

The Insolvency Act 1986

Administrator's progress report

Pursuant to Rule 2.38 of the Insolvency (Scotland) Rules 1986

Name of Company

TPC Global Group Limited

Company number

SC389974

(a) Insert full
name(s) and
address(es) of
administrators

~~I/We~~ (a) Gerard Anthony Friar
KPMG LLP
319 St Vincent Street
Glasgow
G2 5AS

Blair Carnegie Nimmo
KPMG LLP
319 St Vincent Street
Glasgow
G2 5AS

administrators of the above company attach a progress report for the period

from

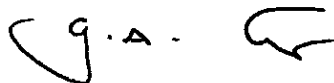
to

(b) Insert date(s)

(b) 27 January 2018

(b) 26 July 2018

Signed



Joint Administrator

Dated

30 August 2018

Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form.

The contact information that you give

will be visible to searchers of the public record

Gerard Anthony Friar
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5511

SATURDAY



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01/09/2018

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COMPANIES HOUSE

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Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF
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Joint
Administrators'
progress
report for the
period 27
January 2018
to 26 July 2018

TPC Global Group Limited - in
Administration

30 August 2018



Notice to creditors

This progress report provides an update on the administration of the Company.

We have included (Appendix 2) an account of all amounts received and payments made since the date of our appointment.

We have also explained our future strategy for the administration and how likely it is that we will be able to pay each class of creditor.

You will find other important information in this progress report such as the costs which we have incurred to date.

A glossary of the abbreviations used throughout this document is attached (Appendix 4).

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following website, <http://www.insolvency-kpmg.co.uk/case+KPMG+TH72641008.html>. We hope this is helpful to you.

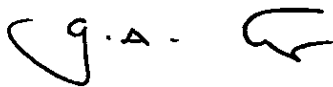
Please also note that an important legal notice about this progress report is attached (Appendix 5).

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1 Executive summary

- This progress report covers the period from 27 January 2018 to 26 July 2018.
- Tony Friar and Blair Nimmo were initially appointed as Joint Administrators of the Company on 22 January 2016.
- Due to a procedural issue, the Administration terminated on 21 January 2017.
- The qualifying floating chargeholder subsequently re-appointed us as Joint Administrators on 27 July 2017 to deal with certain outstanding asset realisation matters.
- The notice of appointment was lodged at Court of Session on 27 July 2017 and we were duly appointed.
- We circulated our statement of proposals ('proposals') to all known creditors on 18 September 2017. They were deemed approved without modification on 2 March 2018.
- We have continued to progress matters in the Administration in line with the strategy outlined in our approved proposals (Section 2 - Progress to date).
- The Bank will receive a partial distribution under the terms of its standard security over the Company's property and cross guarantee.
- There will be insufficient funds in the Administration to facilitate a distribution to the Bondholders.
- There will be insufficient funds to enable a distribution to the unsecured creditors (Section 3 - Dividend prospects and dividends paid).
- During the period the secured creditor and the Bondholders provided approval to the Joint Administrators' first and final fee of £35,000 plus VAT and outlays for the period 27 July 2017 to closure of the Administration.
- The secured creditor and Bondholders have also provided approval to a 12 month extension to the period of the Administration.
- The administration is currently due to end on 26 July 2019.
- Please note: you should read this progress report in conjunction with our proposals which were issued to the Company's creditors and can be found at <http://www.insolvency-kpmg.co.uk/case+KPMG+TH72641008.html>. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



Tony Friar
Joint Administrator

2 Progress to date

This section updates you on our strategy for the administration and on our progress to date. It follows the information provided in our proposals.

Should you wish to view the proposals, they can be found at the following link:

<http://www.insolvency-kpmg.co.uk/case+KPMG+TH72641008.html>

2.1 Strategy and progress to date

Strategy

As previously advised, the Company ceased trading upon the Joint Administrators original appointment on 22 January 2016, with immediate steps taken to safeguard the Company's assets.

We have continued to progress the Administration in line with the initial strategy provided within the approved proposals.

2.2 Asset realisations

Realisations during the period are set out in the attached receipts and payments account (Appendix 2).

Heritable property

As outlined in our proposals, the Company owned the Property at Thistle House, Inchinnan Road, Paisley, PA3 2RE (the "Property") which is subject to a first ranking security in favour of the Bank and second ranking security in favour of the Bondholders.

The Property was placed on the market in April 2016 with Jones Lang LeSalle ("JLL"), initially seeking offers in excess of £600,000. The asking price was subsequently reduced to £500,000 in March 2017.

In June 2017, we received an offer for the property and progressed matters with the purchaser and our solicitor. The sale of the property completed on Wednesday 14 September 2017, for a consideration of £490,000.

