

Liquidator's Progress Report
Pursuant to section 192 of
the Insolvency Act 1986

S.192

To the Registrar of Companies

For official use

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Company Number

04735592

Name of Company

DD Jewellers Limited

I/We
Mark Reynolds
5 Stirling Court
Stirling Way
Borehamwood
Hertfordshire
WD6 2FX

the liquidator(s) of the company attach a copy of my/our Progress Report under
section 192 of the Insolvency Act 1986

The Progress Report covers the period from 26 October 2015 to 25 October 2016

Signed

Date

Valentine & Co
5 Stirling Court
Stirling Way
Borehamwood
Hertfordshire
WD6 2FX

Ref MSR/EE/D346

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**Liquidator's Annual Progress Report
to Creditors and Members**

**DD Jewellers Limited
- In Liquidation**

29 November 2016

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1 Introduction and Statutory Information

- 1 1 I, Mark Reynolds, of Valentine & Co, 5 Stirling Court, Stirling Way, Borehamwood, Hertfordshire, WD6 2FX, was appointed as Liquidator of DD Jewellers Limited (the Company) on 26 October 2015. This report provides an update on the progress in the liquidation for the year ended 25 October 2016 (the Period) and should be read in conjunction with any previous progress reports which have been issued.
- 1 2 The principal trading address of the Company was 460 Green Lanes, Palmers Green, London, N13 5XD.
- 1 3 The registered office of the Company was changed to c/o Valentine & Co, 5 Stirling Court, Stirling Way, Borehamwood, Hertfordshire, WD6 2FX and its registered number is 04735592.

2 Progress of the Liquidation

- 2 1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period.
- 2 2 At Appendix A, I have provided an account of my Receipts and Payments for the period ended 25 October 2016 with a comparison to the Statement of Affairs values, which provides details of the remuneration charged and expenses incurred and paid by the Liquidator.
- 2 3 I can confirm that no assets have been realised during this reporting period.

Administration (including statutory compliance & reporting)

- 2 4 An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work I anticipated would need to be done in this area was outlined to creditors in my initial fees estimate/information.
- 2 5 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Liquidator.
- 2 6 As noted in my initial fees estimate/information, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

Realisation of Assets

- 2 7 Creditors may recall from the Director's Statement of Affairs that the Company made a claim for VAT in the sum of £501,261 for the tax period 1 July 2006 to 30 September 2009. This claim was rejected by HM Revenue & Customs and subsequently disputed by the Directors.
- 2 8 In accordance with Statement of Insolvency Practice No 13 (SIP13), on 2 December 2015, Official Trading Limited, a company with common shareholders/directors, purchased the interest in the ongoing VAT claim in the sum of £5,000 plus VAT, which was paid in full following the period of this report.
- 2 9 At the first meeting of creditors, the liquidator was authorised to draw as an expense of the liquidation, the sum of £5,000 plus disbursements and VAT, in respect of the preparation of the Statement of Affairs and the convening of the creditors meeting. No fees have been drawn during this reporting period. However, it is expected that the full amount of £5,000 plus VAT will be drawn following the distribution of this report.

Creditors (claims and distributions)

- 2 10 Further information on the anticipated outcome for creditors in this case can be found at section 3 of this report. A Liquidator is not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 2 11 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.
- 2 12 The above work will not necessarily bring any financial benefit to creditors generally, however a Liquidator is required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Liquidator in dealing with those claims.
- 2 13 I consider the following matters worth noting in my report to creditors at this stage:
- There are 4 unsecured creditor claims in this case with a value per the Director's Statement of Affairs of £368,670. Part of this sum constitutes a claim which was expected to be made by HM Revenue & Customs, although the Directors had previously expressed their interest to contest any claim made by HM Revenue & Customs at the commencement of the liquidation.

Investigations

- 2 14 Some of the work the Liquidator is required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (CDDA 1986) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Liquidator can pursue for the benefit of creditors.
- 2 15 I can confirm that I have submitted a report on the conduct of the Directors of the Company to the Department for Business Innovation & Skills under the CDDA 1986. As this is a confidential report, I am unable to disclose the contents.
- 2 16 Shortly after appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors either at the initial creditors' meeting or as a response to my request to complete an investigation questionnaire. My investigations have not revealed any issues requiring further report or any further potential recoveries which could be pursued for the benefit of creditors.

3 Creditors

Secured Creditors

- 3 1 There were no secured creditors.

