

**Return of Final Meeting in a Creditors'
Voluntary Winding Up****S.106**

Pursuant to Section 106 of the Insolvency Act 1986

To the Registrar of Companies

Company Number

07479990

Name of Company

(a) Insert full name of
company

(a) TCG Global Limited

(b) Insert full name(s) and
address(es)Paul Ronald Brindley of Midlands Business Recovery, Alpha House, Tipton Street, Sedgley,
West Midlands, DY3 1HE, United Kingdom

(c) Delete as applicable

(d) Insert date

(e) The copy account
must be authenticated by
the written signature(s) of
the liquidator(s)(f) Insert venue of the
meeting

1 give notice that a general meeting of the company was duly held 13 November 2013
pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having an account (of
which a copy is attached laid before it showing how the winding up of the company has been
disposed of and no quorum was present at the meeting,

2 give notice that a meeting of the creditors of the company was duly held 13 November 2013
pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having the said account
laid before it showing how the winding up of the company has been conducted and the property
of the company has been disposed of and that the same was done accordingly

The meeting was held at Alpha House, Tipton Street, Sedgley, West Midlands, DY3 1HE

The report covers the period from 20 September 2012 (opening of winding up) to 13 November
2013 (close of winding up)

The outcome of the meeting (including any resolutions passed at the meeting) was as follows

- 1 That the Liquidator's final report and receipts and payments account can be approved
- 2 That the Liquidator receive his release

Signed



Date 13 November 2013

Presenter's name,
address and reference
(if any)

Paul Ronald Brindley
Midlands Business Recovery
Alpha House, Tipton Street
Sedgley
West Midlands
DY3 1HE
United Kingdom

THURSDAY



A30

A2LN5SI1

21/11/2013

#2

COMPANIES HOUSE

TCG Global Limited - In Liquidation

Final progress report to the creditors and to the member dated 13 November 2013

Contents

1. Introduction
2. Background
3. Asset realisations and receipts and payments
4. Investigations
5. Creditors' claims
6. Costs and expenses
7. Conclusion

Appendices

1. Receipts & Payments
2. Analysis of time costs
3. Fees and disbursements policy
4. Additional information required by the law
5. Notice of final meetings
6. Proxy form



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1. Introduction

I am writing to let you have the final report to explain the events of the liquidation from my appointment on 20 September 2012 to 13 November 2013, the date of closure of the liquidation

2. Background

I was appointed Liquidator of the Company on 20 September 2012, as a result of meetings of the member and creditors held on that day. No liquidation committee was created. No creditors physically attended the meeting. Further details of the Company and my appointment are included at Appendix 4. If you should like a further copy of the report I sent you immediately after the creditors' meeting, please let me know by e-mail or by telephone.

3. Asset realisations and receipts and payments

I enclose at Appendix 1 a summary of my receipts and payments for the liquidation.

The statement of affairs lodged by the directors at the start of the liquidation showed the Company to have assets estimated to realise at a total of £18,540. Actual realisations in the liquidation were £28,447, the main realisations were £18,117 from cash at bank, a book debt not anticipated in the statement of affairs of £9,761, and £550 for the balance on the Company's Paypal account. The furniture and equipment, estimated to realise £500 in the directors' statement of affairs was abandoned.

4. Investigations

As liquidator I am obliged by law to carry out certain investigations into the management of the Company in the lead up to liquidation. Soon after my appointment I undertook an initial investigation into the Company's dealings to establish whether there were any potential asset recoveries or conduct matters that justified further work, the scope of the work done reflecting a balance of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. No creditors or employees have made any formal complaints over how the Company was managed or any of its transactions.

The initial review did however reveal two matters that I believed justified further investigation.

1. No Crown debts had been paid by the Company during its 15 months of trading. The result of this was that by the time the Company went into liquidation it owed a net debt to HM Revenue & Customs of about £90,000. This represents £126,000 owed for PAYE and NIC, less a VAT refund due to the Company of £36,000. My enquiries into the Company's forerunner, Technology Conservation Europe Limited ('TCEL'), showed that it too had relatively large unpaid PAYE and NIC debts when it went into Administration in 2011.
2. The company owed a significant sum, about £0.3 million, to its parent, Technology Conservation Group Inc. I needed to satisfy myself over the size of the debt and that the parent company had not been preferred in the lead up to liquidation.