As noted within Appendix 2, following receipt of the sale proceeds we have taken steps to settle the intercompany account (Section 2.3). Furthermore, we have continued to take appropriate steps to settle all other outstanding property holding costs.

We do not anticipate any further costs being incurred.

Contribution to costs

We previously transferred £16,149.39 from the original administration bank account. This represents the net funds held in the initial administration as provided by the Bank, to cover the ongoing property holding costs.

2.3 Costs

As noted within the attached receipts and payments account (Appendix 2) no costs have been incurred during the period.

3 Dividend prospects and dividends paid

3.1 Secured creditors

The Bank holds an all sums due standard security over the Property together with a bond and floating charge over the assets of the Company.

In addition, the Company has granted an all sums due cross guarantee in relation to the Bank's indebtedness in Global, and accordingly, is liable in respect of any shortfall the Bank suffers from Global.

The Bank will receive a partial distribution under the terms of its standard security over the Company's property and cross guarantee.

There will be insufficient funds in the Administration to facilitate a distribution to the Bondholders

During the period, we have made an interim distribution of £110,000 to the Bank, following the sale of the Property.

3.2 Preferential creditors

We are not aware of any preferential claims against the Company.

3.3 Unsecured creditors

There will be insufficient funds to enable a dividend to unsecured creditors.

4 Joint Administrators' remuneration and outlays and disbursements

4.1 Joint Administrators' remuneration, outlays and disbursements

Time costs

From 27 January 2018 to 26 July 2018, we have incurred time costs of £13,867.75. These represent 40.65 hours at an average rate of £341.15 per hour.

Remuneration and outlays

We have not drawn any remuneration or outlays to date in the Administration.

During the period, the secured creditor and the Bondholders provided approval to the Joint Administrators' first and final fee of £35,000 plus VAT and outlays, for the period 27 July 2017 to closure of the Administration. As you will note from Appendix 2, the funds in hand are £54,630.11.

Any creditors or creditors representing in value at least 25% of the total creditors may appeal against the secured and preferential creditors' determination to the Court within fourteen days from the date of this report. A copy of your appeal should also be sent to me.

Disbursements

During the period, we have not incurred any disbursements.

Additional information

We have attached (Appendix 3) an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by KPMG for the period from 27 January 2018 to 26 July 2018.

5 Future strategy

5.1 Future conduct of the administration

We will continue to manage the affairs, the business and the property of the Company in order to achieve the purpose of the administration. This will include but not be limited to:

- attending to all statutory and administrative matters;
- drawing joint administrators' final remuneration;
- facilitating a final distribution to the Bank;
- formalise closure procedures; and
- finalising all outstanding matters.

5.2 Extension of the administration

The duration of an administration is restricted to 12 months from the date of commencement unless it is extended with the permission of creditors or the Court.

During the period, the secured creditor and the Bondholders granted a 12 month extension to the period of the administration.

The administration is currently due to end on 26 July 2019.

5.3 Future reporting

We will provide a further progress report within six weeks of 26 January 2019 or earlier if (1) an extension request is necessary or (2) the administration has been completed prior to that time.

Appendix 1 Statutory information

Company information	
Company name	TPC Global Group Limited
Date of incorporation	6 December 2010
Company registration number	SC389974
Present registered office	319 St Vincent Street, Glasgow, G2 5AS
Administration information	
Administration appointment	The administration appointment granted in Court of Session, P689 of 17
Appointor	QFC
Date of appointment	27 July 2017
Joint Administrators' details	Tony Friar and Blair Nimmo
Estimated values of the Net Property and Prescribed Part	Estimated Net Property is £Nil. Estimated Prescribed Part is £Nil.
Prescribed Part distribution	<p>If funds do become available for a distribution under the Prescribed Part, the Joint Administrators may make a distribution to the unsecured creditors; or if appropriate, may apply to the Court to obtain an order that the Prescribed Part shall not apply on the grounds that the cost of making a distribution to the unsecured creditors would be disproportionate to the benefits.</p> <p>Alternatively, the Prescribed Part will be automatically disapplied if the Net Property is less than £10,000 and the costs of making a distribution would be disproportionate to the benefits.</p>
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2)
Current administration expiry date	26 July 2018

