

In accordance with Rule 18.7 of the Insolvency (England & Wales) Rules 2016 and Sections 92A, 104A and 192 of the Insolvency Act 1986.

LIQ03

Notice of progress report in voluntary winding up



Companies House

FRIDAY



A40 *A7L9DUS0* #187
21/12/2018
COMPANIES HOUSE

please
house

1 Company details

Company number 04296391

Company name in full Debt Connect (U.K.) Limited

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

2 Liquidator's name

Full forename(s) Martin

Surname Maloney

3 Liquidator's address

Building name/number Leonard Curtis

Street Leonard Curtis House

Elms Square, Bury New Road

Post town Whitefield

County/Region Greater Manchester

Postcode M45 7TA

Country

4 Liquidator's name

Full forename(s) John

Surname Titley

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

5 Liquidator's address

Building name/number Leonard Curtis

Street Leonard Curtis House

Elms Square, Bury New Road

Post town Whitefield

County/Region Greater Manchester

Postcode M45 7TA

Country

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

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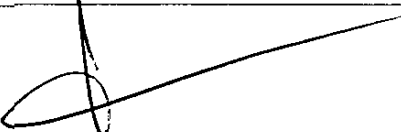
6 Period of progress report

From date	d 2 d 8	m 1 m 0	y 2 y 0 y 1 y 7	
To date	d 2 d 7	m 1 m 0	y 2 y 0 y 1 y 8	

7 Progress report


<input checked="" type="checkbox"/> The progress report is attached	
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8 Sign and date

Liquidator's signature	Signature X  X	
Signature date	d 20 m 2 y 20 y 18	

LIQ03

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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 **Lauren Fitton**

Company name **Leonard Curtis**

Address
Leonard Curtis House
Elms Square, Bury New Road
Whitefield

Post town **Greater Manchester**

County/Region

Postcode **M 4 5 7 T A**

Country

DX

Telephone **0161 413 0930**

 **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



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

**Debt Connect (U.K.) Limited
(In Creditors' Voluntary Liquidation)**

Company Number: 04296391

Former Registered Office and Trading Address:

Citibase, 40 Princess Street, Manchester M1 6DE

**Joint Liquidators' Fourth Progress Report
pursuant to Section 104A(1) of the Insolvency Act 1986 (as amended)
and Rule 18.3 of the Insolvency (England and Wales) Rules 2016**

20 December 2018

**Leonard Curtis
Leonard Curtis House, Elms Square, Bury New Road, Whitefield
Greater Manchester M45 7TA
Tel: 0161 413 0930 Fax: 0161 413 0931
recovery@leonardcurtis.co.uk
Ref: K/26/MM/D570Q/1010**

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TO ALL MEMBERS, CREDITORS AND THE REGISTRAR OF COMPANIES

1 INTRODUCTION

- 1.1 Martin Maloney and John Titley were appointed Joint Liquidators of Debt Connect (U.K.) Limited ("the Company") on 28 October 2014.
- 1.2 Martin Maloney and John Titley are authorised to act as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales.
- 1.3 There has been no change in office holder since the date of liquidation.
- 1.4 This report provides an update on the conduct of the liquidation for the period from 28 October 2017 to 27 October 2018, as required by Section 104A(1) of the Insolvency Act 1986 (as amended) ("the Act") and Rule 18.3 of the Insolvency (England and Wales) Rules 2016 ("the Rules"). It contains details of the progress made, the expected outcome for creditors and other information that the Joint Liquidators are required to disclose and should be read in conjunction with the previous progress report dated 20 December 2017
- 1.5 All figures are stated net of VAT.

2 CONDUCT OF THE LIQUIDATION

- 2.1 The Company's registered office was changed to Leonard Curtis Hollins, Mount Hollins Lane, Bury BL9 8DG on 19 November 2014. This was subsequently changed to Leonard Curtis House, Elms Square, Bury New Road, Whitefield, Greater Manchester M45 7TA on 30 June 2015.

Assets Realised

Bank Interest

- 2.2 £0.23 has been received in this respect.

Assets Still to be Realised

- 2.3 As previously reported, the Joint Liquidators are currently investigating antecedent transactions the directors undertook prior to liquidation, which could lead to possible further realisations.