My enquiries showed that

1. Although the Company had registered for PAYE and NIC soon after it had started to trade, the Company had somehow slipped under HM Revenue's radar and had never made any payments nor submitted an annual return for the 2011/12 tax year. With the Group's book-keeping done in India and the Company not producing any management accounts until a few months' before liquidation, the failure to pay across PAYE and NIC does not appear to have been brought to the directors' attention until just before liquidation. The

fact that the directors reside in the US and did not take an active role in the Company's day to day affairs was no doubt a factor in the debt lying undiscovered for so long

However, because there had been a similar situation experienced in TCEL, I am surprised that neither the directors nor HM Revenue & Customs monitored the situation more closely in this Company

- 2 The books show money being continually being dripped in to the Company by the parent and group companies from the start of trading until just before liquidation. The payments were made to provide the Company with working capital to finance its day to day trading, in essence to meet the continuing trading losses. No security was given for the loan from the parent or other group companies, the loans were entirely unsecured. A review of the records has also revealed that the directors made no effort to repay the parent or other group companies preferentially. Nor do the records show any director drawings nor management nor other charges charged by the parent

Where companies have minimal share capital, as is the case here, the directors can often be criticised for allowing a company's creditors to bear the equity risk, especially where the directors are themselves drawing money out of the company. In those circumstances it is possible for a liquidator to seek a contribution from the directors for 'misfeasance'. In this case, although the Company's share capital was indeed minimal, I do not believe such a criticism can be levied at the directors or the parent company, or there to be a cause for action against them, because of the level and timing of the monies introduced into the Company and the lack of any director or parent company drawings. In summary, the parent company lost a significant sum of money and made no effort to put itself in a better position than other creditors.

Within six months of my appointment as liquidator, I am required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present director would make them unfit to be concerned with the management of a company going forward. I would confirm that I have submitted my report. As it is a legally privileged document between me and the Secretary of State, I am unable to say any more about the report. The Secretary of State has written to say that he intends to take no action in this case.

5. Creditors' claims and dividend prospects

I can confirm that no creditor, preferential or unsecured, received any form of dividend, due to the low level of realisations in the case, as mentioned in my previous report to you.

Under the Insolvency Act 1986, where a company has granted a debenture after 15 September 2003 containing a floating charge over the assets of a company, its Liquidator has to set aside a certain proportion of realisations which may otherwise have been paid to the floating charge holder for the benefit of the unsecured creditors ('the prescribed part'). In this particular instance there was no such floating charge in place. For this reason, no payment has been or will be made to creditors under the prescribed part.

6. Costs and expenses

Liquidator's fees and costs summary

At the meeting of creditors held on 20 September 2012, a resolution was passed that my firm be paid £7,000 for assisting in the production of the statement of affairs and report for the creditors meeting. This has been paid from realisations in the liquidation.

Also at that meeting, a resolution was passed on the strength of creditor proxies received that my remuneration be set on the basis of my time costs, to be drawn from time to time as funds permitted. An analysis of my time costs is provided at appendix 2. My time costs to date in the liquidation total £20,952 representing 156 hours, at an average of £134 per hour. Against these I costs I have drawn £18,504. The main areas where I have spent my time are as follows

- 79 hours of Administration and Planning – everyday administration of the case, gathering information for this report, cashing (monthly bank statements etc). Completing and sending statutory forms, emails. Corresponding with the directors in the US. Overseeing the assembly and destruction of data (see below)
- 28 hours of Investigations – conducting investigations into Company and other linked businesses. Completing the return to BERR on the directors' conduct etc
- 29 hours of Realisations of Assets – There were very significant Data Protection issues surrounding the data held on customer hard drives retrieved from computers recycled – with fines for improper storage or destruction of such records regularly in the tens even hundreds of thousands of pounds, it was essential that I took into my control and properly destroyed the data. Realising funds held within Paypal account proved to be more problematic and time-consuming than originally envisaged because of the procedures Paypal required that I go through

I enclose at Appendix 3 a copy of my firm's current policy on fees and disbursements, which shows that my rates have changed from those circulated to creditors in September 2012 – a 10% increase was implemented from January 2013.

