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

For further information, please refer to our guidance at www.gov.uk/companieshouse

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
Surname	Waghorn

3 Liquidator's address

Building name/number	Regis House
Street	2nd Floor, 45 King William Street
Post town	
County/Region	London
Postcode	E C 4 R 9 A N
Country	

4 Liquidator's name ❶

Full forename(s)	Stephen
Surname	Grant

❶ **Other liquidator**
Use this section to tell us about another liquidator.

5 Liquidator's address ❷

Building name/number	Regis House
Street	2nd Floor, 45 King William Street
Post town	
County/Region	London
Postcode	E C 4 R 9 A N
Country	

❷ **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	1 3	0 3	2 0 2 0
To date	1 2	0 3	2 0 2 1

7 Progress report

☐ The progress report is attached

8 Sign and date

Liquidator's signature	Signature X		X
Signature date	2 9	0 4	2 0 2 1

04/17 Version 1.0

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: Azets

Address:

Post town:

County/Region:

Postcode:

Country:

DX:

Telephone: 0118 951 2131

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

This form has been provided free of charge by Companies House. 04/17 Version 1.0

Joint Liquidators' Annual Progress Report to Creditors & Members

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

For the Period ending 12 March 2021

Dated: 29 April 2021

TMC (SOUTHERN) LIMITED - IN LIQUIDATION

CONTENTS

1 Introduction and Statutory Information

2 Receipts & Payments

3 Progress of the Liquidation

4 Creditors

5 Joint Liquidators' Remuneration

6 Creditors' Rights

7 Next Report

APPENDICES

A Receipts and Payments Account for the Period from 13 March 2020 to 12 March 2021 incorporating a Cumulative Receipts and Payments Account since the Joint Liquidators' Appointment

B Time Analysis for the Period from 13 March 2020 to 12 March 2021

C Cumulative Time Analysis for the Period since the Joint Liquidators' Appointment

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

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 iminent reirement and appointing Matthew Waghorn as replacement officeholder with effect from the date of the Order. On 26 November 2018, an Order was made in the High Court removing David Tann as officeholder in view of his pending retirement and replacing him with Stephen Grant with effect from the same date.

1.2 This progress report covers the period from 13 March 2020 to 12 March 2021 ("the Period") and should be read in conjunction with any previous progress reports which have been issued.

1.3 Information about the way that we will use and store personal data on insolvency appointments can be found at https://www.azets.co.uk/about-us/privacy-cookie-policy/. 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 Suite 105, Fareham Reach, 16 Fareham Road, Gosport, PO13 0FW. The registered office of the Company has been changed to Regis House, 45 King William Street, London, EC4R 9AN 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 as well as a cumulative Receipts and Payments Account for the period from the date of our appointment as Liquidator to the end of the Period.

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 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

3.5 There have been no asset realisations during the Period.

3.6 It is uncertain whether the work the Liquidators and their staff have undertaken to date will bring a financial benefit to creditors.

Creditors (claims and distributions)

3.7 Further information on the anticipated outcome for creditors in this case can be found at section 4 of this report. The Liquidators are not only required to deal with correspondence and claims from unsecured creditors, but also those of any secured and preferential creditors of the Company. The above work will not necessarily bring any financial benefit to creditors generally, however the Liquidators are required by statute to undertake this work.

Investigations

3.8 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.

3.9 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.

3.10 Since our last progress report, we would confirm that our solicitors remain instructed in relation to the ongoing investigations into the Company's affairs and any potential recoveries to be pursued for the benefit of creditors.

We have been in extensive correspondence with our legal advisors as to the strategy and merits and pursuing potential claims and matters raised during the course of our investigations. This has included tasks such as, but not limited to, a review of the Company's transaction schedule and director's loan account reconciliation as well as the Company's accounting records. The Joint Liquidators wish to limit the disclosure of such investigations as to not prejudice any future claims that may be pursued for the benefit of the estate.