3 RECEIPTS AND PAYMENTS ACCOUNT

- 3.1 A summary of the Joint Liquidators' receipts and payments for the entire period of the liquidation, including the period from 28 October 2017 to 27 October 2018, is attached at Appendix A.

4 OUTCOME FOR CREDITORS

Secured Creditors

Lloyds TSB Bank Plc

- 4.1 Lloyds TSB Bank Plc hold a debenture deed incorporating a fixed charge and a floating charge over the Company's assets, created on 19 November 2007 and registered on 24 November 2017. It is understood that no liability was outstanding to Lloyds at the date of liquidation.

Preferential Creditors

- 4.2 As at the date of liquidation, there were 21 preferential creditors, with estimated claims totalling £16,800.
- 4.3 No claims have been received.

Prescribed Part

- 4.4 As it is understood the Company has no unsatisfied post-Enterprise Act charges, there is no requirement to set aside a prescribed part in this case.

Ordinary Unsecured Creditors

- 4.5 As at the date of liquidation, there were 21 unsecured creditors, with estimated claims totalling £141,042. Claims totalling £149,696 have been received.
- 4.6 The funds realised have already been distributed or used or allocated for paying the expenses of the liquidation. As a result, there will be no dividend to ordinary unsecured creditors.
- 4.7 The Joint Liquidators have collated and acknowledged (where requested) the claims of the ordinary unsecured creditors, although, in view of the fact that there will be no distribution to this class of creditor, unsecured claims have not been formally agreed.

5 INVESTIGATIONS

- 5.1 A previously reported, following the initial assessment, detailed investigations were considered to be required by the Joint Liquidators relating to the Company. These investigations are still continuing. Ward Hadaway solicitors are assisting with the investigations.
- 5.2 Notwithstanding the above, the Joint Liquidators have complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority.

6 JOINT LIQUIDATORS' REMUNERATION, EXPENSES AND DISBURSEMENTS, AND CREDITORS' RIGHTS

Remuneration

- 6.1 A fee of £12,500 in respect of the preparation of the statement of affairs was approved by creditors on 28 October 2014. To date, no fees have been drawn.

Debt Connect (U.K.) Limited – In Creditors' Voluntary Liquidation

6.2 At the same meeting, it was resolved that the Joint Liquidators' remuneration be payable by reference to time properly given by them and their staff in attending to matters arising in the liquidation. The joint liquidators' time costs from 28 October 2017 to 27 October 2018 are £8,746, which represents 43.5 hours at an average hourly rate of £201.06. Attached at Appendix B is a time analysis which provides details of the activity costs incurred by staff grade during the period from 28 October 2017 to 27 October 2018. Total time costs from the commencement of the liquidation amount to £70,450.

6.3 No fees have been drawn, to date.

6.4 Due to ongoing investigations, as per paragraph 2.3, significant time has been spent progressing and reviewing the case.

Significant Time Costs

Assets

6.5 Time has been incurred by the Joint Liquidators, and their staff, in realising the assets of the Company. As above, this is due to the time spent progressing the investigations.

General Administration

6.6 Time has been incurred in this category which included engaging in general correspondence and undertaking general day to day tasks during the liquidation.

Expenses and Disbursements

6.7 A summary of the Joint Liquidators' expenses from 28 October 2014 to 27 October 2018 is attached at Appendix C. To assist creditors' understanding of this information, it has been separated into the following two categories:

- *Standard Expenses*: this category includes expenses payable by virtue of the nature of the liquidation process and / or payable in order to comply with legal or regulatory requirements.
- *Case Specific Expenses*: this category includes expenses likely to be payable by the Joint Liquidators in carrying out their duties in dealing with issues arising in this particular liquidation. Included within this category are costs that are directly referable to the liquidation but are not paid to an independent third party (and which may include an element of allocated costs). These are known as 'category 2 disbursements' and they may not be drawn without creditor approval.

6.8 Authority to take category 2 disbursements was approved by members on 28 October 2014.

6.9 Attached at Appendix C is additional information in relation to the firm's policy on staffing, the use of subcontractors, disbursements and details of current charge-out rates by staff grade.

