

06476080

TSG SERVICE & MAINTENANCE LIMITED – IN COMPULSORY LIQUIDATION

**LIQUIDATOR'S PROGRESS REPORT TO CREDITORS AND MEMBERS
FOR THE YEAR ENDING 5 DECEMBER 2014**

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' name Jeremy Charles Frost & Stephen Patrick Jens Wadsted

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

Joint Liquidators' date of appointment. Jeremy Charles Frost on 6 December 2012 & Stephen Patrick Jens Wadsted on 24 February 2014

Name, address and appointment details of the former Trustee Dorothy Avice Brown of Even Keel Financial Limited, Rowland House, Hinton Road, Bournemouth BH1 2EG appointed on 6 December 2012 and replaced by Stephen Patrick Jens Wadsted by order of the High Court of Justice No 31/M/2013 on 24 February 2014

REPLACEMENT OF JOINT LIQUIDATOR

Please be advised that Stephen Patrick Jens Wadsted was appointed Joint Liquidator in place of Dorothy Avice Brown by order of the High Court of Justice No 31/M/2013 on 24 February 2014

JOINT LIQUIDATOR'S ACTIONS SINCE LAST REPORT

The only assets left to be realised are the inter-company debts owed to the Company by TSG Southern Limited ("Southern") and TSG Midland Limited ("Midland"). Both companies are also in liquidation and I have lodged claims in both liquidations in the amount of £90,448 and £40,000 in Southern and Midland respectively. The liquidators have advised that, in relation to Midland, there is unlikely to be a dividend. However, in relation to Southern, the liquidators are negotiating with the director & the loan account may be repaid but over a 2-3 year period. In which case, it is likely that a dividend will be payable but as yet, the liquidators cannot quantify what this will be.

RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the period from 6 December 2012 to 5 December 2014 is attached at Appendix 1.

TUESDAY



Q3NBSR6B

QIQ

23/12/2014

#11

COMPANIES HOUSE

ASSETS

Refund

A refund of £23 90 was received by the Company in respect of a toll charge

Book Debts

The Official Receiver ("OR") advised me that there were book debts due to the Company with an estimated to realise value of £10,088 37. 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.

Cash at Bank

The Company had a bank account with HSBC and the 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.

Inter- Company Debts

As detailed above, there are inter-company debts owed to the Company by Southern and Midland. Both companies are in liquidation and claims have been lodged in the liquidations of Southern and Midland in the amount of £90,448 and £40,000 respectively. The liquidators have advised that, in relation to Midland, there is unlikely to be a dividend. However, in relation to Southern, the liquidators are negotiating with the director & the loan account may be repaid but over a 2-3 year period. In which case, it is likely that a dividend will be payable but as yet, the liquidators cannot quantify what this will be.

Bank Interest

Net bank interest totalling £513 80 has been received of which £150.95 was received in the period from 6 December 2013 to 5 December 2014.

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.

Returned Dividends

The sum of £51.27 has been received from a creditor in respect of an unclaimed dividend.

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 11 creditors totalling £32,095 45

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 followed by a second dividend of 27 80 p in the £ on 31 March 2014. Therefore funds totalling £43,563 06 have been paid to this class of creditor. It is uncertain whether any further dividends will be paid as this is dependant on the recovery of the inter-company debts

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

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

LIQUIDATOR'S REMUNERATION

My remuneration was previously authorised by creditors at a meeting held on 12 February 2013 to be drawn on a time cost basis. My total time costs to 5 December 2014 amount to £34,214 05, representing 152 17 of hours work at an average charge out rate of £224 84 per hour, of which £10,247 00, representing 48 80 of hours work, was charged in the period between 6 December 2013 and 5 December 2014, at an average charge out rate of £209 98 per hour

I have drawn £34,057.05 to date of which £11,061 00 was drawn in the period between 6 December 2013 and 5 December 2014

A schedule of my time costs incurred to date is attached as Appendix 2.

