the basis of the Joint Administrators' remuneration, the remuneration charged, or the expenses incurred during the period covered by this Final Progress Report, you must do so by making an application to Court within eight weeks of receiving this report.

Applications are by unsecured creditors (including the unsecured creditors making the challenge) or with the permission of the Court.

The full text of the relevant rules can be provided on request by writing to Wendy Hopkins at Wendy.Hopkins@Kroll.com.

Appendix 8 – Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
the Agents	Hilco Appraisal Limited, independent agents who were instructed to value certain assets of the Company
the Appointment Date	13 May 2022, being the date of appointment of the Joint Administrators
the Bank	Santander Plc, with whom the Company banked
BEIS	Department for Business, Energy and Industrial Strategy
Category 1 Expenses	The Joint Administrators' expenses, in dealing with the Administration, to persons providing the service to which the expense relates and who are not an associate of the Administrator. These expenses can be paid without prior approval.
Category 2 Expenses	The Joint Administrators' expenses, in dealing with the Administration, to associates or where there is an element of shared costs. Such expenses require approval by creditors before payment.
the Company	Mr Lee's Pure Foods Co. Ltd (In Administration) (Company Number: 09679948)
Credit Card Provider	Pleo, the Company credit card provider
the Cumulative Period	13 May 2022 to 12 May 2023
the Directors	Christopher Fung, Stephen Moss, Dr Bartholomew Sayle and Venture Development Partners Ltd., the directors of the Company at the Appointment Date
EC Regulation	EC Regulation on Insolvency Proceedings 2000
the Final Period	13 November 2022 to 12 May 2023
HMRC	HM Revenue and Customs
the Joint Administrators	James Saunders and Robert Armstrong of Kroll
Kroll	Kroll Advisory Ltd. The Shard, 32 London Bridge Street, London, SE1 9SG
the Portal	https://www.ips-docs.com

Preferential Creditor/s	A creditor with a claim that ranks in priority to other unsecured creditors, to floating charge holders and the Prescribed Part. Preferential debts are either 'ordinary', such as certain employee claims, or 'secondary', such as HMRC's claims for VAT and PAYE income tax, which will rank for payment after the ordinary preferential claims are paid in full.
the Prescribed Part	Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a designated amount of a company's net property (floating charge assets less costs of realisation) shall be made available to non-preferential unsecured creditors.
Previous Reports	The Proposals and the Joint Administrators' Progress Report to creditors dated 8 December 2022
the Proposals/Statement of Proposals	The Joint Administrators Statement of Proposals dated 7 July 2022
the Purchaser	RCP Brands Ltd (Company Number: 14361957)
RPS	Redundancy Payments Service
the Rules	The Insolvency (England & Wales) Rules 2016 (as amended)
SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and expenses
SIP 13	Statement of Insolvency Practice 13 – Industry best practice for Insolvency Practitioners in relation to the disposal of assets to connected parties in an insolvency process
SOA	Statement of Affairs, documentation supplied by the Directors outlining the Company's financial position as at the Appointment Date
VAT	Value Added Tax

Appendix 9 – Notice About This Report

This report has been prepared by James Saunders and Robert Armstrong, the Joint Administrators of the Company, solely to comply with their statutory duty to report to creditors under the Insolvency (England and Wales) Rules 2016 on the progress of the Administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purposes, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of any financial interest in the Company or any other company in the same group.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency (England and Wales) Rules 2016 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

James Saunders and Robert Armstrong are authorised to act as insolvency practitioners by the Insolvency Practitioners Association.

The Joint Administrators are bound by the Insolvency Code of Ethics.

The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, Kroll does not assume any responsibility and will not accept any liability to any person in respect of this Final Progress Report or the conduct of the Administration.