

Rule 4 49C The Insolvency Act 1986

**Liquidator's Progress
Report****S.192**Pursuant to Sections 92A, 104A and 192 of the Insolvency
Act 1986

To the Registrar of Companies

Company Number

06772095

Name of Company

(a) Insert full
name of company**(a) DK OPTO LIMITED**(b) Insert full
name(s) and
addresses(s)

I/We (b)
 Graham Stuart Wolloff
 Elwell Watchorn & Saxton LLP
 2 Axon
 Commerce Road
 Lynchwood
 Peterborough PE2 6LR

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 8 August 2013 to 7 August 2014

Signed

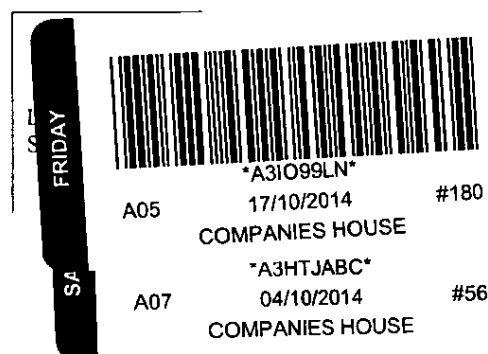


Date 3 October 2014

Graham Stuart Wolloff

Presenter's
name,
address and
reference
(if any)

Graham Stuart Wolloff
 Elwell Watchorn & Saxton LLP
 First Floor
 1 East Poultry Avenue
 London EC1A 9PT



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BUSINESS RECOVERY CONSULTANTS AND LICENSED INSOLVENCY PRACTITIONERS

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GSW LAS DKO01

3 October 2014

TO ALL MEMBERS & CREDITORS

Dear Sirs

**DK OPTO LIMITED ("the Company")
IN CREDITORS VOLUNTARY LIQUIDATION**

Company number 06772095

Office holder(s) Graham Stuart Wolloff

Date of appointment: 08 August 2013

Previous Registered Office Avila, 12 Cronks Hill Road, Redhill, Surrey RH1 6LY

Registered Office 1st Floor, 1 East Poultry Avenue, London EC1A 9PT

In accordance with Rule 4.49C of the Insolvency Rules 1986 (as amended), I write to provide all members and creditors of the company with an account of my acts and dealings and of the conduct of the winding-up for the period 8 August 2013 to 7 August 2014. This report should be read in conjunction with my previous report dated 8 August 2013.

I enclose the following documentation for your information -

- a) Liquidator's receipts and payments account
- b) Schedule of liquidator's remuneration and disbursements

Asset realisations

The overall asset realisations are generally in-line with the estimated statement of affairs as at 8 August 2013. However, it would appear that the Company's work in progress ("WIP") is likely to produce less than initially anticipated.

DK Audio Visual Services Limited ("DKAVS"), was engaged to complete the Company's outstanding work in progress. DKAVS has reported that the WIP has only produced c£4,000 as opposed to c£7,000 that was provided as an indication of the WIP's value. This is to be reviewed before agreeing the final settlement.

Cash on hand

Cash on hand in the sum of £8,400 has been duly realised. These were funds formerly held in the Company's bank account HSBC and now held in an Elwell Watchorn & Saxton LLP client account prior to the onset of the liquidation.

Cash at Bank

Upon closure of the company bank account held at HSBC Bank Plc, the final credit balance in the sum of £230 was realised, in addition to that transferred prior to the liquidation.

Computer Equipment

The Company owned several CPU computers and PC monitors. However, the equipment was over 5 years old and my agent, Ashwells LLP, advised that the cost of realising the equipment would be greater than its likely realisable value. Accordingly, the director of the Company agreed to securely dispose of them on my behalf.

Work in Progress ("WIP")

As creditors are likely aware, the Company completed camera repair work. In the Statement of Affairs, the Company's WIP, representing incomplete repair work, was estimated at £5,594. Following my appointment, directors provided a revised estimated figure for the WIP of c£7,000. The Company was not in a position to continue to trade and was therefore unable to complete the work itself.