4 Creditors

Secured Creditors

4.1 There are no charges registered over the Company.

Preferential Creditors

4.2 There are no known preferential creditors.

Unsecured Creditors

4.3 We have received claims totalling £1,836,573.02 compared to £678,337 estimated in the Statement of Affairs. The reason for the significant difference is due to a claim received by HM Revenue & Customs ("HMRC") which totals £1,131,779. HMRC's claim was included in the director's Statement of Affairs at £1. A claim from British Gas was also received totalling £27,593.43 which had previously been included in the Statement of Affairs in the sum of £53.32.

I can confirm claims have not yet been agreed or admitted for dividend purposes.

4.4 As our investigations are currently ongoing, it is uncertain whether there will be sufficient funds after defraying the expenses of the liquidation to pay a dividend to unsecured creditors.

5 Joint Liquidators' Remuneration

5.1 Pre-appointment Remuneration

At a meeting held on 13 March 2017, the creditors authorised the payment of a fee in the sum of £5,000 plus VAT and disbursements for my assistance with preparing the Statement of Affairs and convening and holding the meeting of creditors.

The fee for preparing the Statement of Affairs and convening and holding the meeting of creditors was paid from the first realisations received into the liquidation.

5.2 Joint Liquidators Remuneration

On 31 May 2018, my remuneration was authorised by the creditors on the basis set out below:

Fixed Fee Basis

I was authorised to draw a fixed fee in the sum of £7,500 for my 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 the following rates:

- 20% in respect of the realisation of all assets of the Company.

I have not drawn any remuneration in respect of work done for which my fees were approved on a percentage basis to date.

Time Costs

I was authorised to draw remuneration on a time costs basis for my work in respect of investigations 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 creditors. A detailed schedule of my time costs incurred during the Period and since the appointment of the Joint Liquidators are included in Appendix B and C.

My total time costs to 12 March 2021 relating to work completed for which I am being remunerated on a time costs basis amounts to £26,510.20, representing 97.40 hours which have been charged at an average hourly charge out rate of £272.18. Of this balance, £8,296.00 representing 20.20 hours which have been charged at an average hourly charge out rate of £410.69 have been incurred during the Period.

I have not been able to draw remuneration in respect of work done for which my fees were approved on a time costs basis as there have been insufficient realisations to date.

My total time costs incurred in this matter to 12 March 2021, in respect of the categories of work for which I am being remunerated on a time costs basis, have exceeded the total set out in my fees estimate when my remuneration was authorised. The reasons my time costs have exceeded the fees estimate is due to my enquiries uncovering additional information which in turn has led to further transactions to be investigated which may increase the extent of recovery of assets that may be possible in the liquidation.

Once it is clear whether there will be sufficient funds recovered in the future as a result of my investigations into the Company's affairs, I may seek a decision to approve an increase in my fees estimate from the creditors. I will provide further details when this application is made.

5.3 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from https://www.azets.co.uk/media/ojmfqyb4/guide-to-liquidators-fees-from-6-april-2017.pdf.

5.4 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 0118 951 2131 or by email at Anthony.Young@Azets.co.uk.

7.3 Finally, to comply with the Provision of Services Regulations, some general information about Azets including about our Professional Indemnity Insurance and the Insolvency Code of Ethics, can be found at https://www.azets.co.uk/about-us/legal-regulatory-information/.

Yours faithfully

Matthew John Waghorn
Joint Liquidator

Appendix A

Receipts and Payments Account for the Period from 13 March 2020 to 12 March 2021 incorporating a Cumulative Receipts and Payments Account since the Joint Liquidators' Appointment

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

RECEIPTS	Statement of Affairs (£)	From 13/03/2020 To 12/03/2021 (£)	Total (£)
Bank Interest Gross		0.00	1.70
Cash in hand		0.00	7,864.80
		0.00	**7,866.50**
PAYMENTS			
Accountant Fees		0.00	1,350.00
Preparation of S. of A.		0.00	5,000.00
Retreival of Records		322.50	322.50
Vat Receivable		(1,005.50)	64.50
		(683.00)	**6,737.00**
Net Receipts/(Payments)		**683.00**	**1,129.50**
MADE UP AS FOLLOWS			
Bank 1 Current		683.00	1,129.50
		683.00	**1,129.50**