Preferential Creditors

- 3 2 There were no preferential creditors.

Unsecured Creditors

3 3 I received claims totalling £75,374 from 2 creditors I am yet to receive claims from 2 creditors, whose claims total £300,000 according to the Statement of Affairs

3 4 At this stage, it appears that there is no prospect of a dividend to unsecured creditors

4 Liquidator's Remuneration

4 1 Creditors approved that the basis of the Liquidator's remuneration be fixed as a set amount of £15,000 plus VAT, followed by a percentage of realisations & distributions

4 2 The Liquidator has made the following realisations upon which the creditors have approved a percentage be taken as remuneration Details of the realisations to date and associated remuneration drawn on account of those realisations are set out below

Asset category		Value of assets realised in period	Total value of assets realised since appointment	Remuneration % agreed	Total fees invoiced to date	Fees not yet drawn
Interest ongoing claim	in VAT	£5,000	£5,000	50%	Nil	£5,000

4 3 Due to the paucity of realisations, the Liquidator has not drawn any fees against the total set fee agreed at £15,000 plus VAT approved by creditors

4 4 Due to the paucity of realisations, the Liquidator has not drawn any fees upon which the creditors approved a percentage to be taken as remuneration

The time spent on this case since my appointment relates to the following matters

- Attending to correspondence and telephone calls with creditors
- Recording and acknowledging creditors' claims
- Investigations into the affairs of the Company
- Preparation and submission of statutory report to the Secretary of State
- Obtaining bonding and completing bond reviews to enable the Liquidator to continue to act
- Cashiering and updating insolvency computer system
- Reviews of case
- Statutory compliance which includes submissions to Companies House

4 5 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from www.valentine-co.com > Technical Resources > Creditors' Guides to Fees

4 6 Attached at Appendix B is additional information in relation to the Liquidator's fees, expenses and disbursements, including, where relevant, information on the use of subcontractors and professional advisers

5 Creditors' Rights

- 5 1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report
- 5 2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidator, as set out in this progress report, are excessive

6 Next Report

- 6 1 I am required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write to all creditors with my final progress report ahead of convening the final meeting of creditors

Yours faithfully



Mark Reynolds


Liquidator

Appendix A

Receipts and Payments Account for Period from 26 October 2015 to 25 October 2016.

DD Jewellers Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £		From 26/10/2015 To 25/10/2016 £	From 26/10/2015 To 25/10/2016 £
	ASSET REALISATIONS		
NIL	VAT Refund (disputed)	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(1,000 00)	Lucas Agathocleous	NIL	NIL
(67,670 00)	HM Revenue & Customs - VAT (disput	NIL	NIL
(170,000 00)	Nicholas Costas	NIL	NIL
(130,000 00)	Alex Alexandrou	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(300 00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(368,970.00)		NIL	NIL
	REPRESENTED BY		
			NIL


Mark Reynolds
Liquidator

Appendix B

Additional Information In Relation To Liquidator's Fees

Pursuant To Statement Of Insolvency Practice 9 (SIP 9)

Policy

Detailed below is Valentine & Co's policy in relation to

staff allocation and the use of sub-contractors,

professional advisors, and

disbursements

Staff Allocation and the use of Sub-contractors

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case

The constitution of the case team will usually consist of a Partner, Senior and Administrator. The exact constitution of the team will depend on the size and complexity of the assignment and on larger, more complex cases, several staff may be allocated to meet the demands of the case.

With regard to support staff, time spent by cashiers in relation to specific tasks on an assignment is charged. Only if there is a large block of time incurred by a member of the secretarial team, will this be charged.

We are not proposing to utilise the services of any sub-contractors in this case.

Professional Advisors

We have not utilised the services of any professional advisors in this case.

Liquidator's Expenses & Disbursements

An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below.

	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
Statutory advertising	Nil	225 00	300 00
Specific penalty bond	Nil	48 00	48 00

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of

incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.

Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Liquidator's fees were approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above. Valentine & Co reserve the right to alter their charge rates without notice from time to time.

Charge-out Rates

Details of the firm's current charge out rates are as follows (effective from 8 January 2015)

	(Per hour) £
Managing Director	425
Other Directors / Consultants	325 - 375
Manager	200 - 300
Senior Administrator	150 - 200
Administrator	50 - 150
Junior/Support	50-100

Please note that this firm records its time in minimum units of 6 minutes