

60476080

1



Frost
Business Recovery

**TSG SERVICE AND MAINTENANCE LIMITED
(IN COMPULSORY LIQUIDATION)**

**BOURNEMOUTH AND POOLE
COUNTY COURT NO: 210 OF 2012**

FIRST ANNUAL REPORT TO CREDITORS

**FROST BUSINESS RECOVERY
UNIT 9
BASEPOINT BUSINESS CENTRE
AVIATION BUSINESS PARK
ENTERPRISE CLOSE
CHRISTCHURCH
DORSET
BH23 6NX**

WEDNESDAY



Q2Z42FS1

QIQ

08/01/2014

#141

COMPANIES HOUSE



TSG SERVICE & MAINTENANCE LIMITED (IN LIQUIDATION)**JOINT LIQUIDATORS' FIRST ANNUAL PROGRESS REPORT TO MEMBERS
AND CREDITORS FOR THE YEAR ENDING 5 DECEMBER 2013****1 INTRODUCTION**

On 6 December 2012, Jeremy Charles Frost and Dorothy Avice Brown of Frost Business Recovery, Basepoint Business Centre, Aviation Business Park, Enterprise Close, Christchurch, Dorset BH23 6NX were appointed as Joint Liquidators of TSG Service & Maintenance Limited

This report sets out an account of our acts and dealings and of the conduct of the Liquidation for the preceding year, the first year of the Liquidation. The report follows, and should be read in conjunction with our previous report dated 14 January 2013

2 STATUTORY INFORMATION

Company name TSG Service & Maintenance Limited

Registered office Basepoint Business Centre, Aviation Business Park, Enterprise Close, Christchurch, Dorset BH23 6NX

Former Registered Office and Trading Address 2-3 Thorn Way Woolsbridge Industrial Estate, Wimborne, Dorset, BH21 6FP

Registered Number 06476080

Court & Court Reference Poole & Bournemouth County Court No 210 of 2012

Date of Winding Up Order 28 March 2012

Joint Liquidators' Names Jeremy Charles Frost & Dorothy Avice Brown Frost

Joint Liquidators' Address Frost Business Recovery, Basepoint Business Centre, Aviation Business Park, Enterprise Close, Christchurch, Dorset BH23 6NX

Joint Liquidators' Date of Appointment 6 December 2012

3 RECEIPTS AND PAYMENTS SUMMARY

The Joint Liquidators Receipts & Payments Summary for the period from 6 December 2012 to 5 December 2013 is attached at Appendix A

Where possible, all funds have been held by the Joint Liquidators on interest-bearing accounts in order to maximise the level of realisations. Interest earned in the period has amounted to £362.85

4 ASSETS

Cash at Bank

The Company had a bank account with HSBC and the Official Receiver ("OR") arranged the transfer of the credit balance into the Insolvency Service Account prior to my appointment. I can confirm that the sum of £106,334.69 was received from the OR.

In addition, it came to light that further funds totalling £6,060.20 were due and I arranged for these funds to be transferred from HSBC accordingly.

Book Debts

The OR advised me that there were book debts due to the Company with an estimated to realise value of £10,088. Following investigation, it transpired that the majority of the book debts had been paid into the Company's bank account prior to liquidation. As such, I have collected the sum of £440.40 and no further realisations are expected in this regard.

Inter- Company Debts

There are inter-company debts owed to the Company by TSG Southern Limited and TSG Midland Limited. Both companies are in liquidation with Accura. Claims have been lodged in the liquidations of TSG Southern Limited and TSG Midland Limited in the amount of £90,448 and £40,000 respectively. I am awaiting confirmation from the liquidators as to the likelihood of a dividend to non-preferential creditors.

Overdrawn Director's Loan Account

Following a review of information provided by the OR, it appeared that one of the Company's directors owed the Company £3,276. Further investigations were carried out with the Company's accountant and I can confirm that the director in question was in fact owed money by the Company and was therefore added to the list of creditors accordingly.

5 LIABILITIES

Secured Liabilities

An examination of the Company's mortgage register held by the Registrar of Companies showed that the Company has not granted any debentures.

Preferential Creditors

Claims totalling £3,879.62 have been received from preferential creditors.

Crown Creditors

I have received claims totalling £97,448.42 from HMRC of which £9,756.82 relates to NIC and £87,691.60 relates to PAYE.

Unsecured Creditors

The Joint Liquidators have received claims from 12 creditors totalling £32,786.58.

