

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 06064780
Company name in full Direct Data Services(DDS) Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Daniel
Surname Richardson

3 Liquidator's address

Building name/number 27 Byrom Street
Street
Post town Manchester
County/Region
Postcode M34PF
Country

4 Liquidator's name ①

Full forename(s) Edward
Surname Avery-Gee

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 27 Byrom Street
Street
Post town Manchester
County/Region
Postcode M34PF
Country

② Other liquidator
Use this section to tell us about
another liquidator.

LIQ03

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6 Period of progress report

From date	^d 1	^d 7	^m 0	^m 4	^y 2	^y 0	^y 2	^y 3
To date	^d 1	^d 6	^m 0	^m 4	^y 2	^y 0	^y 2	^y 4

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature	Signature	
	X <i>DM Richardson</i>	X

Signature date	^d 2	^d 3	^m 0	^m 4	^y 2	^y 0	^y 2	^y 4
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**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 **Bill Brandon**Company name **CG&Co**Address **27 Byrom Street**Post town **Manchester**

County/Region

Postcode **M 3 4 P F**

Country

DX

Telephone **0161 358 0210****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

Direct Data Services(DDS) Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 17/04/2023 To 16/04/2024 £	From 17/04/2023 To 16/04/2024 £
	ASSET REALISATIONS	
	Bank Interest Gross	158.42
22,891.59	Book Debts	9,240.13
	Cash at Bank	721.49
12,121.53	Cash Held in Client Account	12,121.53
100.00	Furniture & Equipment	NIL
		<u>22,241.57</u>
	COST OF REALISATIONS	
	Accounting Assistance	200.00
	Assistance with SOA	1,000.00
	Bank Charges	50.00
	Preparation of S. of A.	3,000.00
	Specific Bond	110.00
	Statutory Advertising	172.00
		<u>(4,532.00)</u>
	PREFERENTIAL CREDITORS	
(10,977.31)	Employee Arrears/Hol Pay	NIL
(1,863.91)	HMRC - PAYE / NI	NIL
(5,007.93)	RPS Arrears & Holiday Pay	NIL
		<u>NIL</u>
	UNSECURED CREDITORS	
(2,184.03)	Bank - Credit Card	NIL
(60,000.00)	Directors Loan Account	NIL
(1,200.32)	Employees - Redundancy & PILON	NIL
(230,000.00)	Intercompany Loan	NIL
(52,109.86)	RPS - Redundancy & PILON	NIL
(13,902.31)	Trade & Expense Creditors	NIL
		<u>NIL</u>
	DISTRIBUTIONS	
(200.00)	Ordinary Shareholders	NIL
		<u>NIL</u>
(342,332.55)		17,709.57
	REPRESENTED BY	
	Bank 1 Current	17,709.57
		<u>17,709.57</u>