Appendix B

Time Analysis for the Period from 13 March 2020 to 12 March 2021

Analysis of joint liquidators' time costs

TMC (Southern) Limited – in Liquidation

from 13 March 2020 to 12 March 2021

JOINT LIQUIDATORS' FEES

	HOURS						
Classification Of work function	Partner	Manager	Other senior Professionals	Assistants & support staff	Total Hours	Time Cost £	Average hourly rate £
Administration & planning							
Cashiering & accounting							
Investigations	17.40	-	-	-	17.40	7,482.00	430.00
Realisation of assets							
Creditors	1.30	-	1.50	-	2.80	814.00	290.71
Total hours	18.70	-	1.50	-	20.20	8,296.00	410.69
Total fees claimed (£)							

Azets' Charge-Out Rates

1 January 2017 to 2 December 2018	**£**
Partners	400.00 - 460.00
Directors/Managers	230.00 - 360.00
Senior Administrators	145.00 - 200.00
Administrators	100.00 - 160.00
Junior/Trainee Administrators	50.00 - 110.00
Cashiers/Secretaries	75.00 - 90.00

3 December 2018 to date	**£**
Partners	430.00 - 470.00
Directors/Managers	210.00 - 390.00
Administrators	110.00 - 210.00
Junior/Trainee Administrators	95.00 - 200.00
Cashiers/Secretaries	60.00 - 100.00

Appendix C

Cumulative Time Analysis for the Period since the Joint Liquidators' Appointment

Analysis of joint liquidators' time costs

TMC (Southern) Limited – in Liquidation

As at 12 March 2021

JOINT LIQUIDATORS' FEES

	HOURS						
Classification Of work function	Partner	Manager	Other senior Professionals	Assistants & support staff	Total Hours	Time Cost £	Average hourly rate £
Administration & planning							
Cashiering & accounting							
Investigations	35.70	10.00	41.70	-	87.40	24,527.50	280.64
Realisation of assets							
Creditors	1.40	-	8.50	0.10	10.00	1,982.70	198.27
Total hours	37.10	10.00	50.20	0.10	97.40	26,510.20	272.18
Total fees claimed (£)							

Azets' Charge-Out Rates

1 January 2017 to 2 December 2018	**£**
Partners	400.00 - 460.00
Directors/Managers	230.00 - 360.00
Senior Administrators	145.00 - 200.00
Administrators	100.00 - 160.00
Junior/Trainee Administrators	50.00 - 110.00
Cashiers/Secretaries	75.00 - 90.00

3 December 2018 to date	**£**
Partners	430.00 - 470.00
Directors/Managers	210.00 - 390.00
Administrators	110.00 - 210.00
Junior/Trainee Administrators	95.00 - 200.00
Cashiers/Secretaries	60.00 - 100.00

Appendix D

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

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.

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.

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

Joint Liquidators' Expenses

The Joint Liquidators have incurred expenses totalling £1,672.50 to date, of which £322.50 was incurred during the Period. Please see the below table outlining the Joint Liquidators' expenses incurred to date.

Expense	Paid in prior period £	Paid in the period covered by this report £	Incurred but not paid to date £
Statutory Advertising	-	-	151.00
IT Administration Fee	-	-	110.00
Liquidators Bond	-	-	40.00
Courier Charges	-	-	21.00
Storage Costs	-	-	2.87
Accountants Fees	1,350.00	-	-
Retrieval of Records	-	322.50	-
Stationary	-	-	0.90
Postage	-	-	28.80
Travel Costs	-	-	53.55

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
Isadore Goldman – Legal advice on possible recovery in respect of transactions undertaken prior to liquidation as well as other avenues of recovery/ further investigation.	Conditional fee agreement based on a time costs basis plus 75% success fee. No fees have been paid to date.
Burlington Credit – Desktop asset report to assist in investigations	Fixed fee of £350 plus VAT.

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.

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 Azets, including our complaints policy and Professional Indemnity Insurance and the Insolvency Code of Ethics, is available on our website using the following link: www.azets.co.uk/about-us/legal-regulatory-information/.