6.10 During the liquidation, the following professional advisors and / or subcontractors have been used:

Name of Professional Advisor	Service Provided	Basis of Fees
EK Employment Law Consultants	Employee Consulting	Fixed Fee
Ward Hadaway	Legal	Percentage of Realisations

Creditors' Rights

- 6.11 Under Rule 18.9 of the Rules, within 21 days of receipt of this report, a secured creditor, or an unsecured creditor with either the concurrence of at least five per cent in value of the unsecured creditors (including the creditor in question), or with the permission of the court, may request in writing that the Joint Liquidators provide further information about their remuneration or expenses which have been itemised in this report.
- 6.12 Under Rule 18.34 of the Rules, any secured creditor, or any unsecured creditor with either the concurrence of at least 10 per cent in value of the unsecured creditors (including that creditor), or the permission of the court, may within eight weeks of receipt of the progress report that first reports the fee basis, the charging of the remuneration or the incurring of the expenses in question, make an application to court on the grounds that, in all the circumstances, the basis fixed for the Joint Liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Joint Liquidators, as set out in the progress report, are excessive.
- 6.13 Unless the court orders otherwise, the costs of the application shall be paid by the applicant and are not payable as an expense of the liquidation.

7 MATTERS STILL TO BE DEALT WITH

7.1 Matters still to be dealt with before conclusion of the Liquidation include the following:

- Ongoing investigations and potential asset realisations; and
- Closure process.

8 OTHER MATTERS

8.1 For your information, a creditor's guide to liquidators' fees, which sets out the rights of creditors and other interested parties under the insolvency legislation, may be accessed from the following website via the link below:

<https://www.r3.org.uk/what-we-do/publications/professional/fees>

8.2 If you would prefer this to be sent to you in hard copy form, please contact Mark Middlemas of this office on 0161 413 0930.

8.3 Creditors are also encouraged to visit the following website, which provides a step by step guide designed to help creditors navigate through an insolvency process:

<http://www.creditorinsolvencyguide.co.uk>

8.4 The Joint Liquidators are bound by the Insolvency Code of Ethics, which can be found at:

<https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

Data Protection

8.5 When submitting details of your claim in the liquidation, you may disclose personal data to the Joint Liquidators. The processing of personal data is regulated in the UK by the General Data Protection Regulation EU 2016/679 as supplemented by the Data Protection Act 2018, together with other laws which relate to privacy and electronic communications. The Joint Liquidators act as Data Controllers in respect of personal data they obtain in relation to this liquidation and are therefore responsible for complying with Data Protection Law in respect of any personal data they process. The Joint Liquidators' privacy notice, which is attached to this report at Appendix D, explains how they process your personal data. Terms used in this clause bear the same meanings as are ascribed to them in Data Protection Law.

Yours faithfully

A handwritten signature in black ink, appearing to be 'M. Maloney', written over a horizontal line.

**MARTIN MALONEY
JOINT LIQUIDATOR**

Martin Maloney and John Titley are authorised to act as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales under office holder numbers 9628 and 8617, respectively

**SUMMARY OF JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS
FROM 28 OCTOBER 2014 TO 28 OCTOBER 2018**

	Estimated to Realise	As at 28 October 2017	Movements in the Period	As at 27 October 2018
	£	£	£	£
RECEIPTS				
Office Equipment	850.00	-	-	-
Fixtures and Fittings	150.00	-	-	-
	<u>1,000.00</u>	-	-	-
Debtors		162.84	-	162.84
Bank Interest		-	0.23	0.23
		<u>162.84</u>	<u>0.23</u>	<u>163.07</u>
PAYMENTS				
		-	-	-
TOTAL COSTS AND CHARGES PAID				
		-	-	-
BALANCE		<u>162.84</u>	<u>0.23</u>	<u>163.07</u>
 MADE UP AS FOLLOWS				
Balance at Bank		162.84	0.23	163.07
VAT Receivable		-	-	-
		<u>162.84</u>	<u>0.23</u>	<u>163.07</u>