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Elwell Watchorn & Saxton LLP is a limited liability partnership registered in England number OC311000. VAT Registration Number 655 0983 15.
Registered office 109 Swan Street, Sileby Leicestershire LE12 7NN
Members Richard Elwell Limited David Watchorn Limited Paul Saxton Limited Graham Wolloff Limited Joe Sadler Limited
All office holders are licensed in the United Kingdom to act as insolvency practitioners by the Association of Chartered Certified Accountants



I negotiated an agreement with DKAVS, whereby DKAVS would complete the WIP and collect payment on the Company's behalf in return for 50% of the invoiced amount. DKAVS has not yet supplied a final report in respect of the progress of the repairs, but have provided an indication that the final value is approximately £4,000. I have requested an explanation as to why the realisation amount is lower than anticipated and await the final report from DKAVS.

Sale of Tax Losses

The Company's statement of affairs estimated that the Company's interest in the anticipated group tax refund would realise £4,000. I agreed with accountants to the group, Kingston Smith, to sell whatever right and title the Company held in the group tax refund, for 10% of the refund amount due to the group.

I await confirmation of the final amount due to the Company, but understand that the appropriate returns have been completed, submitted and agreed and the amount likely to be realised is in-line with the estimate provided in the Company's statement of affairs.

Preferential creditors

The only preferential creditors on the estimated statement of affairs were in respect of employees' wages and holiday pay in the sum of c£7,600. I have not yet received a claim from the Redundancy Payments Office but anticipate that they will seek to replace the employees as preferential creditors, having made payments to the employees on the Company's behalf.

Non-preferential creditors

Crown creditors - The following non preferential claims have been received to date from the crown creditors -

	Per statement of affairs	Actual
	£	£
HM Revenue & Customs – VAT	10,026	10,728
HM Revenue & Customs – Corporation Tax	Nil	Nil
HM Revenue & Customs – PAYE and NIC	3,611	6,941
	<u>£13,637</u>	<u>£17,669</u>

As indicated at the outset, there are no monies available to make a distribution to the non-preferential creditors and I have not taken steps to formally admit the creditors' claims.

Further work undertaken

In accordance with Statement of Insolvency Practice 2, I have made an initial assessment of whether there could be any matters that may lead to recoveries for the estate and what further investigations may be appropriate. In respect of the requirements of Statement of Insolvency Practice 2, no further action or investigation is required.

I can also confirm that any relevant report has been submitted to the appropriate Government department or authority, including the report under the requirements of the Company Directors Disqualification Act 1986.

I have realised the assets of the company and liaised with my agents as appropriate.

I have dealt with queries raised by creditors as they have arisen. In particular, my staff and I spent approximately 26 hours dealing with issues surrounding creditor claims of employees. This included identifying the relevant records and information from company records in order to assist employees with completing the relevant forms, submitting them to the Redundancy Payments Directorate and assisting the directorate with the same.

Additionally, I have discharged my statutory duties as Liquidator in the day to day matters associated with the case.

Outstanding matters

In summary, the following key matters remain outstanding -

- To realise the amounts due in respect of the WIP and,
- To realise the Company's interest in the group tax refund.

Liquidator's remuneration

The creditors previously approved a statement of affairs fee of £5,000 plus VAT. The initial creditors' meeting passed a resolution that the liquidator's remuneration be fixed on the basis of time costs properly incurred in attending to matters arising in the liquidation. I enclose a schedule which provides details of the time costs incurred and the liquidator's disbursements. To date, I have not made any further drawings in respect of post-appointment fees and costs.

A guide to help creditors understand the law and their rights in relation to determining how the liquidator will be paid can be downloaded at,

http://www.r3.org.uk/media/documents/publications/professional/Guide_to_Liquidators_Fees_Nov2011.pdf

Alternatively, a creditor may obtain a printed copy by contacting this office directly.

Professional advisers engaged by the liquidator

I have instructed the following professional advisers to assist with the administration and progression of the case. The choice of adviser is based on their relevant experience and ability to perform this type of work, the nature and complexity of the specific assignment and the basis of the fee arrangement negotiated.

