

LIQ03

Notice of progress report in voluntary winding up



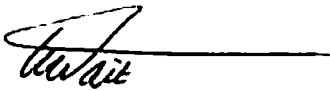
Companies House

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

1	Company details	
Company number	0 1 4 4 3 4 3 6	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	GSM London Limited	
2	Liquidator's name	
Full forename(s)	William Matthew	
Surname	Tait	
3	Liquidator's address	
Building name/number	55 Baker Street	
Street		
Post town	London	
County/Region		
Postcode	W 1 U 7 E U	
Country		
4	Liquidator's name •	
Full forename(s)	Antony	• Other liquidator Use this section to tell us about another liquidator.
Surname	Nygate	
5	Liquidator's address •	
Building name/number	55 Baker Street	• Other liquidator Use this section to tell us about another liquidator.
Street		
Post town	London	
County/Region		
Postcode	W 1 U 7 E U	
Country		

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report											
From date	d	2	c	5	0	8	2	0	2	0		
To date	d	2	c	4	0	8	2	0	2	1		
7	Progress report											
<input checked="" type="checkbox"/> The progress report is attached												
8	Sign and date											
Liquidator's signature	<div style="display: flex; align-items: center;"> <div style="margin-right: 10px;">X</div> <div style="flex-grow: 1; text-align: center;">  </div> <div style="margin-left: 10px;">X</div> </div>											
Signature date	d	2	c	2	0	1	2	0	2	1		

LIQ03

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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 **Sarah Lotz**

Company name **BDO LLP**

Address **2nd Floor, 2 City Place**

Beehive Ring Road

Post town **Gatwick**

County/Region

Post code **R H 6 0 P A**

Country

DX

Telephone **0129 359 1048**



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

**GSM London Limited
(In Liquidation)
Joint Liquidators' Trading Account**

Statement of Affairs £	From 25/08/2020 To 24/08/2021 £	From 25/08/2020 To 24/08/2021 £
POST APPOINTMENT SALES		
Balance of funds from Administrator (£)	1,701,601.24	1,701,601.24
Bank interest Gross	162.74	162.74
Self Funding Students	125.00	125.00
	1,701,888.98	1,701,888.98
TRADING EXPENSES		
Rates	90,382.85	90,382.85
Utilities	23.56	23.56
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TRADING SURPLUS/(DEFICIT)	1,611,482.57	1,611,482.57

GSM London Limited
(In Liquidation)
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ASSET REALISATIONS		
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Bank Interest Gross	373.17	373.17
Book Debts	9,337.32	9,337.32
Cash at Bank	363,029.58	363,029.58
Trading Surplus/(Deficit)	1,611,482.57	1,611,482.57
	5,844,025.94	5,844,025.94
COST OF REALISATIONS		
Agent's fees - claims agreement	89,180.00	89,180.00
Bank Charges	57.00	57.00
Joint Administrators' Disbursements	2,033.31	2,033.31
Joint Administrators' Fees	37,894.65	37,894.65
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Joint Liquidators' Fees	272,093.89	272,093.89
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PREFERENTIAL CREDITORS		
Preferential Creditors	15,974.09	15,974.09
Preferential Dividend Tax Deductions	7,855.43	7,855.43
Redundancy Payments Service (RPS)	14,196.09	14,196.09
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Trade & Expense Creditors	1,401,157.96	1,401,157.96
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Unsecured HMRC	133,059.26	133,059.26
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	(1,815,724.68)	(1,815,724.68)
	3,567,687.45	3,567,687.45
REPRESENTED BY		
Dividend payment reissue		(78.24)
Floating Charge Bank Account		1,907,459.91
SLC Ring Fenced Bank Account		1,611,357.57
Trade Creditors		(770.44)
Vat Control Account		(15,056.28)
Vat Input		64,774.93
		3,567,687.45

Note:

On 15 December 2020, a preferential dividend distribution was paid to preferential creditors at a rate of 100p in the £, totalling £37,225.61.

On 1 February 2021, an equalising dividend was paid to a preferential creditor at a rate of 55p in the £, totalling £800.

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On 12 August 2021, an equalising dividend distribution was paid to unsecured creditors at a rate of 19.95p in the £, totalling £17,027.47.

Statement of affairs figures have not been included as the Company moved from Administration to Liquidation and the Receipts and Payments account reflects the receipts in the Liquidation only.

