

LIQ03

Notice of progress report in voluntary winding up



Companies House

WEDNESDAY



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15/04/2020

#335

COMPANIES HOUSE

1 Company details

Company number 0 4 5 6 9 3 2 8

Company name in full TMC (Southern) Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Matthew John

Surname Waghorn

3 Liquidator's address

Building name/number 92

Street London Street

Post town Reading

County/Region Berkshire

Postcode R G 1 4 S J

Country

4 Liquidator's name ①

Full forename(s) Stephen

Surname Grant

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 2nd Floor Regis House

Street 45 King William Street

Post town London

County/Region

Postcode E C 4 R 9 A N

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	1	d	3	m	0	m	3	y	2	y	0	y	1	y	9
To date	d	1	d	2	m	0	m	3	y	2	y	0	y	2	y	0
7	Progress report															
<input checked="" type="checkbox"/> The progress report is attached																
8	Sign and date															
Liquidator's signature	Signature X _____ X Matthew John Waghorn Joint Liquidator															
Signature date	d	0	d	7	m	0	m	4	y	2	y	0	y	2	y	0

LIQ03

Notice of progress report in voluntary winding up



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 **Anthony Young**

Company name **Wilkins Kennedy**

Address **92 London Street**

Post town **Reading**

County/Region **Berkshire**

Postcode **R G 1 4 S J**

Country

DX

Telephone **01189512131**



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

Joint Liquidators' Annual Progress Report to Creditors & Members

TMC (Southern) Limited - In Liquidation ("the Company")

For the Period ending 12 March 2020

Dated: 7 April 2020

TMC (SOUTHERN) LIMITED - IN LIQUIDATION

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- 6** Creditors' Rights
- 7** Next Report

APPENDICES

- A** Receipts and Payments Account for the Period from 13 March 2019 to 12 March 2020 incorporating a Cumulative Receipts and Payments Account since 13 March 2017
- B** Time Analysis for the Period from the 13 March 2019 to 12 March 2020.
- C** Cumulative Time Analysis for the Period since the Joint Liquidators' Appointment on 13 March 2017.
- D** Additional information in relation to Joint Liquidators' Fees, Expenses & Disbursements

TMC (SOUTHERN) LIMITED - IN LIQUIDATION

1 Introduction and Statutory Information

- 1.1 John Kirkpatrick and David Tann were appointed Joint Liquidators of the Company on 13 March 2017 by the members and creditors. On 16 January 2018, an Order was made in the High Court removing John Kirkpatrick as officeholder due to imminent retirement and appointing Matthew Waghorn as replacement officeholder with effect from the date of the Order.

Additionally, on 26 November 2018 an Order was made in the High Court removing David Tann as joint officeholder in view of his pending retirement and replacing him with Stephen Grant with effect from the same date.

This progress report covers the period from 13 March 2019 to 12 March 2020 (**the Period**) and should be read in conjunction with any previous progress reports which have been issued.

- 1.2 Information about the way that we will use, and store personal data on insolvency appointments can be found at:
https://www.wilkinskennedy.com/documents/9/insolvency_privacy_notice_for_directors_shareholders_and_owners_Sept_2018.pdf. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.3 The principal trading address of the Company was Suite 105, Fareham Reach, 166 Fareham Road, Gosport, PO13 0FW.
- 1.4 The registered office of the Company has been changed to 92 London Street, Reading, Berkshire, RG1 4SJ and its registered number is 04569328.

2 Receipts and Payments

- 2.1 At Appendix A is our Receipts and Payments Account covering the Period of this report. Also attached at Appendix A, is a cumulative Receipts and Payments Account for the period from the date of the appointment of the former Joint Liquidators to the end of the Period covered by 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.

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 Liquidators and their 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 to creditors in our initial fees estimate/information.
- 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 Joint Liquidators.

TMC (SOUTHERN) LIMITED - IN LIQUIDATION

- 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

- 3.5 There have been no asset realisations during the Period. Please see the Investigations section below for matters that are currently outstanding in this matter.
- 3.6 It is uncertain whether the work the Joint Liquidators and their staff have undertaken to date will bring a financial benefit to creditors. This may result in a distribution to unsecured creditors of the Company.