Adviser/Organisation	Service provided	Reason selected	Basis of fees	Fees paid this reporting period
Ashwells LLP	Valuation and asset sale services	Sector knowledge and experience	Fixed fee	£375.00

* Messrs Ashwells LLP were engaged to value and provide advice on the sale and disposal of the chattel and equipment assets of the business. The agreed fee was £375.00.

I am satisfied that fees charged are reasonable in the circumstances of the case.

Declaration regarding treatment of VAT and accruals

In accordance with Statement of Insolvency Practice 7, all entries are shown net of VAT, with VAT recorded on a separate line. The receipts and payments account discloses all receipts and payments in the reporting period. However, there may be additional accrued expenditure due in respect of storage of company records and postage, stationery, telephone, mileage and external disbursements. These charges will be drawn upon case closure in accordance with the resolution already approved by creditors.

Disclaimer

This report has been circulated for the sole purpose of providing creditors with an update for information purposes only to fulfil the necessary statutory requirement. The contents are private and confidential and may not be relied upon, referred to, reproduced in whole or in part or otherwise used by creditors for any purpose other than providing an update for them for information purposes, or by any other person for any purpose whatsoever.

Yours faithfully



G S Wolloff

Liquidator

Licensed in the United Kingdom to act as an insolvency practitioner by the Association of Chartered Certified Accountants

DK OPTO LIMITED IN CREDITORS VOLUNTARY LIQUIDATION

Receipts and Payments Account From 8 August 2013 To 7 August 2014

Statement of Affairs Value £		08/08/2013 to 07/08/2014		Total to 07/08/2014	
		£	£	£	£
ASSET REALISATIONS					
	Bank Interest Gross	0 80		0 80	
272 13	Cash at Bank on Appointment	230 22		230 22	
8,400 00	Cash on Hand	8 400 00		8,400 00	
268 00	Computer Equipment	0 00		0 00	
4,000 00	Sale of Tax Losses	0 00		0 00	
5,594 00	Work In Progress	0 00		0 00	
			8,631 02		8 631 02
COST OF REALISATIONS					
	Agents / Valuers Fees	(375 00)		(375 00)	
	Insolvency Bond	(50 00)		(50 00)	
	Preparation of Statement of Affairs	(5,000 00)		(5,000 00)	
	Statutory Advertising	(253 80)		(253 80)	
	Tax on Interest	(0 15)		(0 15)	
			(5,678 95)		(5,678 95)
PREFERENTIAL CREDITORS					
(4,715 63)	Holiday Pay	0 00		0 00	
(800 08)	Wages	0 00		0 00	
			0 00		0 00
UNSECURED CREDITORS					
(291 373 00)	Associated Creditors	0 00		0 00	
(29,436 94)	Employees	0 00		0 00	
(13,637 00)	HM Revenue and Customs	0 00		0 00	
(423 33)	Trade and Expense Creditors	0 00		0 00	
			0 00		0 00
EQUITY					
(1 00)	Ordinary	0 00		0 00	
			0 00		0 00
<u>(321,852 85)</u>			<u>2,952 07</u>		<u>2,952 07</u>
REPRESENTED BY					
	Current Account - Interest bearing			2,942 07	
	VAT Receivable (Payable)			10 00	
				<u>2,952 07</u>	
				<u>2,952 07</u>	

DK OPTO LIMITED
IN CREDITORS VOLUNTARY LIQUIDATION

SCHEDULE OF LIQUIDATOR'S REMUNERATION AND DISBURSEMENTS

Firm's charging policy

It is the firm's policy that all staff involved on an assignment will record all time spent on dealing with matters arising on that client and that the time will be categorised to show the type of activity carried out. The charge out rates of partners, directors and managers do not therefore include provisions for time spent by secretaries, cashiers and support staff.

The time cost to the estate is calculated by multiplying the time spent by the individual by their charge-out rate. Time is recorded in units of 6 minutes, with 10 units making up each hour of time spent. Charge-out rates are reviewed annually and are subject to change without prior notice. Full details of the rates applied to a specific case are available on application.