Appendix 2 Joint Administrators' receipts and payments account

TPC Global Group Limited - in Administration			
Abstract of receipts & payments			
Statement of affairs (£)		From 27-01-2016 To 26-07-2018 (£)	From 27-07-2017 To 26-07-2018 (£)
FIXED CHARGE ASSETS			
650,000.00	Freehold property	NIL	490,000.00
	Contribution to costs	NIL	16,149.39
		NIL	506,149.39
FIXED CHARGE COSTS			
	Legal fees	NIL	(11,311.20)
	Insurance Costs	NIL	(556.39)
	Agents'/Valuers' fees	NIL	(5,000.00)
	Rates	NIL	(12,514.40)
	Contribution to Bondholder costs	NIL	(2,700.00)
	Other property expenses	NIL	(10,419.95)
		NIL	(42,501.94)
FIXED CHARGE CREDITORS			
(321,614.00)	Fixed charge creditor - Clydesdale Bank	(110,000.00)	(410,000.00)
(318,000.00)	Fixed charge creditor - Bond holders	NIL	NIL
		(110,000.00)	(410,000.00)
OTHER REALISATIONS			
	Bank interest, gross	127.22	215.92
		127.22	215.92
COST OF REALISATIONS			
	Statutory advertising	NIL	(170.52)
	Other property expenses	NIL	(15.00)
	Bank charges	NIL	(75.00)
		NIL	(260.52)
UNSECURED CREDITORS			
(7,177.96)	Trade & expense	NIL	NIL
(16,212.29)	Accruals	NIL	NIL
(804,174.75)	Inter-company balances	NIL	NIL
		NIL	NIL
DISTRIBUTIONS			
(64,341.00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
(881,520.00)		(109,872.78)	53,602.85

TPC Global Group Limited - in Administration

Abstract of receipts & payments

Statement of affairs (£)	From 27.01.2018	From 27.07.2017
	To 26.07.2018 (£)	To 26.07.2018 (£)

REPRESENTED BY

Floating ch. VAT rec'able	13.80
Floating charge current	54,630.11
Fixed charge VAT rec'able	3,419.47
Fixed charge VAT payable	(98,179.79)
Floating ch. VAT control	(13.80)
Fixed charge VAT control	93,733.06
	<hr/>
	53,602.85

Appendix 3 Joint Administrators' charging and disbursements policy

Joint Administrators' charging policy

The time charged to the administration is by reference to the time properly given by us and our staff in attending to matters arising in the administration. This includes work undertaken in respect of tax, VAT, employee, pensions and health and safety advice from KPMG in-house specialists.

Our policy is to delegate tasks in the administration to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

A copy of "A Creditors' Guide to Joint Administrators' Remuneration Scotland" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available at:

https://www.r3.org.uk/media/documents/technical_library/SIPS/Creditors'_Guide_to_Administrators'_Remuneration_Scotland.pdf

If you are unable to access this guide and would like a copy, please contact Rachel McCrorie on 0141 228 4226.

Hourly rates

Set out below are the relevant hourly charge-out rates for the grades of our staff actually or likely to be involved on this administration. Time is charged by reference to actual work carried out on the administration; using a minimum time unit of six minutes.

All staff who have worked on the administration, including cashiers and secretarial staff, have charged time directly to the administration and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the administration but is reflected in the general level of charge-out rates.

Charge-out rates (£) for: Restructuring	
Grade	Hourly rate (£)
Partner	625
Director	560
Senior Manager	510
Manager	425
Senior Administrator	295
Administrator	215
Support	131

The charge-out rates used by us might periodically rise (for example to cover annual inflationary cost increases) over the period of the administration. In our next statutory report, we will inform creditors of any material amendments to these rates.

Policy for the recovery of disbursements

Where funds permit the officeholders will seek to recover both Category 1 and Category 2 disbursements from the estate. For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

Category 1 disbursements: These are costs where there is specific expenditure directly referable to both 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, and equivalent costs reimbursed to the officeholder or his or her staff.

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.

Category 2 disbursements charged by KPMG Restructuring include mileage. This is calculated as follows:

Mileage claims fall into three categories:

- Use of privately-owned vehicle or car cash alternative – 45p per mile.
- Use of company car – 60p per mile.
- Use of partner's car – 60p per mile.

For all of the above car types, when carrying KPMG passengers an additional 5p per mile per passenger will also be charged where appropriate.

We have not incurred any disbursements from the date of our appointment to 26 January 2018.

We have the authority to pay Category 1 disbursements without the need for any prior approval from the creditors of the Company.

The Category 2 disbursements have not been approved.

Creditors' right to challenge our remuneration and outlays

If you wish to challenge the basis of our remuneration, the remuneration approved, or the outlays approved during the period covered by this progress report, you must do so by making an application to Court within eight weeks of the accounting period and no later than 28 September 2018 or within 14 days of receiving this progress report.

Applications by any creditor must be made with concurrence of at least 25% in value of unsecured creditors (including the creditor making the challenge).

The full text of the relevant rules can be provided on request by writing to Rachel McCrorie at KPMG LLP, 319 St Vincent Street, Glasgow G2 5AS, United Kingdom.