TO ALL CREDITORS AND MEMBERS

22 October 2021

Our Ref 00333061/C3

Please ask for
Alice Denmark
0151 237 4497
BRCMTMidlandsandBristol@bdo.co.uk

Dear Madams/Sirs

GSM London Limited - In Creditors' Voluntary Liquidation ('the Company', 'GSM')
Registered number: 01443436

I set out below an annual progress report in accordance with Section 104A of the Insolvency Act 1986 and Rules 18.3 and 18.7 of the Insolvency (England and Wales) Rules 2016 ('the Rules'). This report covers the period from 25 August 2020 to 24 August 2021 ('the Period') and should be read in conjunction with previous reports issued in the preceding Administration.

Professional information regarding the Joint Liquidators

The Liquidation commenced on 25 August 2020.

The Joint Liquidators are William Matthew Humphries Tait (officeholder No: 9564) and Antony Nygate (officeholder No: 9237) of BDO LLP, 55 Baker Street, London, W1U 7EU and carry out their functions jointly and severally meaning any action can be done by one Liquidator or by both of them.

Receipts and Payments

I attach for your information a summary of my Receipts and Payments account. The account shows a balance in hand of £3.6m.

Trading Account

Included with the summary of the Receipts and Payments Account is a trading account, which details the income and expenditure associated with the trading period during the Administration.

During the Period £125 was received in respect of tuition fees due from self-funding students for teaching provided during the trading period.

The sum of £90,383 was paid to Greenford Facilities Limited in respect of business rates incurred during the Company's occupation of Horsenden House during the trading period. In addition a final invoice, in the sum of £24, has been paid in relation to the supply of water by Affinity Business during the trading period.

Receipts

The Receipts shown are largely self-explanatory, although I comment specifically on certain receipts below.

Surplus from Administration

The total sum of £5.6m was transferred into the Liquidation bank accounts from the Administration bank accounts.

Book Debts

During the Period £9,337 has been received in respect of tuition fees due from self-funded students for teaching provided prior to the Company entering administration.

Cash at Bank

Shortly after the date of Administration, Lloyds Bank Plc ('Lloyds') transferred the bulk of the funds held in the Company's bank accounts to the Administration bank accounts. Lloyds withheld £396k to cover any potential liabilities in respect of the Company's merchant services provider, Cardnet, and to cover any liability associated with the Company's business credit card facility. Funds totalling £9k were subsequently deducted from this sum by Lloyds to settle the final credit card liability. After the deduction of £24k in relation to Section 75 of the Consumer Credit Act 1975 and debit card chargeback claims, Lloyds held £363k. Lloyds transferred this balance to the Liquidation bank account during the Period.

Payments

I provide a summary of the professional fees and expenses which have been incurred and paid in the Liquidation to date, together with anticipated future costs.

Professional Fees and Expenses	Incurred in Period £	Incurred cumulatively £	Paid in the Period £	Paid cumulatively £	Future costs £
Agents' Fees - Claims Agreement	5,580	89,180	89,180	89,180	£2,660
Legal Fees and Disbursements	2,515	2,515	2,515	2,515	3,750
	8,095	91,695	91,695	91,695	3,750

Agent Fees - Claims Agreement

ERA Solutions Limited ('ERA') have been assisting with employee related matters, including the calculation and adjudication of employee claims. ERA have been paid £5,580 in relation to this work.

Up until the end of October 2020, The Office of Independent Adjudicator ('OIA') assisted the Joint Administrators/Liquidators in dealing with claims made by GSM's former students. The sum of £83,600 has been paid to the OIA in this respect. The OIA were only able to provide assistance up until a year after the Company ceased to trade and therefore all unresolved student claims have been dealt with by the Joint Liquidators since November 2020.

Legal Fees and Disbursements

Marriott Harrison LLP have been paid £2,515 in respect of legal fees in connection with the disclaiming of the leases at Meridian House.

PDT Solicitors have been engaged by the Joint Liquidators to assist in dealing with employment tribunal matters. It is currently estimated that their fees will be between £3,750 and £6,000.

I can confirm that the agents' and solicitors' fees are in line with their original estimates to the Joint Liquidators.

Other Payments

The payments made in relation to other expenses are discussed in further detail later in this report.

Progress of the Liquidation

I detail below the matters that remain outstanding in the Liquidation.