My governing body requires that I provide certain additional information to you. This is as follows. This liquidation is considered to be a relatively straight forward case, attracting no exceptional responsibility, and thus my firm's standard rates are considered appropriate. Rates for work done in the liquidation are charged at that for the most appropriate grade of staff for a particular task.

Under insolvency legislation certain parties dealing with a company, including unsecured creditors, can seek further information and explanations from the Liquidator of his remuneration and expenses, and if unhappy, go on to challenge them in court. The legislation is far too cumbersome to set out here, but you may find these web pages useful to gaining an understanding of your rights

- On my website at <http://bit.ly/18z8ilC> I have summarised the legislation in every day English and set out my approach for dealing with queries. I have also included a summary of the relevant page of my website at Appendix 2,
- My governing body, the Institute of Chartered Accountants in England & Wales have prepared, at <http://bit.ly/18uUCKU>, a guide for creditors on liquidators' fees. If you would like me to send you a paper copy of this document, just call or e-mail me and I will gladly send it to you

I recognise that because this is an area of the law that many people do not encounter often, it can be immensely confusing. We have set out in Appendix 2 a summary of our policy for dealing with any reasonable requests for more information creditors may make as regards our fees or expenses. Please note that the law provides for two, strict, deadlines for you to seek information and explanations (21 days) and for any application to court (8 weeks)

Liquidator's expenses

I have charged the following disbursements to the case, at the cost prices charged to me. These are

<u>Cost</u>	<u>£</u>	<u>Explanation</u>
Statutory advertising	£180	Advertising the liquidation in the London Gazette
Insolv fees	£110	The cost of my specialist insolvency system

Professional and other costs

I employed Deeley Matthews, experienced in insolvency to assist me in my efforts to value and deal with the company's assets, including its property lease (which was disclaimed). They were paid £1,050 for their services from the date of liquidation to the date of this report.

I also employed IT Efficient Ltd to assist with the destruction of the hard drive disks which held confidential customer data, they were paid £150 for their services.

7. Final meetings of the member and creditors and conclusion

The final meetings of the member and creditors have been held. There is nothing further to report.

Should have any queries regarding the liquidation, or the contents of this report, please do not hesitate to contact me either by telephone on 01902 672323 or by e-mail to paul@midlandsbusinessrecovery.co.uk.



Paul Brindley
Liquidator

Licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England & Wales

APPENDIX 1

TCG Global Limited – In liquidation

Summary of the Receipts and Payments in the Liquidation from the start of the liquidation date and to its closure on 13 November 2013

	£
Receipts	
Cash at Bank	18,117
Book debt	9,761
Paypal Account	550
Furniture & equipment	Nil
Refund of court fees	19
	<u>28,447</u>
Payments	
Statement of affairs fee	7,000
Liquidator's fees	19,407
Bank Charges	29
Agents/Valuers fees	1,050
Mail redirection	72
Statutory advertising	180
Insurance of assets	449
Destruction of records	150
Insolv system	110
	<u>28,447</u>

All the above figures are vat exclusive, where appropriate

APPENDIX 2

Liquidator Remuneration Schedule TCG Global Limited Between the beginning of the liquidation and 13 November 2013

Classification of work function	Partner/Director	Manager	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Administration & Planning	12 70	8 10	57 80	78 60	9,054 50	115 20
Investigations	3 60	19 10	4 90	27 60	4,132 50	149 73
Realisation of Assets	14 00	13 30	1 60	28 90	5,615 00	194 29
Creditors	0 50	6 40	4 00	10 90	1,385 00	127 06
Case Specific Matters	0 00	0 00	10 20	10 20	765 00	75 00
Total hours	30 80	46 90	78 50	156 20		
Time costs	7,882 50	7,051 50	6,018 00	20,952 00		
Average hourly rate	255 93	150 35	76 66	134 14		