DM Richardson

Daniel Richardson
Joint Liquidator



Joint Liquidators' Annual Progress Report to Creditors & Members

**Direct Data Services(DDS) Limited
- In Creditors' Voluntary Liquidation**

Reporting period from 17 April 2023 to 16 April 2024

23 April 2024

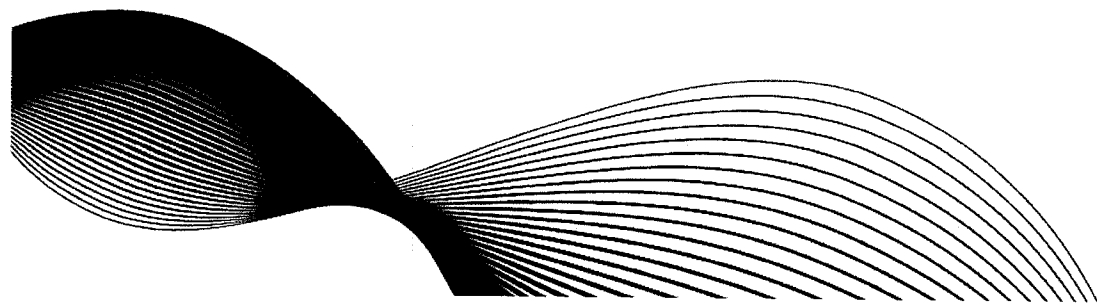
cg-recovery.com
+44 (0)161 358 0210

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APPENDICES

- A** Receipts and Payments Account for the Period from 17 April 2023 to 16 April 2024
- B** Time Analysis for the Period from the 17 April 2023 to 16 April 2024
- C** Additional information in relation to Joint Liquidators' Fees, Expenses & the use of Subcontractors



1 Introduction and Statutory Information

- 1.1 I, Daniel Richardson, together with my partner Edward M Avery-Gee, of CG&Co, 27 Byrom Street, Manchester, M3 4PF were appointed as Joint Liquidators of Direct Data Services(DDS) Limited (the **Company**) on 17 April 2023. We are authorised to act as insolvency practitioners in the UK by the ICAEW and are bound by the Insolvency Code of Ethics when carrying out all professional work in relation to an insolvency appointment. In the event of case related queries, the Liquidators can be contacted on telephone number 0161 358 0210 or by email via info@cg-recovery.com.
- 1.2 This progress report provides an update on the conduct of the Liquidation for the period from 17 April 2023 to 16 April 2024 (**the Period**) and should be read in conjunction with any previous progress reports which have been issued.
- 1.3 Information about the way that this firm will use, and store personal data on insolvency appointments can be found at <https://cg-recovery.com/privacy-policy-2/>. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.4 The principal trading address of the Company was 25 Grosvenor Road, Wrexham, LL11 1BT.
- 1.5 The registered office of the Company has recently been changed from Greg's Building, 1 Booth Street, Manchester M2 4DU to 27 Byrom Street, Manchester, M3 4PF following our recent move of office and its registered number is 06064780.

2 Receipts and Payments

- 2.1 At Appendix A is our Receipts and Payments Account covering the Period of this report.
- 2.2 In Section 3 below, you will find an update on the progress made during the Period in realising the Company's assets and dealing with its affairs. We would, however, bring the following matters about the receipts and payments during the Period to your attention:

3 Progress of the Liquidation

- 3.1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period and an explanation of the work done by the Liquidator and his staff.
Administration (including statutory compliance & reporting)
- 3.2 An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work we anticipated would need to be done in this area was outlined in our initial fees estimate/information which was previously agreed by creditors.
- 3.3 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 Liquidators.
- 3.4 As noted in our 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**Furniture & Equipment**

- 3.5 The Company had a quantity of furniture and equipment which had a book value of £209 and an estimated to realise value of £100. The costs of instructing a chattel agent to uplift and sell these items at auction would far outweigh any benefit to the liquidation and therefore these items were abandoned.

Book Debts

- 3.6 The Company books and records indicate that there were outstanding book debts totalling £22,891. These debts were pursued and a sum of £9,240.13 has been realised to date. The Liquidators are still pursuing the remaining debtors.

Cash at Bank

- 3.7 Following the closure of the Company's bank account, a sum of £721.49 was received from National Westminster Bank.

Cash held in Client Account

- 3.8 Following the appointment of the Joint Liquidators, a sum of £12,141.53 was transferred from the C&Co. Client Account to the Liquidators Estate Account.

Gross Bank Interest

- 3.9 A sum of £158.42 has been received by way of gross bank interest in this reporting period.
- 3.10 It is not anticipated that the work the Liquidator has carried out to deal with the Company's assets will provide a financial benefit to creditors. This is because either the value of the assets was insufficient to produce a financial benefit after the associated costs of realisation were taken into consideration, or because there were no assets owned by the Company in accordance with the Company's statement of affairs that could be realised for the benefit of creditors.