A description of the routine work undertaken since my last progress report is as follows.

- 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 on IPS
 - Review and storage
 - Case bordereau
 - Case planning and administration
 - Preparing reports to members and creditors.
 - Convening and holding meetings of members and creditors
- 2 Cashiering
 - Maintaining and managing the liquidator's cashbook and bank account.
 - Ensuring statutory lodgements and tax lodgement obligations are met
- 3 Creditors
 - Dealing with creditor correspondence and telephone conversations
 - Preparing reports to creditors
 - Maintaining creditor information on IPS
 - Reviewing and adjudicating on proofs of debt received from creditors
- 4 Investigations
 - Review and storage of books and records
 - Conducting investigations into suspicious transactions
 - Review books and records to identify any transactions or actions a liquidator may take against a third party in order to recover funds for the benefit of creditors
- 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 Association of Business Recovery Professionals, together with an explanatory note which shows Frost Group Limited's fee policy are available at the link <http://frostgroup.co.uk/about/policies-and-procedures/sip> Please note that there are different versions of the Guidance Notes, and in this case you should refer to the November 2011 version. A hard copy of both documents can be obtained on request from the address below

LIQUIDATOR'S EXPENSES

My expenses to 5 December 2014 amount to £796.42 of which £98.34 was incurred in the period between 6 December 2013 to 5 December 2014

I have drawn £796.42 to date of which £98.34 was drawn in the period between 6 December 2013 and 5 December 2014

The following expenses have been paid.

Type of expense	Amount incurred/accrued to date	Amount still to be paid
Bordereau	£490 00	£0 00
Mileage	£2 94	£0 00
Postage	£76 08	£0 00
DVLA Fee	£5 00	£0 00
Statutory Advertising	£222.40	£0 00

Total	£796.42	£0.00
	=====	

DTI FEES AND DISBURSEMENTS

These were paid out of the Liquidation and include ISA cheque/bacs fees in the sum of £51.40 of which £21 30 was paid in the period between 6 December 2013 and 5 December 2014. The Secretary of State fee on the realisation of assets totals £1,927 96 of which £414 38 was paid in the period between 6 December 2013 and 5 December 2014. Fees for the running of the bank account by the Insolvency Service are £176 00 of which £88 00 was paid in the period between 6 December 2013 and 5 December 2014.

PETITION COSTS

The petitioning creditors' costs of £2,282 10 have been agreed and paid.

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 my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. The fees charged have been reviewed and I am satisfied that they are reasonable in the circumstances of this case.

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 Liquidator's 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 Liquidator's 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.


SUMMARY

The Liquidation will remain open until the inter-company loans have been recovered. I estimate that this will take at least 12 months, but possibly 2-3 years

Should you have any queries regarding this report, or the Liquidation in general, please contact Matt Reeds on telephone number 01202 830043.

At Frost Business Recovery we always strive to provide a professional and efficient service, however we recognise that it is in the nature of insolvency proceedings for disputes to arise from time to time. If you should have cause to complain about the way that we are acting, you should, in the first instance, put details of your complaint in writing to our complaints officer Jeremy Frost, Frost Group Limited, Airport House, Purley Way, Croydon CR0 0XZ. This will formally invoke our complaints procedure and we will endeavour to deal with your complaint under the supervision of a senior partner unconnected with the appointment.

Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, in the event that you have exhausted our complaints procedure and you are not satisfied that your complaint has been resolved or dealt with appropriately, you may complain to the regulatory body that licences the insolvency practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, and you can make a submission using an on-line form available at www.gov.uk/complain-about-insolvency-practitioner, or you can email ip.complaints@insolvency.gov.uk, or you may phone 0845 602 9848 - calls are charged at between 1p and 10 5p per minute from a land line, or for mobiles, between 12p and 41p per minute if you're calling from the UK



Jeremy Frost FABRP MIPA

Joint Liquidator

(Licensed by the Insolvency Practitioners' Association)