Book Debts

As detailed above the collection of debts due directly from students is ongoing. These funds will continue to be pursued although future recoveries are expected to be nominal.

Leasehold Premises and Rent Deposit

GSM's former leasehold premises at Tabard Street, London Bridge were assigned to London South Bank University for a premium of £774,675 on 29 November 2019. As a consequence, the Company's rent deposit of £54,250 is repayable.

However, there have been delays in producing service charge accounts for the property for the years ended 5 April 2018 and 2019 and the landlord, Tabard Developments Limited ('Tabard') is unwilling to release the deposit until any residual liability as regards the Company has been established. I will continue to in contact with the managing agents in this respect.

Inter-Company Loan

The Company's statement of affairs showed a balance due from Clipper Group Limited in the sum of £231k. Clipper entered creditors' voluntary liquidation after the Company entered administration. It is unlikely that a dividend will be received from Clipper Group Limited but the situation will be confirmed in a future progress report.

Other Assets

I can confirm that there are no assets of a peculiar or special nature which cannot be sold. Consequently there has been no distribution of unsold assets to creditors, as mentioned in Rules 18.10/14.13 of the Rules.

Other Matters to be dealt with by the Joint Liquidators

Other matters that remain outstanding are the ongoing adjudication of student claims, liaising with solicitors regarding two ongoing employment tribunals and accounting for post-

Administration VAT, PAYE/NIC and Corporation Tax, including the preparation of any appropriate returns and obtaining tax clearance.

Prospects for Creditors

Secured Creditor

Lloyds

GSM had granted a debenture conferring fixed and floating charges over its assets and undertaking to Lloyds on 8 November 2018. At the date of appointment, the Company's bank accounts were not overdrawn and, as detailed above, Lloyds has settled the outstanding credit card balance, Section 75 claims and chargeback claims from funds previously retained. Lloyds will therefore not suffer a shortfall in its lending.

Tabard

The charge in favour of Tabard relates to a rent deposit in the sum of £57,500 in respect of the Company's leasehold premises at London Bridge. The rent deposit had been reduced to £54,250 prior to the Administration.

As described above, the lease to these premises was assigned on 29 November 2019 and it is anticipated that the residual rent deposit will be returned once the service charge account for the premises has been reconciled by the managing agents. Accordingly, any residual liability to Tabard will be extinguished.

Preferential Creditors

Preferential claims are defined as monies owed to former employees in respect of arrears of wages and accrued holiday pay at the date of Administration. Claims for arrears of wages of up to £800 per employee and unpaid holiday pay are deemed to be preferential claims as are outstanding amounts in respect of pension payments.

On 15 December 2020, a preferential dividend distribution was paid to preferential creditors at a rate of 100p in the £, totalling £37,226. An equalising distribution was paid to a preferential creditor in 1 February 2021, at a rate of 55p in the £, totalling £800.

All preferential creditors have been paid in full.

Unsecured Creditors and the Prescribed Part

Under Section 176A of the Insolvency Act 1986 where after 15 September 2003 the Company has granted to a floating charge to a secured creditor, a proportion of the net property of the company must be made available purely for the unsecured creditors.

Whilst the Company has granted floating charges to Lloyds created after 15 September 2003, as Lloyds will be paid in full, the terms of the prescribed part will therefore not apply. Any surplus funds after the costs of the Liquidation will be available to the general body of creditors.

Unsecured creditor claims totalled £4.99m on the Statement of Affairs in the preceding Administration. To date, claims totalling £8.8m have been received.

On 18 June 2021, an interim dividend distribution was paid to unsecured creditors at a rate of 19.95p in £, totalling £1,798,697.

On 12 August 2021, an equalising dividend distribution was paid to unsecured creditors at a rate of 19.95p in the £, totalling £17,027.

Based on present information, it is expected that the total return to unsecured creditors will be between 40 to 57p in the £. Creditors should note that the quantum of the unsecured distribution is subject to the costs in the Liquidation and the adjudication of unsecured claims.

Any creditor who has yet to submit a Proof of Debt form and wishes to make a claim in the Liquidation should do so using the attached proof of debt form.

The relevant date for claims is 30 July 2019.

If you do not submit a claim, together with supporting documentation, you will be excluded from the benefit of the future distributions to creditors. Alternatively, if you do not wish to claim in the Liquidation, please email BRCMTLondonandSouthEast@bdo.co.uk.