Creditors (claims and distributions)

- 3.11 The Liquidators are 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.
- 3.12 Since 1 December 2020, claims from preferential creditors now fall into one of two categories, either ordinary (typically involving employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal, which rank equally among themselves), or secondary (which are claims by HMRC for VAT or other relevant tax deductions such as PAYE and employee NIC deductions, together with student loans and CIS deductions, which also rank equally among themselves). Ordinary preferential claims rank ahead of secondary preferential claims and all preferential creditors must be paid in full before any distribution can be made to the unsecured creditors of a company.

- 3.13 Work undertaken by the Liquidators in dealing with a company's creditors may only therefore bring a financial benefit to certain classes of creditor such as a secured creditor or the preferential creditors, however the Liquidators are 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 Liquidators in dealing with those claims.
- 3.14 More information on the anticipated outcome for all classes of creditor in this case can be found in Section 4 below.
- 3.15 At this stage, we consider the following matters worth bringing to the attention of creditors:
- We anticipate claims from preferential creditors totalling £17,849.
 - There are approximately 17 unsecured creditor claims in this case with a value per the director(s) statement of affairs of £359,397.

Investigations

- 3.16 Some of the work Liquidators are 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 Liquidators can pursue for the benefit of creditors.
- 3.17 We can confirm that we have submitted a report on the conduct of the Directors of the Company to the Department for Business and Trade under the CDDA 1986. As this is a confidential report, we are unable to disclose the contents.
- 3.18 Shortly after appointment, we 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 any information provided by creditors. Our investigations have not revealed any issues requiring further report or any further potential recoveries which could be pursued for the benefit of creditors.

Matters still to be dealt with

- 3.19 The liquidators will continue to pursue the remaining debtors and undertake their statutory obligations as required under the relevant insolvency legislation. Upon the completion of their investigations, the liquidators will prepare their final report to creditors and conclude the liquidation.

4 Creditors

Preferential Creditors

- 4.1 A summary of the preferential claims in the liquidation and details of any distributions paid to date can be found below:

Ordinary claims	preferential	Agreed Claim £	Statement of Affairs Claim £	Dividend paid p in the £1	Date dividend paid
Employee claims (Total number of claims = 3		0.00	10,997.31	N/A	N/A
Department for Business and Trade		0.00	5,007.93	N/A	N/A

Secondary preferential claims	Agreed Claim £	Statement of Affairs Claim £	Dividend paid p in the £1	Date dividend paid
VAT (HMRC)	5,212.67	0.00	N/A	N/A
PAYE, Employee NIC & CIS deductions (HMRC)	947.47	1,863.91	N/A	N/A

- 4.2 Subject to further realisations being achieved within this liquidation, a dividend may become payable to the preferential creditors in this matter.

Unsecured Creditors

- 4.3 The Company's statement of affairs indicated there were 17 creditors whose debts totalled £359,397. To date, we have received claims totalling £345,499 from 10 creditors.
- 4.4 The Company did not grant any floating charges to a secured creditor. Accordingly, there is no requirement to create a fund out of the Company's net floating charge property for unsecured creditors (known as the **Prescribed Part**), which only applies to charges created after 15 September 2003.

5 Joint Liquidators' Remuneration

- 5.1 Creditors approved that our unpaid pre-liquidation fees totalling £3,000 plus VAT and expenses be paid from the estate to CG&Co. Creditors also approved the payment of £1,000 plus VAT to be paid to MD Coxey & Co for their assistance in the preparation of the Statement of Affairs. During the Period, these fees have been paid in full and are shown on the enclosed Receipts and Payments Account at Appendix A.
- 5.2 Creditors approved that the basis of the Liquidators' remuneration be fixed by reference to the time properly spent by them and their staff in managing the Liquidation. Our fees estimate/information was originally provided to creditors when the basis of our remuneration was approved and was based on information available to us at that time.
- 5.3 A copy of our approved fees estimate for the liquidation is reproduced below:

Category of work	Estimated Number of Hours	Average blended charge out rate £	Estimated cost £
Administration (inc statutory compliance & reporting)	36.50	309.25	11,287.50
Realisation of assets	7.00	300.71	2,105.00
Creditors (claims & distributions)	20.00	287.00	5,740.00
Investigations	6.00	288.33	1,730.00
Case specific matters (VAT & Taxation)	6.00	276.67	1,660.00
Total estimated fees			£22,522.50

- 5.4 Our time costs for the Period are £13,524.00. This represents 41.60 hours at an average rate of £325.10 per hour. Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during the Period in respect of the costs fixed by reference to time properly spent in managing the liquidation. To date, no fees have been paid on account and the expenses shown in the enclosed Receipts and Payments Account has been drawn on account.
- 5.5 At the date of this report, we would confirm that our fees estimate for the liquidation remains unchanged and we currently anticipate that the total amount that will be paid to our firm in respect of the time costs incurred will be £17,710. Where this amount is less than our overall fees

estimate, it may be that our fee recoveries will be restricted as a result of the funds available in the liquidation, which will prevent our time costs being recovered in full.

- 5.6 We do not anticipate that any further approval will be necessary, and we will also update creditors on the anticipated total amount that will be paid to our firm in respect of the fees estimate in our next progress report.
- 5.7 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29114/page/1/liquidation-a-guide-for-creditors-on-insolvency-practitioner-fees/>

- 5.8 Attached as Appendix C is additional information in relation to the Liquidators' fees and expenses including where relevant, information on the use of subcontractors and professional advisers.

6 Creditors' Rights

- 6.1 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 Liquidators provide further information about their remuneration or expenses which have been itemised in this progress report.
- 6.2 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 Liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidators, as set out in this progress report, are excessive.

7 Next Report

- 7.1 We are required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless we have concluded matters prior to this, in which case we will write to all creditors with our final account.
- 7.2 If you have any queries in relation to the contents of this report, we can be contacted by telephone on 0161 358 0210 or by email at info@cg-recovery.com.

Yours faithfully

DM Richardson

Daniel Richardson
Joint Liquidator

Direct Data Services(DDS) Limited
(In Liquidation)

APPENDIX A - JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 17/04/2023 To 16/04/2024 £	From 17/04/2023 To 16/04/2024 £
RECEIPTS			
Furniture & Equipment	100.00	0.00	0.00
Book Debts	22,891.59	9,240.13	9,240.13
Cash at Bank		721.49	721.49
Cash Held in Client Account	12,121.53	12,121.53	12,121.53
Bank Interest Gross		158.42	158.42
		<u>22,241.57</u>	<u>22,241.57</u>
PAYMENTS			
Specific Bond		110.00	110.00
Preparation of S. of A.		3,000.00	3,000.00
Assistance with SOA		1,000.00	1,000.00
Accounting Assistance		200.00	200.00
Statutory Advertising		172.00	172.00
Bank Charges		50.00	50.00
HMRC - PAYE / NI	(1,863.91)	0.00	0.00
RPS Arrears & Holiday Pay	(5,007.93)	0.00	0.00
Employee Arrears/Hol Pay	(10,977.31)	0.00	0.00
Trade & Expense Creditors	(13,902.31)	0.00	0.00
Employees - Redundancy & PILON	(1,200.32)	0.00	0.00
RPS - Redundancy & PILON	(52,109.86)	0.00	0.00
Directors Loan Account	(60,000.00)	0.00	0.00
Bank - Credit Card	(2,184.03)	0.00	0.00
Intercompany Loan	(230,000.00)	0.00	0.00
Ordinary Shareholders	(200.00)	0.00	0.00
		<u>4,532.00</u>	<u>4,532.00</u>
BALANCE - 16 April 2024			<u><u>17,709.57</u></u>