JOINT LIQUIDATORS' ACTIONS SINCE APPOINTMENT

As detailed above, the Joint Liquidators have concentrated their time on the realisation of assets, including the following

- Investigating the cash at bank received
- Book debt collection
- Establishing the position with regards to inter-company debts and lodging claims in the liquidations of TSG Southern Limited and TSG Midland Limited
- Investigating the director's loan account

In addition, creditors' claims have been agreed and a first dividend paid to both preferential and non-preferential creditors

6 INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

My Joint Liquidator and I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved

There were no matters that justified further investigation in the circumstances of this appointment

7 JOINT LIQUIDATORS' REMUNERATION

The Joint Liquidators' remuneration was previously authorised by creditors at a meeting held on 12 February 2013 to be drawn on a time cost basis. All time is charged in 6-minute units. Our time costs to 5 December 2013, which have been charged at an average charge out rate of £231.76 per hour, amount to £23,911.05

I have drawn £22,996.05 to date. A schedule of my time costs incurred to date is attached as Appendix B

A description of the routine work undertaken in the Liquidation to date is as follows

8.1 Administration and Planning

- Preparing the documentation and dealing with the formalities of appointment
- Statutory notifications and advertising
- Preparing documentation required
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details
- Review and storage
- Case bordereau and insurance
- Case planning and administration
- Preparing reports to members and creditors
- Convening and holding meetings of members and creditors

8.2 Cashiering

- Maintaining and managing the Joint Liquidators' cashbook and bank account
- Ensuring statutory lodgements and tax lodgement obligations are met

8 3 Creditors

- Dealing with creditor correspondence and telephone conversations
- Preparing reports to creditors
- Maintaining creditor information on our computer system
- Reviewing and adjudicating on proofs of debt received from creditors

8 4 Investigations

- Review and storage of Company books and records
- Conduct investigations into suspicious transactions
- Review Company books and records to identify any transactions or actions that the Joint Liquidators may take against a third party in order to recover funds for the benefit of creditors

8 5 Realisation of Assets

- Corresponding with debtors and attempting to collect outstanding book debts
- Liaising with the Company's bank regarding the closure of the account
- Investigating director's loan account
- Agreeing inter-company debts

A copy of 'A Creditors Guide to Liquidators' Fees' published by the Insolvency Practitioners' Association and 'A Statement of Insolvency Practice 9 (Revised)' are available online at <http://www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees>

Please note that there are different versions for cases that commenced before or after 6 April 2010 and in this case you should refer to the November 2011 version. Hard copies can be obtained on request from our office.

A copy of our charge out rates is attached, please note our charge out rates have not changed since our appointment. Information about our disbursements policy is set out at <http://www.frostbr.co.uk/news-and-general-information/sip9/>

8 **JOINT LIQUIDATORS' EXPENSES**

The Joint Liquidators' expenses to 5 December 2013 amount to £698.08 all of which have been drawn. This is made up of a DVLA Search Fee of £5.00, a Statutory Bond of £480.00, Stationery and Postage of £58.08 and Statutory Advertising of £155.00.

The following agents or professional advisors have been utilised in this matter:

Professional Advisor	Nature of Work	Fee Arrangement
Brethertons LLP	Solicitors	Time costs

The choice of professionals was based on the Joint Liquidators' 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. The fees charged have been reviewed and we are satisfied that they are reasonable in the circumstances of this case. The work has been completed and the fees for the work have been paid in full.

10 FURTHER INFORMATION

An unsecured creditor may, with the permission of the Court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Joint Liquidators' remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the Court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to Court to challenge the amount and/or basis of the Joint Liquidators' fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to Court within the same time limit.

11 DIVIDEND PROSPECTS

Secured Creditors

As detailed above, there are no secured creditors in this matter.

Preferential Creditors

Preferential creditors were paid in full on 4 July 2013.

Ordinary Unsecured Creditors

A first dividend of 5 p in the £ was paid to this class of creditor on 4 July 2013. It is estimated that a second dividend will be paid in the near future.

12 SUMMARY

The Liquidation will remain open until the matter of the inter-company debts has been fully resolved. This will be dependant upon the amount and timing of any potential dividend from the liquidators of TSG Southern Limited and TSG Midland Limited.

Should you have any queries regarding this matter please contact Matt Reeds on telephone number 01202 830043.