Investigations

The Joint Liquidators have a duty to investigate the affairs of the Company and also the conduct of the directors and in respect of the latter, to submit a confidential statutory report to the Secretary of State. I confirm that a report has been submitted in the preceding Administration.

I have completed my review of the Company's affairs and assets to establish whether there are any actions that can be investigated for the benefit of the creditors and concluded there are no causes of action to be pursued in the preceding Administration.

Joint Liquidators' Remuneration

Pursuant to the Rules, the Joint Liquidators are obliged to fix their remuneration in accordance with Rule 18.16. This permits remuneration to be fixed either:

- (1) as a percentage of the assets realised and distributed; and/or
- (2) by reference to the time the Joint Liquidators and the staff have spent attending to matters in the Liquidation; and/or
- (3) as a set amount; and/or
- (4) as a combination of the above.

The creditors have approved the Joint Liquidators' remuneration on a time cost basis in accordance with the fees estimate circulated to creditors.

To date, the Joint Liquidators have drawn £272,094 in respect of remuneration as shown on the enclosed Receipts and Payments account. A total of £37,895 was drawn during the Period in respect of the preceding Administration.

BDO LLP changed time recording systems with effect from 17 April 2021.

I therefore attach two detailed reports of the time incurred by the Joint Liquidators for the periods:

- 25 August 2020 to 16 April 2021
- 17 April 2021 to 24 August 2021

In the Period, time costs of £320,646 have been incurred over 901 hours at an average rate of £356 per hour.

Fees Estimate

Attached is the original Fees Estimate annotated with a column showing the time costs accrued in respect of each activity. You will note that I have exceeded the estimate in this Liquidation.

The original Fees Estimate has been exceeded in three areas. Firstly, greater time has been incurred in dealing with corporation tax returns and correspondence with HM Revenue and Customs, dealing with receipts and payments accounts and dealing with general administration and correspondence, which includes correspondence with students. Secondly, we have received more enquiries from former employees than we had previously anticipated and additional work has been required in respect of the employment tribunals. Lastly, matters relating to unsecured creditors and their claims have been significantly greater in complexity and volume than had been previously anticipated. This includes correspondence with student creditors and assessing their claims.

I would now ask the creditors to consider approving my revised Fees Estimate which takes into account the unanticipated time that I have explained. Under Section 246ZE of the Insolvency Act 1986 I attach a notice of a Decision Procedure by correspondence together with a voting form.

Joint Liquidators' Expenses

Expenses have been incurred and paid in this Liquidation as detailed below.

Expenses	Incurred in Period £	Incurred cumulatively £	Paid in the Period £	Paid cumulatively £
Category 1				
Joint Administrators' Disbursements	Nil	2,033.31	2,033.31	2,033.31
Stationery & Postage	1,535.75	1,535.75	1,535.75	1,535.75
*Stationery & Postage	336.70	336.70	336.70	336.70
Storage Costs	823.19	823.19	823.19	823.19
Statutory Advertising	92.00	92.00	92.00	92.00
*Statutory Advertising	176.00	176.00	176.00	176.00
Bank Charges	57.00	57.00	57.00	57.00
*IT costs	733.81	733.81	733.81	733.81

*included within disbursements on the attached receipts and payments account.

The expenses shown are largely self-explanatory however I would specifically comment on the following expenses which were incurred in the Period:

Stationery and Postage

Black and Callow have been paid £1,872 in respect of the printing and posting of letters to creditors.

Storage Costs

Iron Mountain (UK) Plc have been paid £667 and Total Data Management Ltd have been paid £156 in respect of storage costs for holding the Company's books and records.

IT Costs

The sum of £734 has been paid as a disbursement in relation to costs incurred in maintaining the Company's website for information purposes for GSM's former students.

Creditors' rights

I provide at the end of this report an extract from the Rules setting out the rights of creditors to request further information and/or challenge the remuneration or expenses within the Liquidation.

Creditors' Decision by Correspondence Procedure

Please note that formal notice of a Decision Procedure by correspondence is attached covering matters set out above. Creditors may indicate their decision by completing and returning the voting form to this office by no later than the Decision Date which is 8 November 2021. If a creditor has not already submitted a proof of debt, they must include one, when returning the voting form. Votes received after the Decision Date will not be counted. If creditors want to consider the resolutions at a physical meeting they must notify me in writing within five business days of delivery of the attached notice. A meeting will be convened if sufficient creditors notify me within the timeframe. Section 246ZE of the Insolvency Act sets the 'minimum number' of creditors for requisitioning a meeting at any of the following:

- (a) 10% in value of the creditors or contributories;
- (b) 10% in number of the creditors or contributories;
- (c) 10 creditors or contributories.