SUMMARY OF JOINT LIQUIDATORS' EXPENSES FROM 28 OCTOBER 2014 TO 28 OCTOBER 2018

Standard Expenses

Type	Charged by	Description	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
Bond Fee		Insurance bond	40.00	-	-	40.00
Company Searches		Extraction of company information from Companies House	11.00	-	-	11.00
Document Hosting	Pelstar	Hosting of documents for creditors	28.00	7.00	-	28.00
Software Licence Fee	Pelstar	Case management system licence fee	87.00	-	-	87.00
Statutory Advertising	Courts advertising	Advertising	253.80	-	-	253.80
Storage Costs	Auctus	Storage of books and records	867.51	238.44	-	867.51
		Total standard expenses	1,287.31	245.44	-	1,287.31

Case Specific Expenses

Type	Charged by	Description	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
Professional Fees	EK Consulting	Employee Consulting	180.00	-	-	180.00
Staff Mileage	Leonard Curtis	Category 2 disbursement requiring specific creditor / committee approval	18.63	-	-	18.63
		Total case specific expenses	198.63	-	-	198.63

LEONARD CURTIS POLICY REGARDING FEES, EXPENSES AND DISBURSEMENTS

LEONARD CURTIS POLICY REGARDING FEES, EXPENSES AND DISBURSEMENTS

The following Leonard Curtis policy information is considered to be relevant to creditors:

Staff Allocation and Charge Out Rates

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by resolution that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters as set out in a fees estimate, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rate given below.

With effect from 6 January 2014 the following hourly charge out rates apply to all assignments undertaken by Leonard Curtis:

6 Jan 2014 onwards	Standard	Complex
	£	£
Director	450	562
Senior Manager	410	512
Manager 1	365	456
Manager 2	320	400
Administrator 1	260	325
Administrator 2	230	287
Administrator 3	210	262
Administrator 4	150	187
Support	0	0

Office holders' remuneration may include costs incurred by the firm's in-house legal team, who may be used for non-contentious matters pertaining to the insolvency appointment.

Subcontractors

Where we subcontract out work that could otherwise be carried out by the office holder or his/her staff, this will be drawn to the attention of creditors in any report which incorporates a request for approval of the basis upon which remuneration may be charged. An explanation of why the work has been subcontracted out will also be provided.

Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements.

The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

Expenses

We are required to provide creditors with an estimate of the expenses we expect to be incurred in respect of an assignment and report back to them on actual expenses incurred and paid in our periodic progress reports. There are two broad categories of expenses: standard expenses and case specific expenses. These are explained in more detail below:

- a) Standard Expenses – this category includes expenses which are payable in order to comply with legal or regulatory requirements and therefore will generally be incurred on every case. They will include:

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Type	Description	Amount		
AML checks	Electronic client verification in compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017	£5.00 plus VAT per individual		
Bond / Bordereau fee	Insurance bond to protect the insolvent entity against and losses suffered as a result of the fraud or dishonesty of the IP	£10.00 to £1,200.00 dependent on value of assets within case		
Company searches	Extraction of company information from Companies House	£1.00 per document unless document can be accessed via the free service		
Document hosting	Hosting of documents for creditors/shareholders	Type		
		ADM	£14.00	£1.40
		CVL	£7.00	£0.70
		MVL	£7.00	£0.70
		CPL	£7.00	£0.70
		CVA	£10.00	£1.00
		BKY	£10.00	£1.00
IVA	£10 p.a. or £25 for life of case			
Post re-direction	Redirection of post from Company's premises to office-holders' address	0-3 months £204.00 3-6 months £303.00 6-12 months £490.00		
Software Licence fee	Payable to software provider for use of case management system	£87.00 plus VAT per case		
Statutory advertising	Advertising of appointment, notice of meetings etc. - London Gazette - Other	£83.02 plus VAT per advert Dependent upon advert and publication		
Storage costs	Costs of storage of case books and records	£5.07 plus VAT per box per annum plus handling charges		

- b) Case-specific expenses – this category includes expenses (other than office-holders' fees) which are likely to be payable on every case but which will vary depending upon the nature and complexity of the case and the assets to be realised. They will include:

Type	Description	Amount
Agents' fees	Costs of appointed agents in valuing and realising assets	Time costs plus disbursements plus VAT
Debt Collection fees	Costs of appointed debt collectors in realising debts	Generally agreed as a % of realisations plus disbursements plus VAT
Legal fees	Costs of externally appointed solicitors. Will generally comprise advice on validity of appointment, drafting of sale contracts, advice on retention of title issues and advice on any reviewable transactions.	Time costs plus disbursements plus VAT
Other disbursements	See disbursements section below	See disbursements section below

Disbursements

Included within both of the above categories of expenses are disbursements, being amounts paid firstly by Leonard Curtis on behalf of the insolvent entity and then recovered from the entity at a later stage. These are described as Category 1 and Category 2 disbursements.