Creditors (claims and distributions)

- 3.7 Further information on the anticipated outcome for creditors in this case can be found at section 3 of this report. The Joint 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.
- 3.8 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.
- 3.9 The above work will not necessarily bring any financial benefit to creditors generally, 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.
- 3.10 We consider the following matters worth noting in our report to creditors at this stage:
- We have received unsecured claims totalling £1,836,573.02 compared to £678,337.00 estimated in the statement of affairs. The reason for this significant difference is due to a claim received by HM Revenue & Customs which totals £1,131,779.00. HMRC's claim was included in the director's statement of affairs at £1 however they have now issued notification of the existence of a loan charge in respect of remuneration paid to the employees. A claim from British Gas totalling £27,593.43 has also been received which was previously included as a claim for £53.32.
 - There are approximately seven unsecured creditor claims in this case who are owed approximately £1,836,573.02.
 - We have not received any claims from preferential creditors in this case to date.

Investigations

- 3.11 You may recall from our first progress report to creditors that some of the work the 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.

TMC (SOUTHERN) LIMITED - IN LIQUIDATION

- 3.12 Our report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the first year of the liquidation and is confidential.
- 3.13 Since our last progress report we would advise that no further asset realisations have come to light that may be pursued by us for the benefit of creditors. Although, as stated in our previous progress report, Isadore Goldman Solicitors remain instructed in relation to transactions entered into by the Company. This matter is currently ongoing and detailed further below.

Matters still to be dealt with

- 3.14 Isadore Goldman remain instructed in relation to a potential claim in respect of transactions entered into by the Company prior to entering into liquidation. Due to the sensitive nature of this matter I am limiting the disclosure of information in relation to the same as to not prejudice any future claims. I remain in correspondence with Isadore Goldman in relation to potential claims.

4 Creditors

Secured Creditors

- 4.1 There are no secured creditors.

Unsecured Creditors

- 4.2 We have received claims totalling £1,836,573.02 from seven creditors
- 4.3 It is uncertain whether there will be sufficient funds realised after defraying the expenses of the liquidation to pay a dividend to unsecured creditors as Isadore Goldman Solicitors remain instructed as detailed above.

5 Joint Liquidators' Remuneration

- 5.1 On 31 May 2018, my remuneration was authorised by the creditors on the basis set out below. A description of the routine work undertaken in the liquidation by category is included at Appendix D.

Fixed Fee Basis:

I was authorised to draw a fixed fee of £7,500 for administration and statutory matters undertaken in the liquidation. I have been unable to draw this fee to date due to insufficient realisations.

Percentage Basis:

I was authorised to draw a fee calculated as a percentage of assets realised and/or distributions made at 20% in respect of the realisation of all assets of the Company. Based on realisations I have achieved to date, I am entitled to remuneration of £1,572.96. I have however not been able to draw any remuneration in respect of work done for which my fees were approved on a percentage basis.

TMC (SOUTHERN) LIMITED - IN LIQUIDATION

Time Costs:

I was authorised to draw remuneration on a time costs basis for my work in respect of investigation and creditor matters. The approval was based on a fees estimate of £9,563.50 which acts as a cap and I cannot draw remuneration in excess of that estimate without first seeking approval from the creditors. A detailed schedule of my time costs incurred for this work to 12 March 2020 and since my last report is included at Appendix B.

- 5.2 Our time costs for the Period relating to work completed for which we are being remunerated on a time cost basis amount to £7,105.70. This represents 24.30 hours at an average rate of £292.42 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 by us in managing the liquidation. To date, no fees or disbursements have been drawn on account.
- 5.3 Also attached as Appendix C is a cumulative Time Analysis for the period from 13 March 2017 to 12 March 2020 which provides details of our time costs since appointment. The cumulative time costs incurred to date are £18,214.20. This represents 77.20 hours at an average rate of £235.94 per hour.
- 5.4 The Liquidators have not drawn any fees to date.
- 5.5 At the date of this report, we would confirm that our current time costs far exceed the fee estimate cap we had previously set in the sum of £9,563.50. However we do not at this juncture intend on requesting a further fee resolution in this regard.
- 5.6 Attached as Appendix D is additional information in relation to the Liquidators' fees, expenses and disbursements, 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 01189512131 or by email at Anthony.Young@wilkinskennedy.com.

TMC (SOUTHERN) LIMITED - IN LIQUIDATION

- 7.3 Finally, to comply with the Provision of Services Regulations, some general information about Wilkins Kennedy, including about our complaints policy and Professional Indemnity Insurance and the Insolvency Code of Ethics, can be found at <https://www.wilkinskennedy.com/services/advisory/insolvency/provision-service>.

