

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) Louise

Surname Brittain

3 Liquidator's address

Building name/number Gladstone House

Street 77-79 High Street

Post town Egham

County/Region

Postcode T W 2 0 9 H Y

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

**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 **Samara Masny**

Company name **Azets Holdings**

Ltd

Address **Gladstone House**

77/79 High Street

Post town **Egham**

County/Region **Surrey**

Postcode **T W 2 0 9 H Y**

Country

DX

Telephone **01784 435561**

**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 Creditors Voluntary Liquidation

For the period ending 12 March 2024

Dated: 11 April 2024

CONTENTS

- 1** Introduction and Statutory Information
- 2** Receipts and Payments
- 3** Progress of the Liquidation
- 4** Creditors' claims and dividend prospects
- 5** Joint Liquidators' Remuneration and Expenses
- 6** Creditors' Rights
- 7** Next Report

APPENDICES

- A** Receipts and Payments Account for the period from the 13 March 2023 to the 12 March 2024 incorporating a Cumulative Receipts and Payments Account for the period from the 13 March 2017 to the 12 March 2024
- B** Time costs analysis for the period from the 13 March 2023 to the 12 March 2024
- C** Cumulative Time costs analysis for the period since the Joint Liquidators' Appointment from the 13 March 2017 to the 12 March 2024
- D** Additional information in relation to the Joint Liquidators' expenses
- E** Azets Holdings Ltd Fees and Expenses Policy

1 Introduction and Statutory Information

- 1.1 John Kirkpatrick and David Tann were appointed Joint Liquidators of TMC (Southern) Limited ('the Company') on the 13 March 2017 by the members and creditors. On the 16 January 2018, an Order was made in the High Court removing John Kirkpatrick as officeholder with effect from the date of the Order. On the 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. Further, on the 23 June 2021, an Order was made in the High Court removing Matthew Waghorn as officeholder in view of this pending departure from the firm and replacing him with Louise Brittain with effect from the same date.
- 1.2 This progress report provides an update on the conduct of the Liquidation for the period from the 13 March 2023 to the 12 March 2024 ('the period') and should be read in conjunction with any previous progress reports which have been issued.
- 1.3 Information about the way that 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.
- 1.5 The registered office of the Company has been changed to Gladstone House, 77-79 High St, Egham, Surrey, TW20 9HY 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 incorporating a cumulative Receipts and Payments Account for the period from the date of the appointment of the Joint Liquidators 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 Joint Liquidators and their staff.

Administration (including statutory compliance & reporting)

- 3.2 The Joint Liquidators 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 which was previously agreed by creditors.
- 3.3 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Joint 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 Joint Liquidators and their staff have undertaken to date will bring a financial benefit to creditors as this is contingent on the investigations conducted so far in the Liquidation and any realisations that may follow from the same.

Creditors (claims and distributions)

- 3.7 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. This has not been required in this case.
- 3.8 Work undertaken by the Joint Liquidators in dealing with a company's creditors may only therefore bring a financial benefit to certain classes of creditor such as a secured creditor or the preferential creditors, however the Joint 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 Joint Liquidators in dealing with those claims.
- 3.9 More information on the anticipated outcome for all classes of creditor in this case can be found in Section 4 below.

Investigations

- 3.10 You may recall from our first progress report to creditors that some of the work Joint 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 Joint Liquidators can pursue for the benefit of creditors.
- 3.11 The Joint Liquidators' 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.
- 3.12 Since our last progress report, we would advise that our solicitors remain instructed in relation to ongoing investigations into the Company's affairs and any potential recoveries to be pursued for the benefit of creditors. Should any creditor require any more information please do not hesitate to contact us directly on the email below.
- 3.13 The Joint Liquidators wish to limit the disclosure of such investigations and potential claims in the Liquidation as to not prejudice any future litigation that may be pursued for the benefit of the estate. The solicitors for both the Joint Liquidators and the director of the Company are in correspondence concerning these investigations and a further standstill agreement has been signed until the 31 July 2024.
- 3.14 If any creditor requires further information please contact us on the details provided.