Total time spent in administering the Assignment	Hours	156
Total value of time spent	£	20,952
Total Liquidator fees paid to date	£	18,504

Time spent on casework is recorded directly onto the relevant cases' records using the computerised Insolv system, with the nature of the work recorded at that time. Time is recorded in 6 minute units. Time is recorded under appropriate heading as follows

Typically this includes

Administration & planning	The administrative set up of the case in accordance with the law, notifying creditors and others of the insolvency, keeping the financial and other records of the case up to date in accordance with the Insolvency Act and Rules, reporting to creditors and members on progress, planning and reviewing case progression, dealing with cash received and payments made
Investigations	Undertaking a detailed investigation of the affairs of the insolvent, reporting to the Department for Business and Innovation, pursuing the directors and others for reimbursement of monies and claims identified during our work
Realisation of assets	Identifying, securing, insuring and realising the assets, dealing with retention of title claims, collecting debts owed, selling assets
Creditors	Dealing with employees' and creditors' claims, liaising with the Redundancy Payments Service, communicating with creditors generally, paying dividends where funds allow
Closure	Dealing with all aspects of the closure of the case

Questioning a liquidator's fees and expenses in creditors' voluntary liquidations started off after 6 April 2010 – our guidance

It's a two step process – firstly of seeking information, and secondly, if you are not happy with the situation, of going to court to challenge the liquidator's fees and expenses. Finally, at the end of this section, we explain what our policy for dealing with queries is.

1. Seeking information

Where a creditors' voluntary liquidation started off after 6 April 2010, certain people can request additional information from the liquidator on his remuneration and expenses over and above that which he provides in his reports. The purpose of the law at this stage is to enable the 'interested party' to assess the reasonableness of the liquidator's costs.

Who can do this?

1. An unsecured creditor may, whose own claim exceeds, or together with others whose claims exceed, 5% in value of the total unsecured creditors, may request further details of the liquidator's remuneration and expenses. No court approval is needed, it's merely a question of contacting the liquidator, in writing, and asking for reasonable information.
2. An unsecured creditor, with the consent of the court, can request such information. In this case, there's no de minimis percentage, the creditor does however have to persuade the court that it's reasonable for him to ask for such information, and that his request is not just 'frivolous'.
3. A secured creditor can seek similar information. In this case, there's no de minimis and court approval is not needed, the secured creditor just has to ask for reasonable information.

How do they do this, by when and what can they query?

In each case, the request for information must be lodged with the liquidator within 21 days of the creditor's receipt of the liquidator's report to creditors. This is a strict deadline, if it is missed, the creditors lose their right to request information. The information sought can be on remuneration or expenses whether already drawn or proposed.

Who cannot do this?

The law does not enable members (shareholders) to seek additional information from the liquidator - this is because it is the creditors who the law considers have the prime interest in the outcome of insolvent liquidations.

2. Challenging the remuneration or expenses after obtaining such information

Again, where the liquidation starts off after 6 April 2010, once the information referred to above has been obtained, certain creditors have the ability to apply to court to challenge the liquidator's remuneration and expenses (again, as above, whether already drawn or proposed). That is to say, if one or more creditors are not happy with the basis of calculation of the liquidator's remuneration, it can be challenged.

Who can do this?

- 1 An unsecured creditor may, whose own claim exceeds, or together with others whose claims exceed, 10% in value of the total unsecured creditors
- 2 A secured creditor There is no de-minimis level in this instance

In both cases, the application to court must be made within 8 weeks of the creditor's receipt of the relevant report

Who cannot do this?

The law does not enable members to challenge the liquidator's fees or expenses for the reason set out in 1. above

3. What's our Policy?

Midlands Business Recovery is committed to ensuring an honest and open dialogue with creditors. We are confident that our charges are reasonable but we do recognise that professional fees and expenses often cause creditors concern.