Yours faithfully

Matthew John Waghorn
Joint Liquidator

TMC (SOUTHERN) LIMITED - IN LIQUIDATION

Appendix A

Receipts and Payments Account for the Period from 13 March 2019 to 12 March 2020 incorporating a Cumulative Receipts and Payments Account since 13 March 2017

TMC (SOUTHERN) LIMITED - IN LIQUIDATION

**TMC (Southern) Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts and Payments**

	Statement of affairs £	From 13/03/2019 To 12/03/2020 £	From 07/03/2017 To 12/03/2020 £
RECEIPTS			
Bank Interest Gross		0.00	1.70
Cash in hand		0.00	7,864.80
VAT		1,070.00	0.00
		<u>1,070.00</u>	<u>7,866.50</u>
PAYMENTS			
Accountant Fees		0.00	1,350.00
Preparation of S. of A.		0.00	5,000.00
Vat Receivable		1,070.00	1,070.00
		<u>1,070.00</u>	<u>7,420.00</u>
BALANCE - 12 March 2020		<u><u>0.00</u></u>	<u><u>446.50</u></u>
MADE UP AS FOLLOWS			
Bank 1 Current		0.00	446.50
		<u>0.00</u>	<u>446.50</u>

Note:

TMC (SOUTHERN) LIMITED - IN LIQUIDATION

Appendix B

Time Analysis for the Period 13 March 2019 to 12 March 2020

TMC (SOUTHERN) LIMITED - IN LIQUIDATION

Analysis of joint liquidators' time costs

TMC (Southern) Limited - in Liquidation

from 13 March 2019 to 12 March 2020

JOINT LIQUIDATORS' FEES

HOURS						Time Cost £	Average hourly rate £
Classification Of work function	Partner	Manager	Other senior Professionals	Assistants & support staff	Total Hours		
Administration & planning							
Cashiering & accounting							
Investigations	11.70	-	11.10	-	22.80	6,874.00	301.49
Realisation of assets							
Creditors	-	-	1.40	0.10	1.50	231.70	154.47
Total hours	11.70	-	12.50	0.10	24.30	7,105.70	292.42
Total fees claimed (£)						-	

Wilkins Kennedy Charge-Out Rates

£		£	
1 January 2017 to 2 December 2018		3 December 2018 to date	
Partners	400.00 - 460.00	Partners	430.00 - 470.00
Directors/Managers	230.00 - 360.00	Directors/Managers	210.00 - 390.00
Senior Administrators	145.00 - 200.00	Administrators	110.00 - 210.00
Administrators	100.00 - 160.00	Junior/Trainee Administrators	95.00 - 200.00
Junior/Trainee Administrators	50.00 - 110.00	Cashiers/Secretaries	60.00 - 100.00
Cashiers/Secretaries	75.00 - 90.00		

TMC (SOUTHERN) LIMITED - IN LIQUIDATION

Appendix C

Cumulative Time Analysis for the Period since 13 March 2017

TMC (SOUTHERN) LIMITED - IN LIQUIDATION

Analysis of joint liquidators' time costs

TMC (Southern) Limited – in Liquidation

from 13 March 2017 to 12 March 2020

JOINT LIQUIDATORS' FEES

Classification Of work function	HOURS					Time Cost £	Average hourly rate £
	Partner	Manager	Other senior Professionals	Assistants & support staff	Total Hours		
Administration & planning							
Cashiering & accounting							
Investigations	18.30	10.00	41.70	-	70.00	17,045.50	243.51
Realisation of assets							
Creditors	0.10	-	7.00	0.10	7.20	1,168.70	162.32
Total hours	18.40	10.00	48.70	0.10	77.20	18,214.20	235.94
Total fees claimed (£)							

Wilkins Kennedy Charge-Out Rates

	£		£
1 January 2017 to 2 December 2018		3 December 2018 to date	
Partners	400.00 - 460.00	Partners	430.00 - 470.00
Directors/Managers	230.00 - 360.00	Directors/Managers	210.00 - 390.00
Senior Administrators	145.00 - 200.00	Administrators	110.00 - 210.00
Administrators	100.00 - 160.00	Junior/Trainee Administrators	95.00 - 200.00
Junior/Trainee Administrators	50.00 - 110.00	Cashiers/Secretaries	60.00 - 100.00
Cashiers/Secretaries	75.00 - 90.00		

TMC (SOUTHERN) LIMITED - IN LIQUIDATION

Appendix D

Additional information in relation to Joint Liquidators' Fees, Expenses & Disbursements

8 Staff Allocation and the Use of Sub-Contractors

- 8.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 8.2 The constitution of the case team will usually consist of an Office Holder, 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.
- 8.3 We have not utilised the services of any sub-contractors in this case.