Creditors may access information setting out creditors' rights in respect of the approval of the Joint Liquidators' remuneration and on the rights, duties and functions of a liquidation committee at <https://www.bdo.co.uk/en-gb/insights/advisory/business-restructuring/creditors-guides>.

The Joint Liquidators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this appointment. A copy of the code can be found at: <https://www.icaew.com/technical/ethics/icaew-code-of-ethics/icaew-code-of-ethics>.

The Insolvency Service has established a central gateway for considering complaints in respect of Insolvency practitioners. In the event that you make a complaint to me but are not satisfied with the response from me then you should visit <https://www.gov.uk/complain-about-insolvency-practitioner> where you will find further information on how you may pursue the complaint.

If you require any further information please contact me or my colleague Alice Denmark at BRCMTLondonandSouthEast@bdo.co.uk.



Yours faithfully
for and on behalf of
GSM London Limited

A handwritten signature in black ink, appearing to read 'M Tait', with a long horizontal line extending to the right.

M Tait
Joint Liquidator
Authorised by the Institute of Chartered Accountants in England & Wales in the UK

Enclosures
Receipts and Payments Account
SIP 9 Time Cost Report for the Period of Report
SIP 9 Time Cost Report for the Period of Liquidation
Fees Estimate to Accrued Time Comparison
BDO LLP Policy in Respect of Fees and Disbursements
Revised Fees Estimate
Statement of Creditors' Rights in respect of Fees and Disbursements
Notice of Decision Procedure by Correspondence
Voting Form
Proof of Debt Form

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Name of Assignment

GSM London Limited – CVL

00333061

Detail of Time Charged and Rates Applicable for the Period From 25/08/2020 to 16/04/2021

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
B. Steps on Appointment														
02 Statutory Documentation			1.00	425.00	1.75	229.25			2.70	194.30			5.45	848.55
sub total -			1.00	425.00	1.75	229.25			2.70	194.30			5.45	848.55
B. Steps on Appointment														
C. Planning and Strategy														
02 Review Financial Position			15.45	7,446.90									15.45	7,446.90
07 Strategy Planning	7.75	6,107.00	3.25	1,352.25									11.00	7,659.25
99 Other Matters			0.25	50.25									0.25	50.25
sub total	7.75	6,107.00	18.95	9,849.40									26.70	15,156.40
C. Planning and Strategy														
D. General Administration														
02 VAT			1.90	915.80									1.90	915.80
03 Taxation			19.45	9,354.95									19.45	9,354.95
07 Receipts Payments Accounts	5.15	3,971.40	48.70	18,996.30			0.80	53.60	24.40	1,636.80			79.05	24,658.10
09 Statutory Matters			0.85	369.70									0.85	369.70
14 General Discussions			1.75	864.00									1.75	864.00
15 Gen Admin Correspondence			48.75	20,697.55	0.65	93.15			64.85	6,819.10	0.45	33.30	114.70	27,643.10
16 Maintain Internal Files			0.50	96.00									0.50	96.00

Name of Assignment

GSM London Limited – CVL

00333061

Detail of Time Charged and Rates Applicable for the Period From 25/08/2020 to 16/04/2021

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
99 Other Matters									0.90	99.50			0.90	99.50
sub total -	8.15	3,971.40	121.90	51,334.30	0.65	93.15	0.20	53.60	90.15	8,555.40	0.45	33.30	219.10	64,041.15
D. General Administration														
E. Assets Realisation/Dealing														
06 Property Related Matters			7.75	4,479.50									7.75	4,479.50
07 Debt Collection			0.95	457.90									0.95	457.90
09 Dealing with other Assets			5.40	2,295.00									5.40	2,295.00
11 Disclaiming Assets	1.50	1,182.00											1.50	1,182.00
99 Other Matters			2.45	1,180.90									2.45	1,180.90
sub total -	1.50	1,182.00	16.55	8,413.30									18.05	9,595.30
E. Assets Realisation/Dealing														
G. Employee Matters														
99 Other Matters			13.00	6,152.00									13.00	6,152.00
sub total -			13.00	6,152.00									13.00	6,152.00
G. Employee Matters														
H. Creditor Claims														
03 Preferential Creditors			1.00	261.40									1.00	261.40
04 Non-Preferential Creditors			129.60	59,921.90	7.25	1,921.25			15.40	1,767.60			152.25	63,619.75