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 The Company's Statement of Affairs ('SOA') indicated that there were debts totalling £678,337. To date, we have received claims totalling £1,840,573.02 from 8 creditors. The reason for the significant difference is due to the claim received by HM Revenue & Customs ('HMRC') in the sum of £1,131,779 which was valued in the director's SOA at £1. Claims have not yet been adjudicated for dividend purposes.
- 4.4 It is difficult at this stage to ascertain the timing and quantum of any dividend that may be payable to creditors once the expenses of the Liquidation have been defrayed as this is dependent on the outcome of the ongoing investigations as set out above.

5 Joint Liquidators' Remuneration and Expenses

- 5.1 Creditors approved the basis of the Joint Liquidators' remuneration on the 31 May 2018 to be fixed on the following basis as set out below:

Fixed Fee

- 5.2 The Joint Liquidators are authorised to draw a fixed fee in the sum of £7,500 for the administration and statutory matters undertaken in the Liquidation.

Percentage Basis

- 5.3 The Joint Liquidators are authorised to draw a fee in relation to the realisation of assets to be based on a percentage basis of 20% of realisations in the Liquidation.

Time Costs

- 5.4 The Joint Liquidators are authorised to draw remuneration on a time costs basis for work in respect of investigations and creditor matters. The original approval was based on a fees estimate of £9,563.50.
- 5.5 On the 2 June 2023 creditors approved a revised fees estimate for investigations and creditor matters totalling £80,407.70. This acts as a cap and the Joint Liquidators are unable to draw fees in excess of this estimate without first seeking approval from the creditors.
- 5.6 Please find attached:
- Appendix B - Time costs analysis for the period from the 13 March 2023 to the 12 March 2024
 - Appendix C - Cumulative Time costs analysis for the period since the Joint Liquidators' Appointment.

- 5.7 A copy of our revised fees estimate for the Liquidation is reproduced below, compared to the time costs incurred to date.

Category of work	Total Number of hours for the whole period	Total costs incurred for the whole period £	Revised fees estimate Number of Hours	Revised fees estimate total time costs £
Investigations	157.05	53,066.25	191.35	71,912.75
Creditors (claims & distributions)	12.15	3,328.95	23.95	8,494.95
Total	169.20	56,395.20	215.30	80,407.70

- 5.1 Our total time costs in respect of investigations and creditor matters for the period are £7,667.50 which represents 18.70 hours at an average rate of £410.03 per hour. Attached at Appendix B is a Time costs 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.
- 5.2 Also attached at Appendix C is a cumulative Time costs analysis in respect of investigations and creditor matters for the period from 13 March 2017 to 12 March 2024 which provides details of the total time costs incurred since appointment. The cumulative time costs incurred to date are £56,395.20 which represents 169.20 hours at an average rate of £333.30 per hour.
- 5.3 At the date of this report, the Joint Liquidators fees estimate for the Liquidation remains unchanged. Where this amount is less than our overall fees estimate, it may be that our fee recoveries will be restricted as a result of the funds available in the Liquidation, which will prevent our time costs being recovered in full.
- 5.4 At this stage the Joint Liquidators do not anticipate any further approval will be necessary following the revision of the original estimate, in order to conclude the Liquidation, however this is dependent on the outcome of the ongoing investigations.
- 5.5 The Joint Liquidators have not drawn any remuneration to date.
- 5.6 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from <https://www.azets.co.uk/media/lybj2if4/liquidation- a guide for creditors on insolvency practitioners fees- version 1 april 2021.pdf>.
- 5.7 The following appendices are also attached:
- Appendix D – Additional information in relation to the Joint Liquidators' expenses
 - Appendix E – Azets Holdings Ltd Fees and Expenses Policy.

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 Joint 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 Joint Liquidators' remuneration is

inappropriate and/or the remuneration charged or the expenses incurred by the Joint 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, please contact Samara Masny or Michele Lockyer by email at samara.masny@azets.co.uk or michele.lockyer@azets.co.uk, or by telephone 01784 435561.
- 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/>.



