

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 3 8 9 1 3 0 1

Company name in full Digital Television Systems Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Lee

Surname De'ath

3 Liquidator's address

Building name/number Town Wall House

Street Balcerne Hill

Post town Colchester

County/Region Essex

Postcode C O 3 3 A D

Country

4 Liquidator's name ①

Full forename(s) Gavin

Surname Savage

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 2/3 Pavilion Buildings

Street Brighton

Post town East Sussex

County/Region

Postcode B N 1 1 E E

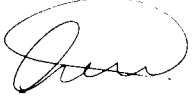
Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report															
From date	^d	2	^d	5	^m	0	^m	2	^y	2	^y	0	^y	2	^y	3
To date	^d	2	^d	4	^m	0	^m	2	^y	2	^y	0	^y	2	^y	4
7	Progress report															
	<input checked="" type="checkbox"/> The progress report is attached															
8	Sign and date															
Liquidator's signature	<div>Signature</div> <div>  </div>															
Signature date	^d	2	^d	4	^m	0	^m	4	^y	2	^y	0	^y	2	^y	4

**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	Charlotte Faram
Company name	Begbies Traynor (Central) LLP
Address	Town Wall House
	Balkerne Hill
Post town	Colchester
County/Region	Essex
Postcode	C O 3 3 A D
Country	
DX	
Telephone	01206 217900

**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

Digital Television Systems Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Declaration of Solvency £		From 25/02/2023 To 24/02/2024 £	From 25/02/2021 To 24/02/2024 £
	ASSET REALISATIONS		
	Bank Interest Gross	973.12	1,016.83
259,076.00	Book Debts	NIL	259,075.96
611,275.00	Cash at Bank	NIL	611,400.71
17,310.00	Prepayments	NIL	NIL
	Stock	NIL	54,913.19
		973.12	926,406.69
	COST OF REALISATIONS		
	Accountancy fees	350.00	680.00
	Corporation Tax	2,680.14	6,166.45
	Legal Fees (1)	NIL	9,096.00
	Office Holders Fees	1,000.00	14,500.00
	Specific Bond	NIL	205.00
	Statutory Advertising	NIL	270.00
	Storage Costs	418.84	418.84
	Swearing Fee	NIL	100.00
		(4,448.98)	(31,436.29)
	UNSECURED CREDITORS		
(15,500.00)	Accruals	NIL	NIL
(1,576.00)	HM Revenue & Customs - PAYE/NIC	NIL	1,576.10
(7,563.00)	HM Revenue & Customs - VAT	NIL	6,622.48
		NIL	(8,198.58)
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	103,000.00	860,000.00
		(103,000.00)	(860,000.00)
862,922.00		(106,475.86)	26,771.82
	REPRESENTED BY		
	Interest Bearing Bank Account		26,488.05
	Vat Control Account		283.77
			26,771.82

Digital Television Systems Limited (In **Members' Voluntary Liquidation**)

Annual account of the liquidation

Period: 25 February 2023 to 24 February 2024

Important Notice

This report has been produced solely to comply with our statutory duty to report to the member of the Company pursuant to Section 94 of the Insolvency Act 1986. This report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by the member for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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 - 2. Statement of Liquidators' Expenses

1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Digital Television Systems Limited (In Members' Voluntary Liquidation)
"the liquidators", "we", "our" and "us"	Lee De'ath of Begbies Traynor (Central) LLP, Town Wall House, Balmerne Hill, Colchester, Essex, CO3 3AD and Gavin Savage of Begbies Traynor (Central) LLP, 2/3 Pavilion Buildings, Brighton, East Sussex, BN1 1EE
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditors"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name(s):	Digital Television Systems Limited
Company registered number:	03891301
Company registered office:	Begbies Traynor, Town Wall House, Balmerne Hill, Colchester, Essex, CO3 3AD
Former trading address:	Unit 15-16 Kingsclere Park Kingsclere Park, Kingsclere, Newbury, RG20 4SW

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	25 February 2021
Date of liquidators' appointment:	25 February 2021
Changes in liquidator (if any):	None

4. PROGRESS DURING THE PERIOD

This is our annual account of the liquidation and should be read in conjunction with the progress reports to the member dated 14 April 2022 and 17 April 2023.

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period 25 February 2023 to 24 February 2024.