APPENDIX A

TSG SERVICE & MAINTENANCE LIMITED - IN LIQUIDATION

JOINT LIQUIDATORS' ABSTRACT OF RECEIPTS & PAYMENTS

TSG SERVICE AND MAINTENANCE LIMITED
(In Liquidation)

Summary of Receipts & Payments

RECEIPTS	Statement of Affairs (£)	From 06/12/2012 To 05/12/2013 (£)	From 06/12/2013 To 05/12/2014 (£)	Total (£)
Refund		23 90	0 00	23 90
Book Debts	10,088 37	440 40	0 00	440 40
Cash at Bank		6,060 20	0 00	6,060 20
TSG Southern Limited	90,448 00	0 00	0 00	0 00
TSG Midland Limited	40,000 00	0 00	0 00	0.00
Bank Interest Net of Tax		362 85	150 95	513 80
Loan Account	3,276 00	0 00	0 00	0 00
Balance from OR	128,441 00	106,334 69	0 00	106,334 69
Unsecured dividend		51.27	0 00	51 27
Provision for unpaid dividends		6,878 40	8,094 64	14,973 04
		120,151 71	8,245.59	128,397 30
PAYMENTS				
ISA Cheque Fees		30 10	21 30	51 40
Sec of State Fees		1,513 58	414.38	1,927 96
Petitioners Costs		2,282 10	0 00	2,282 10
Statutory Bond		480 00	10 00	490 00
Funds due to Cooling Energy Services		7,126 80	0 00	7,126 80
Office Holders Fees		22,996 05	11,061 00	34,057 05
Office Holders Expenses		5 00	0 00	5 00
ISA Quarterly Fees		88.00	88 00	176 00
Mileage		0 00	2 94	2 94
Legal Fees		543 00	0 00	543 00
Corporation Tax		0 00	13.66	13 66
Stationery & Postage		58 08	18 00	76.08
Statutory Advertising		155 00	67 40	222.40
Employee Arrears/Hol Pay		3,879.62	0 00	3,879 62
Provision for future pref claims		2,007.66	0 00	2,007 66
Unsecured dividend		6,563 06	34,002 61	40,565 67
Employees		0 00	2,997 39	2,997 39
Provision for unpaid dividends		14,973 04	0 00	14,973 04
Provision for final advert		300 00	0 00	300 00
		63,001 09	48,696.68	111,697 77
Net Receipts/(Payments)		57,150.62	(40,451.09)	16,699.53
MADE UP AS FOLLOWS				
ISA		55,508 33	(40,071 34)	15,436 99
VAT Receivable / (Payable)		1,642 29	(379 75)	1,262 54
		57,150 62	(40,451.09)	16,699 53

APPENDIX B

TSG SERVICE & MAINTENANCE LIMITED - IN LIQUIDATION

JOINT LIQUIDATORS' TIME COSTS TO 5 DECEMBER 2014

Frost Group Limited

TIME & CHARGEOUT SUMMARIES (POST)