Louise Mary Brittain
Joint Liquidator

Appendix A

Receipts and Payments Account for the period from the 13 March 2023 to the 12 March 2024 incorporating a Cumulative Receipts and Payments Account from the 13 March 2017 to the 12 March 2024

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

Statement of Affairs £	From 13/03/2023 To 12/03/2024 £	From 13/03/2017 To 12/03/2024 £
ASSET REALISATIONS		
Bank Interest Gross	NIL	1.70
Cash in hand	NIL	7,864.80
	NIL	7,866.50
COST OF REALISATIONS		
Accountant Fees	NIL	1,350.00
Land Registry Fees	6.00	6.00
Legal disbursements	336.84	336.84
Preparation of S. of A.	NIL	5,000.00
Retreival of Records	NIL	322.50
	(342.84)	(7,015.34)
	(342.84)	851.16
REPRESENTED BY		
Bank 1 Current		718.09
Vat Receivable		133.07
		851.16

Appendix B

Time costs analysis for the period from the 13 March 2023 to the 12 March 2024

Classification of work Function	Partner/ Director	Manager	Hours			Time Costs £	Average Hourly rate £
			Other senior Professionals	Assistants & Support staff	Total Hours		
Investigations	8.40	6.30	1.20	-	15.90	6,910.00	434.59
Creditors	-	0.40	2.40	-	2.80	757.50	270.54
Total	8.40	6.70	3.60	-	18.70	7,667.50	410.03

Appendix C

Cumulative Time costs analysis for the period from the 13 March 2017 to the 12 March 2024

Hours							
Classification of work Function	Partner/ Director	Manager	Other senior Professionals	Assistants & Support staff	Total Hours	Time Costs £	Average Hourly rate £
Investigations	57.55	29.10	70.40	-	157.05	53,066.25	337.89
Creditors	1.40	2.75	8.00	-	12.15	3,328.95	273.99
Total	58.95	31.85	78.40	-	169.20	56,395.20	333.30

Appendix D

Additional Information in Relation to the Joint Liquidators' expenses

Staff Allocation and the use of Subcontractors

The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a Partner, a Manager or Director, and an Assistant Manager or Administrator. 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.

The Joint Liquidators have not utilised the services of any subcontractors on this case.

Professional Advisors

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

Name of Professional Advisor	Basis of Fee Arrangement
Verisona Law and Isadore Goldman (legal advice)	Hourly rate plus disbursements
Burlington Credit (valuation and disposal advice)	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.

Joint Liquidators' Expenses

The table below compares the Joint Liquidators' anticipated costs against those incurred to the end of the period.

Category 1 Expenses	Paid in Prior period £	Paid in the period covered by this report £	Incurred but not paid to date £
Agent's fees & expenses	-	-	350.00
Legal fees (Verisona Law)	-	-	4,894.00
Legal fees (Isadore Goldman)	-	-	127,497.50
Legal Disbursements	-	336.84	6.00
Counsel fees	-	-	2,250.00
Land registry fees	-	6.00	
Statutory Advertising	-	-	151.00
Specific Penalty Bond	-	-	40.00
Accountant's fees	1,350.00	-	-
External storage costs	-	-	40.06
Retrieval of Records	322.50	-	-
IT software	-	-	110.00
Courier Costs	-	-	21.00
Preparation of SOA	5,000.00	-	-
Total	6,672.50	342.84	135,359.60

Postage	-	-	15.58
Mileage	-	-	55.35
Total	-	-	70.93

Appendix E

Azets Holdings Ltd Fees and Expenses Policy



Introduction

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk>.

Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency 9 (SIP 9) and can be accessed at <https://www.azets.co.uk/restructuring-and-insolvency-downloads/>. A hard copy may be requested from Azets Holdings Limited, Gladstone House, 77-79 High Street, Egham, Surrey TW20 9HY or by emailing samara.masny@azets.co.uk.

Staff Allocation and Charge Out Rates

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case. Work carried out by all staff is subject to the overall supervision of the office holders.

The constitution of the case team will usually consist of a Partner/Director, Manager and an Administrator as well as support staff. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and on larger, more complex cases, several members of staff may be allocated to meet the demands of the case.