Asset Realisations

Stock

At the date of appointment, the Company owned a quantity of stock which had been written down to £nil in the financial statements. I can confirm that all items of stock have now been sold with the sum of £54,913 being received in this regard.

Book Debts

As previously reported, prior to the commencement of the Liquidation, the Company sold certain products and the licence of certain intellectual property rights to a third party in accordance with a sales contract dated 10 February 2021. Following the Liquidators' appointment, the Company's rights and entitlements under the contract were distributed in specie to the shareholder. This asset was valued in the sum of £259,076 for the purpose of the distribution.

Cash at Bank

The Company operated a bank account with Barclays Bank plc. Following the processing of the final transactions and closure of this account, a total sum of £611,401 has been received by the Joint Liquidators.

Prepayments

The Declaration of Solvency, which reflected the estimated position on 25 February 2021, included pre-payments totalling £17,310. I am advised that this related to pre-paid legal fees and no further action is required in this regard.

Bank Interest Gross

Gross Bank interest has accrued on the funds held in the Joint Liquidators' bank account in the sum of £1,222 of which £1,178 has been received during the periods covered by this report.

Costs of Realisation

The following costs have been incurred since our appointment as Joint Liquidators

	£
Statutory Bonding	205
Statutory Advertising	270
Swearing Fee	100
Postage	6
Storage costs	636

Post liquidation corporation tax in the sum of £6,298 has been paid to H M Revenue & Customs ("HMRC") during the liquidation, including £2,812 during the periods of this report.

Other Costs

Legal Fees

Lester Aldridge Solicitors have been paid the sum of £9,096 in connection with assistance provided to the Joint Liquidators with regard to ongoing matters regarding the sale of the Company's stock and associated matters. Their remuneration has been agreed on the basis of their standard hourly charge-out rates plus VAT and disbursements.

Accountancy Fees

The sum of £680 plus VAT has been paid to Langdowns DFK Chartered Accountants in relation to the completion and submission of the post liquidation tax return. Of this amount, a total of £350 has been paid during the period. Their remuneration has been agreed on the basis of their standard hourly charge out rates, plus VAT.

Unsecured Creditors

The Declaration of Solvency included estimated Unsecured Creditors totalling £24,639. Unsecured creditor claims in the sum of £8,199 have been paid in the Liquidation. Payments to unsecured creditors are in respect of amounts due to H M Revenue & Customs ("HMRC") in relation to pre-appointment PAYE and VAT.

The remaining creditors included on the Declaration related to an accrual for estimated additional legal fees. The Liquidators have settled all associated fees received to date as an expense of the liquidation.

Distributions

As can be seen from the attached receipts and payments account, distributions totalling £860,000 have been made to the sole shareholder. Further details in this respect can be found in section 6 below.

What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to the member?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow the member to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to the member.

The costs are not split out per heading, as our fees are based on a fixed sum.

The details below relate to the work undertaken since our appointment.

General case administration and planning

Insolvency Practitioners are required to maintain records to demonstrate how the case is administered, and to document any decisions that materially affect the case.

At the onset of the case a strategy for how the case will be managed was created. This took into consideration the level of assets to be realised, how those assets will be realised, and whether there would

be sufficient realisations to make payment to the company's creditors and whether any surplus funds would be available for distribution to the Company's member.

The case has been subject to review to ensure case progression and the files are kept up to date.

Whilst this does not benefit the member financially, it is necessary to ensure the efficient and compliant progressing of the liquidation, which ensures that the joint liquidators and their staff carry out their work to high professional standards.

Compliance with the Insolvency Act, Rules and best practice

The Insolvency Practitioners are governed by the Insolvency Act and Rules, together with following best practice guidelines known as Statements of Insolvency Practice. We have certain statutory obligations and duties to fulfil whilst in office which include the regular filing of progress reports with Companies House and the filing of a final report at the end of the period. We are also required to notify various bodies of our appointment, including creditors, Companies House, and advertise our appointment in the London Gazette.

We are also duty bound to correspond with creditors and issue notice of the insolvency event to the likes of the pensions departments, banks and other parties who would have an interest in the proceedings.

This work does not benefit the member financially but is necessary in accordance with the Insolvency Act, Rules and best practice.