- a) Category 1 disbursements: These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses (excl. mileage), and equivalent costs reimbursed to the office holder or his or her staff. Category 1 disbursements may be drawn without prior approval.
- b) Category 2 disbursements: These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage. In the event of charging for category 2 disbursements the following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision:

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Storage of office files (6 years)	£81.25 per box
Business mileage	45p per mile

Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration.

**LEONARD CURTIS
PRIVACY NOTICE FOR CREDITORS**

Information we collect and hold about you

By requesting details of your claim in this insolvency, we may collect Personal Data from you, particularly if you are a consumer creditor, a sole trader or are lodging a claim in your personal capacity.

Personal Data is information relating to a living individual. Whenever Personal Data is processed, collected, recorded, stored or disposed of it must be done within the terms of the General Data Protection Regulation ("the GDPR"). Examples of Personal Data include but may not be limited to your name, address, telephone number and email contact details.

If you do not provide us with the information we require, this may adversely affect our ability to deal with your claim, but we would ask you not to submit more Personal Data than we request from you.

Legal justification for processing your Personal Data

The processing of your Personal Data by us is necessary to enable us to comply with legal obligations under the Insolvency Act 1986 and associated legislation which we are subject to as Insolvency Practitioners.

How we use your information

All information you supply to us is required to enable us to comply with our duties under the Insolvency Act 1986 and associated legislation. It will be used to enable us to assess the extent of the insolvent entity's liabilities, to allow you to vote on any decision procedures, to enable us to communicate with you, to process your claim and to pay any dividends which may be due to you from the insolvent estate.

Who we share your information with

We may be required to share some of your Personal Data with other creditors. The data which will be shared with other creditors will be limited to that specifically required to be disclosed under insolvency legislation.

We may share some of your information with our Data Processors. Data Processors include solicitors, accountants and employment law specialists who assist us with our duties where required. We will only share your information with our Data Processors if we require their specialist advice. All of our Data Processors are subject to written contracts with us to ensure that your Personal Data is processed only in accordance with the GDPR.

How long will we hold your Personal Data for?

We will need to hold your Personal Data for a period of time after the insolvency has been concluded. This is to enable us to deal with any queries which might arise. Our Records Management Policy requires us to destroy our physical files 6 years after closure of the case. Electronic data files will be removed from our Case Management System 6 years after conclusion of the case but may be held on our server for a longer period of time but with restricted access.

Your rights in respect of your Personal Data

You have the right to request access to your Personal Data and to require it to be corrected or erased. You also have the right to request a restriction in the way we process your Personal Data or to object to its processing. You should be aware however that we may not be able to comply with your request if this would affect our ability to comply with our legal obligations.

You have the right to Data Portability. This is a right to have the Personal Data we hold about you to be provided to you in a commonly used and machine-readable format so that you can transfer that Data to another organisation in a way that is not too onerous to upload the Data.

Debt Connect (U.K.) Limited – In Creditors' Voluntary Liquidation

Your right to complain

You have the right to be confident that we are handling your Personal Data responsibly and in line with good practice. If you have a concern about the way we are handling your Personal Data you should contact our Privacy Manager in the first instance.

If you are unable to resolve your concerns with us, you have the right to complain to the Information Commissioners' Office. The Information Commissioner can be contacted at Wycliffe House, Water Lane, Wilmslow, Cheshire SK6 5AF or on 0303 123 1113.

Contacting us

If you have any questions relating to the processing of your Personal Data, please write to our Privacy Manager at Leonard Curtis, Level 5, The Grove, 248A Marylebone Road, London NW1 6BB Alternatively our Privacy Manager can be contacted by telephone on 0207 535 7000 or by email: privacy@leonardcurtis.co.uk.

Data Controller: LEONARD CURTIS