Jeremy Frost FABRP MIPA

Joint Liquidator

(Licensed by the Insolvency Practitioners Association)

Dated 23 December 2013

Appendix A**TSG SERVICE & MAINTENANCE LIMITED - IN LIQUIDATION****Joint Liquidators' Abstract of Receipts & Payments**

TSG SERVICE AND MAINTENANCE LIMITED
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments
To 05/12/2013

S of A £	£	£
ASSET REALISATIONS		
Refund	23 90	
Book Debts	440 40	
Cash at Bank	6,060 20	
Bank Interest Net of Tax	362 85	
		6,887 35
COST OF REALISATIONS		
Balance from OR	106,334 69	
ISA Cheque Fees	(30 10)	
Sec of State Fees	(1,513 58)	
Petitioners Costs	(2,282 10)	
Statutory Bond	(480 00)	
Funds due to Cooling Energy Services	(7,126 80)	
Office Holders Fees	(22,996 05)	
Office Holders Expenses	(5 00)	
ISA Quarterly Fees	(88 00)	
Legal Fees (1)	(543 00)	
Stationery & Postage	(58 08)	
Statutory Advertising	(155 00)	
		71,056 98
PREFERENTIAL CREDITORS		
Employee Arrears/Hol Pay	3,879 62	
Provision for future pref claims	2,007 66	
		(5,887 28)
UNSECURED CREDITORS		
Unsecured dividend	6,511 79	
Provision for unpaid dividends	8,094 64	
Provision for final advert	300 00	
		(14,906 43)
		57,150.62
REPRESENTED BY		
Vat Receivable		1,642 29
ISA		55,508 33
		57,150.62

Appendix B**TSG SERVICE & MAINTENANCE LIMITED - IN LIQUIDATION****Joint Liquidators' time costs to 5 December 2013**

Frost Group Limited

TIME & CHARGEOUT SUMMARIES (POST)

TSG SERVICE AND MAINTENANCE LIMITED

To 05/12/2013

HOURS							
Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning							
AP - Admin & Planning	3 10	0 40	0 00	1 85	5 35	1,112 50	207 94
General Correspondence	0 00	0 50	0 00	0 00	0 50	70 00	140 00
General Dealings With Directors/debtor	1 10	0 00	0 00	0 00	1 10	308 00	280 00
Post Appt Tax	0 00	0 80	0 00	0 00	0 80	112 00	140 00
Cashiering	3 50	7 97	0 35	0 30	12 12	2,268 05	187 13
AP Other	1 60	0 00	0 00	0 00	1 60	448 00	280 00
	9 30	9 67	0 35	2 15	21 47	4,318 55	201 14
Investigations							
IN - Investigations	6 95	0 00	0 10	1 40	8 45	2,220 00	262 72
	6 95	0 00	0 10	1 40	8 45	2,220 00	262 72
Realisation of Assets							
RA - Realisation Of Assets	0 90	0 00	0 00	0 00	0 90	252 00	280 00
Chattels	1 70	0 00	0 00	0 10	1 80	494 00	274 44
Debtors	2 15	0 35	0 00	8 50	11 00	2,181 00	198 27
RA Other	0 00	2 00	0 00	0 00	2 00	480 00	240 00
	4 75	2 35	0 00	8 60	15 70	3,407 00	217 01
Creditors							
CR - Dealing with Creditors	5 95	0 10	0 00	0 00	6 05	1,680 00	277 69
Preferential	1 75	0 00	0 00	0 80	2 55	634 00	248 63
Employees	2 50	1 00	0 00	4 10	7 60	1,678 00	220 79
Unsecured	2 20	4 20	0 00	0 45	6 85	1,285 00	187 59
Distributions	10 65	1 25	0 00	3 60	15 50	3,805 00	245 48
	23 05	6 55	0 00	8 95	38 55	9,082 00	235 59
Statutory							
Compliance	5 50	1 55	0 25	0 00	7 30	1,792 00	245 48
Notices	1 55	0 00	0 00	0 00	1 55	434 00	280 00
Meetings	2 65	0 00	0 00	0 00	2 65	742 00	280 00
Reports	5 15	0 15	0 10	1 60	7 00	1,768 50	252 64
Appointment	0 20	0 00	0 00	0 00	0 20	70 00	350 00
Pre Appt Tax	0 00	0 05	0 00	0 00	0 05	7 00	140 00
Legal	0 25	0 00	0 00	0 00	0 25	70 00	280 00
	15 30	1 75	0 35	1 60	19 00	4,883 50	257 03
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Fees Claimed £	16,632 00	3,210 55	119 00	3,949 50		23,911 05	
Total Hours	59 35	20 32	0 80	22 70	103 17		
Average Rate	280 24	158 00	148 75	173 99			231 76