Realisation of assets

All work carried out in respect of the asset realisations is for the purpose of realising property and assets for the benefit of the member generally.

In this case, I have:

- Liaised with the company's bankers regarding the closure of the pre-liquidation bank accounts and remittance of the credit balances.
- Liaised with a third party and the directors in connection with the disposal of stock held.
- Liaised with solicitors regarding sale agreements for the stock disposal.
- Distributed in specie the outstanding debt to the sole shareholder.

Dealing with all creditors' claims (including employees), correspondence and distributions

Time has been spent dealing with creditor queries as and when required. This can include queries by telephone, email or within letters received in the post.

Creditors' claims are dealt with in accordance with the order of priority and are subject to adjudication. All claims received are noted and registered for dividend purposes. Where required additional information from creditors in support of their proofs of debts is requested.

Payments to creditors are made in full as soon as possible and the relevant notices in this respect issued.

As detailed above, the Joint Liquidators have made payments totalling £8,199 to unsecured creditors.

No further claims are anticipated.

Other matters which includes meetings, tax, litigation, pensions and travel

During the course of administering the case, the Insolvency Practitioner may be required to carry out additional work which does not necessarily fall under any of the other categories above.

We may also be required to submit VAT and Tax returns when appropriate in order to reclaim monies for the estate and pay over any taxes due to HMRC.

In this matter the following tasks were carried out:-

- Liaising with the company's former accountants to prepare and file tax returns for pre-liquidation periods.
- Corresponding with accountants with regard to the completion and submission of the post liquidation corporation tax returns
- Sought formal written tax clearance from HMRC.

Instances and explanations of the work that might fall under this category are provided on our website at <http://www.begbies-traynorgroup.com/work-details>.

Once again, there may not be any obvious financial benefit to the member, but all work carried out would likely be considered necessary for the administration and progression of the case.

5. OUTCOME FOR CREDITORS

As in any liquidation, in a members' voluntary liquidation creditors are required to prove their claims and the liquidators must examine the proofs and the particulars of the claims and admit them, in whole or in part, or reject them. The liquidators must then settle the priorities of the creditors (as between secured, preferential, secondary preferential and unsecured) before paying them in full with statutory interest.

The statement of assets and liabilities embodied within the declaration of solvency sworn by the directors indicated that there were outstanding creditors estimated at £24,639. Unsecured creditor claims in the sum of £8,199 have been paid in the Liquidation.

We have received clearance from HMRC in relation to the pre liquidation periods. In December 2023 HMRC changed their policy in relation to issuing clearance in connection with solvent liquidations. The Liquidators are not aware of any outstanding matters with HMRC. Based on the information available to us, we are satisfied that there are no further tax liabilities owed to HM Revenue & Customs in relation to the post liquidation period.

6. DISTRIBUTIONS TO MEMBER

I can confirm that the following distributions have been made to the member of the company who held Ordinary £1 shares, during the period of Liquidation: -

Date	Amount of distribution	Rate of distribution per share
1 March 2021	£757,000.00	£7,570.00
13 December 2023	£103,000.00	£1,030.00

A final distribution will be declared to the member prior to the conclusion of the liquidation. It is anticipated that this will total approximately £26,468.

7. REMUNERATION & EXPENSES

Remuneration

Our remuneration has been fixed by a resolution of the member of the Company on a fixed fee basis of £7,500 plus VAT in accordance with the terms of our engagement letter dated 11 January 2021. Following our appointment, it became apparent that significant additional work would be required to be undertaken that was not previously anticipated. The additional work included:

- Negotiating the sale of the remaining stock which proved protracted.
- Additional time was incurred following the death of the sole shareholder.

The Joint Liquidators approached the Executors of the shareholder's estate and sought their agreement for an additional fixed fee of £5,000 plus VAT. This additional fee was approved by written resolution on 8 August 2021.

We are also authorised to draw expenses, including expenses for services provided by our firm (defined as category 2 expenses in Statement of Insolvency Practice 9) in accordance with our firm's policy, details of which were presented to the general meeting of the Company at which various resolutions, including the special resolution that the Company be wound up voluntarily, were passed.