The charge-out rates of the persons involved in this case from commencement to the current time are as follows -

	<i>Charge-out rate at commencement (up to £ per hour)</i>
Partner	195 00
Director	165 00
Manager	135 00
Other professionals	105 00
Administrative staff	45 00

Liquidator's remuneration

The fee agreed and paid for the preparation of the statement of affairs and convening the meetings of members and creditors was £5,000.

In relation to the liquidator's remuneration, the first meeting of creditors resolved that the liquidator's fees be fixed by reference to the time properly spent by the liquidator and his staff in attending to matters arising in the winding-up. The liquidator has ensured that case assignments have been carried out by appropriate grades of staff.

The time costs during the course of my administration for the period covered by this report are summarised below -

<i>Work category</i>	<i>Partner hours</i>	<i>Director hours</i>	<i>Manager hours</i>	<i>Professional staff hours</i>	<i>Admin staff hours</i>	<i>Total hours</i>	<i>Time cost £</i>	<i>Average hourly rate £</i>
Administration & planning	2 50	8 80	-	9 90	-	21 20	2,835 00	133 73
Investigations	4 90	2 20	-	14 80	-	21 90	2,848 50	130 07
Realisation of assets	1 00	4 10	-	-	-	5 10	871 50	170 88
Trading	-	-	-	-	-	-	-	-
Creditors	1 90	20 20	-	7 20	-	29 30	4,459 50	152 20
Totals	10 30	35 30	-	31 90	-	77 50	11,014 50	142 12

To date, no liquidator's remuneration has been drawn.

Liquidator's disbursements

The disbursements drawn to date can be summarised as follows -

Category 1, disbursements not requiring approval represent a re-charge to the estate for direct costs, payable to independent third parties, specifically incurred in the administration of the estate. In certain instances these costs were initially met from the firm's resources due to the lack of funds available at the time that payment was due.

Category 2, disbursements requiring approval, represent a charge to the estate for the costs incurred by the firm specifically in relation to the estate. The first meeting of creditors resolved that payment shall be made in respect of Category 2 disbursements as follows -

- External disbursements will be recharged at cost
- The in-house storage of books and records will be charged at the rate of £1 per archive box per month for the duration of the liquidation period plus fifteen months in addition to the cost of boxes and ultimate confidential destruction
- Mileage will be charged at up to 45p per mile
- Postage, stationery and telephone are recharged at the rate of £2 per letter and £3 per copy of report in addition to the cost of postage

The Category 2 disbursements to date are as follows -

<i>Nature of Disbursement</i>	<i>Paid in current period £</i>	<i>Total paid to period end £*</i>	<i>Specific Accruals £ *</i>
Vehicle mileage up to 45p per mile	Nil	Nil	None
Storage of company records	Nil	Nil	24 00
TOTAL	Nil	Nil	24 00

I can confirm that the disbursements due under specific accruals above have not been drawn to date

Statement of creditors rights to receive further information

Within 21 days of receipt of this progress report, a creditor may request the office holder to provide further information about the remuneration and expenses set out in this report. A request must be in writing, and may be made by

- A secured creditor
- A non-preferential creditor with the concurrence of at least 5% in value of the creditors (including that creditor)
- Any non-preferential creditor with the permission of the court

The office holder must provide the requested information within 14 days, unless he considers that

- the time or cost involved in preparing the information would be excessive, or
- disclosure would be prejudicial to the conduct of the proceedings or might be expected to lead to violence against any person, or
- the office holder is subject to an obligation of confidentiality in relation to the information requested, in which case he must give the reasons for not providing the information

Any creditor may apply to the court within 21 days of the office holder's refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information

Statement of creditors rights to challenge remuneration and/or expenses

Under Rule 4.131 of the Insolvency Rules 1986 (as amended), any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred as set out in this progress report are excessive or, the basis fixed for remuneration is inappropriate

A copy of our Standard Terms of Business may be downloaded from -
<http://www.ewslp.co.uk/downloads>

Alternatively, a Creditor may obtain a printed copy by contacting this office directly