Name of Assignment **GSM London Limited – CVL** **00333061**

Detail of Time Charged and Rates Applicable for the Period From 25/08/2020 to 16/04/2021

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
06 Other Creditors					35.80	9,487.00							35.80	9,487.00
99 Other Matters			0.25	51.75	12.25	1,236.25							12.50	3,278.00
sub total			130.85	60,238.05	55.30	14,654.50			15.80	1,767.00			201.55	76,660.15
H. Creditor Claims														
J. Distribution and Closure														
01 Closure Planning			0.75	180.75									0.75	180.75
02 Instructions			22.45	8,733.05	0.80	113.80			16.80	1,819.70			40.05	10,666.55
99 Other Matters			7.25	3,194.50									7.25	3,194.50
sub total -			30.45	12,378.30	0.80	113.80			16.80	1,819.70			48.05	14,311.80
J. Distribution and Closure														
Net Total													186,765.35	
Secretarial Expense													0.00	
Other Disbursements													0.00	
Billed													0.00	
Grand Total													186,765.35	

Name of Assignment

GSM London Limited - CVL

00333061

Detail of Time Charged and Rates Applicable for the Period From 17/04/2021 to 24/08/2021

Activity	Partner	Director	Senior Manager	Manager	Senior Executive	Executive	Total hours	Time Costs £	Av. Rate £/h
Review Financial Position			1.85				1.85	896.95	484.84
PLANNING AND STRATEGY			1.85				1.85	896.95	484.84
VAT			0.55				0.55	273.35	497.00
Taxation	4.00		12.30				16.30	10,015.85	614.47
Instruct/Inase Solicitors			9.00				9.00	4,397.25	488.58
Receipts/Payments Accounts	0.90	1.20	8.40		11.05	29.45	51.00	8,596.75	168.56
Remuneration Issues			0.50				0.50	241.00	482.00
General Discussions			0.20			0.35	0.55	122.60	222.91
Gen. Admin/ Correspondence			11.80	0.45	38.85	0.40	51.50	10,592.80	205.69
Maintain Internal Files					0.10		0.10	12.10	121.00
GENERAL ADMINISTRATION	4.90	1.20	42.75	0.45	50.00	30.20	129.50	34,251.70	264.49
Property Related Matters		0.25					0.25	144.50	578.00
Debt Collection			0.75				0.75	363.75	485.00
Dealing with other Assets			0.75				0.75	369.75	493.00
ASSETS REALISATION/DEALING		0.25	1.50				1.75	878.00	501.71
Monitor/Supervise Trading	0.25						0.25	197.00	788.00
TRADING RELATED MATTERS	0.25						0.25	197.00	788.00
Dealing with Employees	0.50		3.30				3.80	2,008.60	528.58
Other Matters			2.30				2.30	1,114.60	484.61
EMPLOYEE MATTERS	0.50		5.60				6.10	3,123.20	512.00
Preferential Creditors					0.15	0.85	1.00	133.90	133.90
Non-Preferential Creditors	0.50	3.00	139.50		2.35	8.10	153.45	71,288.25	464.57
Other Creditors					27.35		27.35	7,263.50	265.58
Other Matters			0.35				0.35	168.70	482.00
CREDITOR CLAIMS	0.50	3.00	139.85	29.85	8.95		182.15	78,854.35	432.91
Other Matters						3.00	3.00	228.00	76.00
REPORTING						3.00	3.00	228.00	76.00
Distributions			27.75	0.20	16.30		44.25	15,451.60	349.19
DISTRIBUTION AND CLOSURE			27.75	0.20	16.30		44.25	15,451.60	349.19
Total	6.15	4.45	219.30	30.50	75.25	33.20	368.85	133,880.80	362.97

GSM London Limited

Fees Estimate to Accrued Time Comparison

Below is the original Fees Estimate annotated with a column showing the time costs accrued in respect of each activity.