Narrative of work carried out for the period 27 January 2018 to 26 July 2018

The key areas of work have been:

Statutory and compliance	<ul style="list-style-type: none"> ■ posting information on a dedicated web page; ■ preparing statutory receipts and payments accounts; ■ obtaining approval from the secured creditor to a 12 month extension of the administration; ■ obtaining approval from the Bondholders to a 12 month extension of the administration; ■ ensuring compliance with all statutory obligations within the relevant timescales; ■ starting initial closure related formalities, including preparation of closure checklists;
Strategy documents, Checklist and reviews	<ul style="list-style-type: none"> ■ monitoring and reviewing the administration strategy including meetings with external parties to agree the same; ■ briefing of our staff on the administration strategy and matters in relation to various work-streams; ■ reviewing and authorising junior staff correspondence and other work; ■ dealing with queries arising during the appointment; ■ complying with internal filing and information recording practices, including documenting strategy decisions.
Reports to secured creditors	<ul style="list-style-type: none"> ■ providing written and oral updates to representatives of secured creditors and the Bondholders regarding the progress of the administration and case strategy; ■ providing updates to the secured creditor and the Bondholders; ■ liaising with the secured creditor regarding their distribution.
Cashiering	<ul style="list-style-type: none"> ■ preparing and processing vouchers for the payment of post-appointment invoices; ■ reconciling post-appointment bank accounts to internal systems; ■ ensuring compliance with appropriate risk management procedures in respect of receipts and payments.
Tax	<ul style="list-style-type: none"> ■ submitting post appointment VAT returns; ■ reviewing the Company's duty position to ensure compliance with duty requirements; ■ dealing with post appointment tax compliance.
General	<ul style="list-style-type: none"> ■ reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9;
Asset realisations	<ul style="list-style-type: none"> ■ finalising property related matters.
Creditors and claims	<ul style="list-style-type: none"> ■ drafting and preparing our progress report; ■ dealing with creditor queries; ■ reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records. ■
Investigations/directors	<ul style="list-style-type: none"> ■ opening and sending the Company's mail to relevant staff member.

Time costs

SIP 9 – Time costs analysis (27/01/2018 to 26/07/2018)								
	Hours							
	Partner	Director	Manager	Administrator	Support	Total	Time Cost (£)	Average Hourly Rate (£)
Administration & planning								
Cashiering								
General (Cashiering)				0.60		0.60	177.00	295.00
Reconciliations (& IPS accounting reviews)			0.60	0.40		1.00	373.00	373.00

SIP 9 – Time costs analysis (27/01/2018 to 26/07/2018)						
	Hours					
	Partner Director	Manager	Administrator	Support	Total	Average Hourly Rate (£)
Statutory and compliance						
Appointment and related formalities		0.60			0.60	255.00
Budgets & Estimated outcome statements		1.80			1.80	765.00
Checklist & reviews		0.20	0.50		0.70	192.50
Closure and related formalities		0.40	0.40		0.80	256.00
Extension related formalities		0.40	3.20		3.60	858.00
Pre-administration checks	0.30				0.30	168.00
Reports to debenture holders	1.50	6.40			7.90	3,560.00
Strategy documents	0.60		1.30		1.90	615.50
Tax						
Post appointment corporation tax		0.50	2.45		2.95	781.75
Post appointment VAT		1.20	0.90		2.10	703.50
Creditors						
Creditors and claims						
General correspondence			0.10		0.10	5.00
Secured creditors	1.70	3.30	3.00		8.00	2,999.50
Statutory reports	0.40	1.20	4.30		5.90	1,642.00
Investigation						
Investigations						
Mail redirection			2.00		2.00	430.00
Realisation of assets						
Asset Realisation						
Freehold property			0.40		0.40	86.00
Total in period	4.50	16.60	19.55	0.00	40.65	13,867.75
Brought forward time (appointment date to SIP 9 period start date)					125.60	40,706.50
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)					40.65	13,867.75
Carry forward time (appointment date to SIP 9 period end date)					166.25	54,574.25

All staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

All time shown in the above analysis is charged in units of six minutes.

Appendix 4 Glossary

Bank/ Secured creditor	Clydesdale Bank PLC
Company/ Group	TPC Global Group Limited - in Administration
Global	The Global Limited – in Administration
the Companies	Group and Global together
Joint Administrators/we/our/us	Tony Friar and Blair Nimmo
KPMG	KPMG LLP
Director	Mr Grant Bennet Stupart

Any references in this progress report to sections, paragraphs or rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency (Scotland) Rules 1986 respectively.

Appendix 5 Notice: About this report

This report has been prepared by Tony Friar and Blair Nimmo, the Joint Administrators of TPC Global Group Limited – in Administration (the ‘Company’), solely to comply with their statutory duty to report to creditors under the Insolvency (Scotland) Rules 1986 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency (Scotland) Rules 1986 does so at its own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

Gerard Anthony Friar and Blair Carnegie Nimmo are authorised to act as insolvency practitioners by the Institute of Chartered Accountants of Scotland.

We are bound by the Insolvency Code of Ethics.

The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the administration.

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