TSG SERVICE AND MAINTENANCE LIMITED

To 05/12/2014

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	2 30	5 80	1,193 50	205 78
General Correspondence	0 00	0 90	0 00	0 00	0 90	129 50	143 89
General Dealings With Directors/debtor	1 10	0 00	0 00	0 00	1 10	308 00	280 00
Post Appt Tax	0 00	3 25	0 00	0 00	3 25	462 00	142 15
Cashiering	3 60	22 77	0 35	1 60	28 32	5,190 80	183 29
AP Other	1 80	0 00	0 00	0 00	1 80	504 00	280 00
	9 60	27 32	0 35	3 90	41 17	7,787 80	189 16
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	1 50	0 00	0 00	2 40	612.00	255 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
Agents	0 00	0 05	0 00	0 00	0 05	7 00	140 00
	4 75	3 90	0 00	8 60	17 25	3,774 00	218 78
Creditors							
CR - Dealing with Creditors	5 95	1 10	0 00	0 00	7 05	1,920 00	272.34
Preferential	1 75	0 00	0 00	0 80	2 55	634 00	248 63
Employees	2 50	3 50	0 00	4 10	10 10	2,278 00	225 54
Unsecured	2 20	4 20	0 00	0 45	6 85	1,285 00	187 59
Distributions	10 65	10 20	0 00	3 60	24 45	5,908 00	241 64
	23 05	19 00	0 00	8 95	51 00	12,025 00	235.78
Statutory							
SM - Statutory Matters	0 00	6 50	0 00	0 00	6 50	1,560 00	240 00
Compliance	5 90	5 95	0 25	0 00	12 10	2,853 75	235 85
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 55	0 10	1 60	7 40	1 824 50	246 55
Other	0 00	3 00	0 00	0 00	3 00	720 00	240 00
Appointment	0 40	0 00	0 00	0 00	0 40	126 00	315.00
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
Closure	0 00	0 40	0 00	0 00	0 40	70.00	175 00
	15 90	16 45	0 35	1 60	34 30	8,407 25	245.11
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Fees Claimed £	16,884 00	13,035 80	119 00	4,175 25		34,214 05	
Total Hours	60 25	66 67	0 80	24 45	152 17		
Average Rate	280.23	195 53	148 75	170 77			224 84

Frost Group Limited

TIME & CHARGEOUT SUMMARIES (POST)

TSG SERVICE AND MAINTENANCE LIMITED

From 06/12/2013 to 05/12/2014

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	0 00	0 00	0 00	0.45	0 45	81 00	180 00
General Correspondence	0 00	0 40	0 00	0 00	0 40	59 50	148 75
Post Appt Tax	0.00	2 45	0 00	0 00	2 45	350 00	142.86
Cashiering	0 10	14 80	0.00	1 30	16 20	2,922.75	180 42
	0 10	17 65	0.00	1 75	19 50	3,413 25	175 04
Realisation of Assets							
RA - Realisation Of Assets	0.00	1 50	0 00	0 00	1 50	360 00	240 00
Agents	0 00	0 05	0 00	0 00	0 05	7 00	140 00
	0 00	1 55	0 00	0 00	1 55	367.00	236 77
Creditors							
CR - Dealing with Creditors	0 00	1 00	0 00	0.00	1 00	240 00	240 00
Employees	0 00	2 50	0 00	0 00	2 50	600 00	240 00
Distributions	0 00	8 95	0 00	0 00	8 95	2,103 00	234 97
	0 00	12.45	0 00	0 00	12 45	2,943 00	236 39
Statutory							
SM - Statutory Matters	0 00	6 50	0 00	0 00	6 50	1,560 00	240 00
Compliance	0 40	4 40	0 00	0 00	4 80	1,061 75	221.20
Reports	0 00	0 40	0 00	0 00	0 40	56.00	140.00
Other	0 00	3 00	0 00	0 00	3 00	720 00	240.00
Appointment	0.20	0 00	0 00	0 00	0 20	56 00	280 00
Closure	0 00	0.40	0 00	0 00	0 40	70 00	175 00
	0 60	14 70	0.00	0.00	15 30	3,523 75	230 31
Investigations	0.00	0 00	0 00	0 00	0 00	0 00	0.00
Trading	0 00	0 00	0 00	0 00	0 00	0.00	0 00
Total Fees Claimed £	196.00	9,825 25	0 00	225 75		10,247 00	
Total Hours	0.70	46.35	0 00	1.75	48 80		
Average Rate	280 00	211 98	0.00	129 00			209 98

APPENDIX C

TSG SERVICE & MAINTENANCE LIMITED - IN LIQUIDATION

JOINT LIQUIDATORS' CHARGE OUT RATES

My firm's current charge out rates are as follows All time is charged in 6-minute units

	£
Director	280 - 385
Manager	200 - 330
Supervisor	180 - 240
Administrator	125 - 200
Support Staff	95 - 130