DM Richardson

Daniel Richardson
Joint Liquidator

Appendix B - Time Entry - Detailed SIP9 Time & Cost Summary

D0085 - Direct Data Services(DDS) Limited
From: 17/04/2023 To: 16/04/2024
Project Code: POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Assistant Manager	Total Hours	Time Cost (£)	Average Hourly Rate (£)
700 : Formalities	1.10	11.30	4.20	2.10	0.00	18.70	5,431.00	290.43
Admin & Planning	1.10	11.30	4.20	2.10	0.00	18.70	5,431.00	290.43
600 : Case Specific	0.00	0.00	0.00	0.30	0.00	0.30	43.50	145.00
Case Specific Matters	0.00	0.00	0.00	0.30	0.00	0.30	43.50	145.00
500 : Preferential Creditors	0.20	2.70	0.00	0.00	0.00	2.90	1,009.00	347.93
501 : Unsecured Creditors	0.00	1.10	0.20	0.00	0.00	1.30	409.00	314.62
502 : Employee Matters	0.00	0.60	0.70	0.00	0.00	1.30	326.50	251.15
504 : Statutory Reporting to Creditors	1.20	1.70	0.00	0.00	0.00	2.90	1,124.00	387.59
Creditors	1.40	6.10	0.90	0.00	0.00	8.40	2,868.50	341.49
201 : CDDA Reports	1.30	2.10	0.00	0.20	0.00	3.60	1,334.50	370.69
Investigations	1.30	2.10	0.00	0.20	0.00	3.60	1,334.50	370.69
302 : Property	0.30	0.50	0.90	0.00	0.00	1.70	464.00	272.94
303 : Bank Debts	3.10	5.10	0.00	0.00	0.00	8.20	3,144.50	383.48
306 : Other Assets	0.00	0.70	0.00	0.00	0.00	0.70	238.00	340.00
Realisation of Assets	3.40	6.30	0.90	0.00	0.00	10.60	3,846.50	362.88
Total Hours	7.20	25.80	6.00	2.60	0.00	41.60	13,524.00	325.10
Total Fees Claimed							0.00	

Appendix C

Additional Information in Relation to the Joint Liquidators' Fees, Expenses & the use of Subcontractors Staff Allocation and the use of Subcontractors

The 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, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.

We have not utilised the services of any subcontractors on this case.

Professional Advisors

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
Prism 339 Limited (Accounting Assistance)	Fixed Fee

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

Joint Liquidators' Expenses

The estimate of expenses which were anticipated at the outset of the liquidation was provided to creditors when the basis of our fees was approved. The table below compares the anticipated costs against those incurred to date.

Category 1 expenses

These expenses do not require prior approval by creditors. The type of expenses that may be charged to a case as a Category 1 expense generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, external room hire and external storage costs. Also chargeable, will be any properly reimbursed expenses incurred by personnel in connection with the case. These expenses may include disbursements which are payments first met by an office holder and then reimbursed from the estate.

Expense	Estimated overall cost £	Paid in Prior Period £	Paid in the period covered by this report £	Incurred but not paid to date £
Statutory advertising	206.40	0.00	172.00	0.00
Specific Penalty Bond	110.00	0.00	110.00	0.00
Accounting Assistance	0.00	0.00	200.00	0.00
Pension advice	800.00	0.00	0.00	0.00
Bank charges	50.00	0.00	50.00	0.00

A sum of £200.00 was paid to Prism 339 Limited who are a Firm that holds specialist software which enables the bank statements of a Company to be analysed and returned to us within a 24-hour period. This task would be considerably more costly and would take longer if the statements had to be analysed by the Office holders' staff.

Category 2 expenses

These expenses 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 therefore include payments to associates of the office holder or shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis. This Firm does not charge Category 2 expenses.

CG&CO CHARGE OUT RATES

The rates applying as at the date of this report are as follows:

	From 1 August 2021 (Per hour)	From 1 November 2023 (Per hour)
	£	£
Partner	455.00	500.00
Director	395.00	435.00
Senior Managing Associate	375.00	415.00
Managing Associate	340.00	375.00
Managing Associate	255.00	280.00
Senior Associate	175.00	190.00
Associate	145.00	160.00
Support Staff	85.00	95.00

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units.