We operate a time recording system which allows staff working on the assignment along with the office holders to allocate their time to an assignment in 6 minute units.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. The work is generally recorded under the following categories:

- Administration and planning
- Investigations
- Realisation of assets
- Creditors
- Trading
- Case specific matters

Time costs are recorded at the individual's hourly rate in force at that time. Our charge out rates increased on 1 May 2023 and are shown below, exclusive of VAT.

1 May 2023 to date	£	1 February 2022 to 30 April 2023	£	3 December 2018 to 31 January 2022	£
Partner/Director	520.00 – 665.00	Partner/Director	400.00 – 580.00	Partner	430.00 - 470.00
Manager	320.00 – 430.00	Manager	280.00 – 375.00	Directors/Manager	210.00 - 390.00
Administrator	150.00 – 320.00	Administrator	130.00 – 275.00	Administrator	110.00 - 210.00
Support Staff	150.00	Support Staff	120.00	Junior/Trainee Administrator	95.00 - 200.00
				Cashiers/Secretaries	60.00 - 100.00

Included within the manager grade are Senior Manager, Manager and Assistant Manager. Included within the Administrator grade are Senior Administrator and Assistant. Where necessary and appropriate, members of staff from other departments of the practice will undertake work on a case. They will be charged at their normal charge out rate for undertaking such work.

Please note that charge out rates are reviewed annually and may be subject to change.

Expenses

On insolvency appointments, an office holder will typically incur expenses which relate to that assignment. Expenses (or costs) are amounts properly payable by an office holder from an insolvency estate which are not otherwise categorised as the office holder's remuneration or a distribution to a creditor or shareholder. These expenses may include, but are not limited to, agent's costs for disposal and realisation of assets, legal costs, specialist pension advice, tax services or other routine expenses associated with an insolvency appointment such as statutory advertising costs, the office holder's specific penalty bond and costs associated with storing the books and records. Expenses also include disbursements which are payments that are first met by the office holder and then reimbursed at a later date from the estate, usually when realisations permit. Details of the anticipated expenses on an insolvency assignment will be outlined in the office holder's fees estimate or other information provided to creditors about the fee basis or bases being proposed.

Expenses recharged to, or incurred directly by, an insolvent estate are subject to VAT at the applicable rate where appropriate.

Some expenses can be paid without prior approval from creditors (referred to as Category 1 expenses) and other expenses which may have an element of shared costs or are proposed to be paid to an associate of the office holder, require approval before they can be paid (referred to as Category 2 expenses).

Category 1 expenses are directly referable to an invoice from a third party that is not an associate of the office holder or the firm, which is either in the name of the estate or Azets Holdings Limited; in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the insolvency estate. These costs are recoverable without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party.

These expenses include ATE insurance cover provided automatically on appointment by Howdens "Senatus" policy. This is After the Event insurance policy that is provided automatically from the date of the officeholders appointment. All cases will be automatically covered on payment of £25 plus IPT and if the officeholder decides to issue a claim against a third party the next stage premium is £500 plus IPT but this is contingent on the claim being successful. Further details in relation to this policy can be provided on request to the officeholders.

Category 2 expenses are directly attributable to the estate but include an element of shared costs or is a payment to an associate of the office holder or the firm. These expenses are recoverable from the estate, subject to the prior approval of the creditors, in the same manner as the approval of the office holder's remuneration.

The Category 2 expenses which include an element of shared costs and are charged by this firm are as follows:

- Postage – charged in accordance with the current Royal Mail price guide for first class.
- Business mileage – charged at standard rates which comply with HM Revenue & Customs limits. The current rate is 45 pence per mile.
- Internal photocopying - charged at 5 pence per sheet for reports and circulars issued to creditors, shareholders, employees and other stakeholders. No additional charge is made for individual items of correspondence.

Please note that these category 2 expenses are reviewed annually and may be subject to change.

Payments to associates (as defined in Section 435 of the Insolvency Act 1986 and the Insolvency Code of Ethics), which are also classified as a category 2 expense requiring creditor approval, are not routinely made by this firm.

Any such payments will be considered on a case by case basis and when seeking approval for the payments, the office holder will provide creditors with an explanation of the work to be done, why the work is necessary and the estimated payment that will be made. The form and nature of the relationship with the associate will also be provided.

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 Service Regulations, some general information about Azets Holdings Limited, 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/.