As the Liquidation has progressed over two anniversaries, further fixed fees totalling £2,000 plus VAT have been drawn in in accordance with the provisions set out in our letter of engagement dated 11 January 2021. The Joint Liquidators have therefore drawn fees totalling £14,500 plus VAT. Please note that a further fixed fee of £250 plus VAT will be drawn prior to the conclusion of the liquidation in connection with the additional distribution declared, in accordance with the terms of our engagement letter.

Details of the category 1 and category 2 expenses which have been incurred, (and discharged) are provided at Appendix 2.

For the purpose of clarification, we do not anticipate seeking any increase or amendment to our approved remuneration basis if matters progress to conclusion as envisaged.

Category 1 Expenses

To 22 April 2024, we have also incurred expenses in the sum of £17,291.

Category 2 Expenses

None

8. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 2.

9. UNREALISABLE ASSETS

There are no assets that have proved to be unrealisable.

10. OTHER RELEVANT INFORMATION

Use of personal information

Please note that although the liquidation is being concluded, in discharging our remaining duties as liquidators, we may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, we are required to comply with data protection legislation. If, as a shareholder, you would like further information about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact us.

Obtaining information on the remuneration of liquidators and the payment of expenses

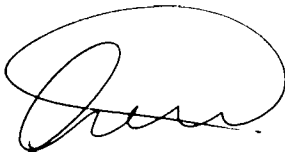
The basis of remuneration for acting as liquidators was sought following appointment. Notwithstanding this, beneficiaries of the surplus are able to seek information on their rights in relation to the remuneration and the payment of expenses and can obtain a copy of 'Begbies Traynor Guide for Shareholders. A Guide to the Liquidators' fees – England and Wales' on our website at <https://www.begbies-traynorgroup.com/services-to/shareholders>

Alternatively, if you require a hard copy of the guide, please contact our office and a copy will be sent to you.

11. CONCLUSION

Following the Company's affairs being fully wound up, we will deliver our final account to the Registrar of Companies and upon delivery of which we will vacate office and be released as liquidators under Section 171(6) of the Act.

Should you require further explanation of any matters contained within this report, you should contact our office and speak to Charlotte Faram, in the first instance, who will be pleased to assist.



L M DE'ATH
Joint Liquidator

Dated: 22 April 2024

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 25 February 2023 to 24 February 2024

Digital Television Systems Limited
(In Liquidation)
JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT

	Declaration of Solvency £	From 25/02/2023 To 24/02/2024 £	From 25/02/2021 To 24/02/2024 £
RECEIPTS			
Stock		0.00	54,913.19
Book Debts	259,076.00	0.00	259,075.96
Cash at Bank	611,275.00	0.00	611,400.71
Prepayments	17,310.00	0.00	0.00
Bank Interest Gross		973.12	1,016.83
		<u>973.12</u>	<u>926,406.69</u>
PAYMENTS			
Specific Bond		0.00	205.00
Office Holders Fees		1,000.00	14,500.00
Accountancy fees		350.00	680.00
Swearing Fee		0.00	100.00
Legal Fees (1)		0.00	9,096.00
Corporation Tax		2,680.14	6,166.45
Storage Costs		418.84	418.84
Statutory Advertising		0.00	270.00
HM Revenue & Customs - PAYE/NIC	(1,576.00)	0.00	1,576.10
HM Revenue & Customs - VAT	(7,563.00)	0.00	6,622.48
Accruals	(15,500.00)	0.00	0.00
Ordinary Shareholders	(100.00)	103,000.00	860,000.00
		<u>107,448.98</u>	<u>899,634.87</u>
Net Receipts/(Payments)		<u>(106,475.86)</u>	<u>26,771.82</u>
MADE UP AS FOLLOWS			
Interest Bearing Bank Account		(109,764.43)	26,488.05
VAT Receivable / (Payable)		3,288.57	283.77
		<u>(106,475.86)</u>	<u>26,771.82</u>

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Statutory Bonding	Aviva – Marsh	205	205	Nil
Swearing fee	Barker Gotelee	100	100	Nil
Legal Fees	Lester Aldridge	9,096	9,096	Nil
Statutory Advertising	Courts Advertising Ltd	270	270	Nil
Accountancy Fees	Langdowns DFK	680	680	Nil
Corporation Tax	H M Revenue & Customs	6,298	6,298	Nil
Storage Costs	Total Data	636	612	24
Stationery & Postage	Post works	6	Nil	6