9 Liquidators' Expenses & Disbursements

- 9.1 The expenses (including disbursements) which were anticipated at the outset of the Liquidation was outlined to the members when the basis of our fees was approved.

Summary of Liquidators' expenses

- 9.2 A summary of the expenses paid by the Liquidators during the Period can be found in the Receipts and Payments account at Appendix A. An outline of the total expenses paid during the Liquidation can be found in the Receipts and Payments account at Appendix B.
- 9.3 Category 1 disbursements do not require approval. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also, chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.
- 9.4 Category 2 disbursements do require approval. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Liquidators' fees were approved by the members.

EXPLANATION OF FEES AND DISBURSEMENTS RECOVERY POLICY AND PROVISION OF SERVICES REGULATIONS

Fees recovery policy

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), in cases where remuneration is based either solely or in part on a time cost basis the charge out rates detailed on the analysis of time costs are applicable to this appointment exclusive of VAT. Rates are normally reviewed on an annual basis and adjustments made accordingly where deemed appropriate. Time is recorded in 6 minute units by each staff member working on the case.

In all cases a description of the routine work undertaken by category is detailed as follows:

1. Administration and planning
 - Preparing documentation and dealing with the formalities of appointment.
 - Dealing with all routine correspondence.
 - Maintaining physical case files and electronic case details.
 - Reviewing the ongoing progression of case files.
 - Arranging the collection and storage of Company records.
 - Ensuring an appropriate case bordereau is in place.
 - Case planning and administration.
2. Investigations
 - Review of the Company's books and records.
 - Preparation of returns / reports pursuant to the Company Directors Disqualification Act 1986.
 - Conduct investigations into any suspicious transactions.
 - Reviewing the books and records to identify any transactions or actions that the officeholder may take in order to recover funds for the benefit of creditors.
3. Realisation of assets
 - Identifying, securing and obtaining sufficient insurance in respect of Company assets.
 - Dealing with any retention of title or other third party claims.
 - Debt collection functions.
 - Negotiating and completing property, business and asset sales.

TMC (SOUTHERN) LIMITED - IN LIQUIDATION

4. Cashiering
 - Managing case bank accounts.
 - Maintaining case cash books.

5. Trading
 - Management of trading operations.
 - Maintaining and preparing accounting records for the period of trading.
 - Dealing with ongoing employee issues.

6. Creditors
 - Dealing with creditor correspondence and telephone conversations.
 - Maintaining creditor information and claims (including those submitted by secured creditors, employees and other preferential creditors).

7. Statutory
 - Statutory notifications and advertising.
 - Convening and holding meetings of members and creditors where appropriate.
 - Preparing reports to members and creditors.
 - *Filing of statutory documents with the Registrar of Companies and/or the court.*

TMC (SOUTHERN) LIMITED - IN LIQUIDATION

Disbursements recovery policy

SIP 9 also requires that the office holder provide a statement of the officeholder's policy in relation to the recharging of disbursements. SIP 9 defines disbursements as either Category 1 or Category 2 disbursements, further details of which are below.

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case, typically for items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

Category 2 disbursements will generally comprise costs which, whilst being in the nature of expenses or disbursements, include elements of shared or allocated costs.

Category 1 disbursements are recoverable without approval, and will be recovered by the officeholder as they are incurred.

Category 2 disbursements do require approval, and should be identified and subject to approval by those responsible for approving remuneration. SIP 9 provides that the officeholder may make a separate charge for expenses in this category, provided that:

- such expenses are of an incidental nature and are directly incurred on the case, and there is a reasonable method of calculation and allocation; it will be persuasive evidence of reasonableness, if the resultant charge to creditors is in line with the cost of external provision; and
- the basis of the proposed charge is disclosed and is authorised by those responsible for approving his remuneration.

Payments to outside parties in which the officeholder or his firm or any associate (as defined by Section 435 of the Insolvency Act 1986) has an interest should be treated as 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:

Photocopying	5p per sheet
Mileage	45p per mile (40p per mile prior to 6 April 2011)
Meeting Room	£50

Provision of Services Regulations

When carrying out all professional work relating to an insolvency appointment, Insolvency Practitioners are bound by the Insolvency Code of Ethics.

To comply with the Provision of Services Regulations, some general information about Wilkins Kennedy, including our complaints policy and Professional Indemnity Insurance and the Insolvency Code of Ethics, is available on our website using the following link:

<https://www.wilkinskennedy.com/services/advisory/insolvency/provision-service/>