We promise to listen to and deal properly with creditors' reasonable requests for information where we believe they are made for perfectly proper reasons. We will provide information quickly (typically within 7 days, barring holiday periods) and of a standard that will enable creditors to make a proper assessment. We promise to be honest and open with creditors. In return we expect creditors to show us the same level of respect and courtesy.

We prefer to talk to creditors early, by telephone or face to face, if they have any concerns as we find that this can avoid difficulties caused by inadequate communication or a misunderstanding of each other's position.

If you have any concerns about the fees or expenses of Midlands Business Recovery, please do not hesitate to call Paul Brindley on 0843 2896723, either to discuss your concerns there and then or to arrange a meeting. Or if you prefer, you can e-mail Paul at paul@midlandsbusinessrecovery.co.uk

APPENDIX 3

Midlands Business Recovery Statement of policy on fees and disbursements

1 Introduction

This statement has been prepared to help interested parties understand the basis of our fees and costs. This information applies to all formal insolvency appointments, where we act as liquidator, receiver, administrative receiver or supervisor of a limited company. References to SIP9 in this policy refer to Statement of Insolvency Practice number 9 issued by the ICAEW on insolvency practitioners' fees.

2 Policy on fees

The law on formal insolvency appointments fees was changed in April 2010 to encourage creditors to be more active in fixing practitioners' fees and querying them later. As a firm we have decided not to carry out formal insolvency appointments on a fixed price basis. Instead, in common with most insolvency practices we base our fees on the amount of time we spend on each assignment, priced at the rates in place when the work was done, drawing down such fees at our discretion. Hourly rates are reviewed annually on 1 January and apply for the whole calendar year. The annual review of rates is at the sole discretion of the firm, and such changes will be notified in retrospect with each report to creditors and members.

Our 2013 hourly rates are			
Grade	Rate	Grade	Rate
Licensed Insolvency Practitioner	£275	Case manager	£165
Other senior professional	£110	Assistant and support staff	£82.50

Time is recorded in 6 minute units and is input with supporting narrative onto our time recording system, Insolv, to explain the work undertaken. These rates represent a 10% increase from those charged throughout the period January 2010 to December 2012. Currently, we have no one filling the 'other senior professional' post.

3 Policy on disbursements

SIP 9 splits disbursements into category 1 (those directly incurred on assignments for which the practitioner has a third party invoice) and category 2 expenses (typically expenses incurred by the practice as a whole and allocated across assignments or charges where the practitioner sets the price such as travelling costs). We adopt a very simple policy concerning disbursements - we do not charge for category 2 disbursements, we charge only for category 1 disbursements, and at the exact cost to us. Typical category 1 expenses are:

Advertising required by the law	Insolv case management system (current cost £110 per case)
Insolvency bonding	Agents, solicitors and pension advisors' fees

4 Provision of information

For more information on how an insolvency practitioner's fees and disbursements can be fixed, or later queried, further guidance can be found on the website of the Institute of Chartered Accountants and on our website. If you should have any difficulty locating the information, or should like a hard copy of the guidance or rules, or should like any further explanations, please call us on 01902 672323 or e-mail Paul Brindley at paul@midlandsbusinessrecovery.co.uk

5 Authorising Body

Paul Brindley is licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England & Wales and holds an enabling bond for the purpose of receiving appointments under his licence.

APPENDIX 4

Additional information required by the law

Company name	TCG Global Limited
Trading name	TCG Global Limited
Company number	07479990
Registered Office	Alpha House, Tipton Street, Sedgley, DY3 1HE
Full name of liquidator	Paul Ronald Brindley
Full address of liquidator	Midlands Business Recovery, Alpha House, Tipton Street, Sedgley, DY3 1HE
Date of liquidator's appointment	20 September 2012

All monies are held by the liquidator on non interest bearing accounts with Lloyds Bank Plc, it being the policy of Midlands Business Recovery to hold monies on accounts with national, government backed institutions in view of the fragility of the banking sector