Fees Estimate as at 28 February 2020 compared to accrued time to 24 August 2021

Joint Liquidators' Fees	Total Hours	Blended Rate £	Estimated Fee £	Accrued Time £
Summary Activity				
A. Pre Appointment Matters	0.00	0.00	0.00	0.00
TOTAL			0.00	0.00
B. Steps on Appointment	27.00	200.56	5,415.00	848.55
C. Planning and Strategy	118.00	386.59	45,618.00	16,053.35
D. General Administration	130.00	243.65	31,675.00	98,292.85
E. Assets Realisation/Dealing	80.00	309.40	24,752.00	10,473.30
F. Trading Related Matters	0.00	0.00	0.00	197.00
G. Employee Matters	18.00	302.67	5,448.00	9,275.20
H. Creditor Claims	225.00	250.18	56,290.00	155,514.50
I. Reporting	165.00	287.42	47,425.00	228.00
J. Distribution and Closure	280.00	204.91	57,375.00	29,763.40
TOTAL			273,998.00	320,646.15

You will note that I have unfortunately exceeded the original Fees Estimate.

The original Fees Estimate has been exceeded in three areas.

Greater time has been incurred in dealing with corporation tax returns and correspondence with HM Revenue and Customs, dealing with receipts and payments accounts and dealing with general administration and correspondence, which includes correspondence with students and dealing with their enquiries.

We have received more enquiries from former employees than we had previously anticipated and additional work has been required in respect of the employment tribunals.

Matters relating to unsecured creditors and their claims have been significantly greater in complexity and volume than had been previously anticipated for the Liquidation period. The OIA could not continue to provide assistance in dealing with student claims after October 2020. It had been anticipated that limited claims from students would need be reviewed post the OIA's involvement however the Joint Liquidators have continue to receive new claims and enquiries regarding previously submitted claims during the Liquidation. As a result the time incurred in this area has been significantly greater than was previously estimated.

I would now ask the creditors to consider approving my revised Fees Estimate which takes into account the unanticipated time that I have explained. Under Section 246ZE of the Insolvency Act

1986 I attach a notice of a Decision Process by correspondence together with a written resolution and for guidance, I enclose a creditors' guide to Liquidators' fees.

Detail of Work Undertaken

Steps upon Appointment

This work included the preparation of statutory documentation and setting up internal files. This work was undertaken by all levels of staff.

No further work will be undertaken under this category and the actual costs therefore equate to the revised Fees Estimate.

Planning and Strategy

This work includes reviewing GSM's current and prospective financial position post-appointment and general strategy planning during the Liquidation. This work is carried out by partners, directors and associate directors.

General Administration

This work includes VAT and taxation matters, instructing and liaising with solicitors regarding legal matters and advice, namely in respect of the disclaiming of leases and employment tribunal matters, dealing with receipts and payments accounts, statutory matters, general meetings and discussions with the Joint Liquidators' team, general administration and correspondence.

The majority of this work requires a range of insolvency knowledge and experience, balanced with good accounting and administrative skills and is delegated largely to executives with suitable levels of experience, supervised by directors or managers.

Asset Realisation/Management

Work was also undertaken to collect pre-appointment book debts relating to unpaid tuition fees and sums due from the SLC, collection of cash at bank and correspondence with Cardnet, disclaiming of leases and other property related matters including rent deposit enquiries. The work is led at director and senior manager level, supported by executives.

Trading-Related Matters

Work in this category includes finalising trading accounts. This work is undertaken by all levels of staff.

Trading concluded on 13 December 2019 but it has been necessary to ensure that all trading income has been received and trading expenses discharged.

Employee Matters

This work encompassed dealing with all aspects relating to the Company's 275 employees, including correspondence with former employees, liaising with ERA Solutions, pension issues and employment tribunal matters. This work is undertaken by all levels of staff.

Creditor Claims

This work includes receiving and recording all creditor claims, identifying whether additional supporting evidence was necessary from the creditor, reviewing the validity of all claims submitted by creditors alleging they have security rights which would afford them a higher priority when funds are distributed, considering, checking and recording all preferential claims, considering, checking and recording all unsecured creditor claims and identifying any claims which might be categorised as deferred claims.

It has also been necessary to deal with a high incidence of complaints and monetary claims that were notified by a number of GSM's former students for breach of contract and consequential loss. These claims necessitated a large volume of telephone and email correspondence with claimants and the implementation of various processes to manage and review the claims, in conjunction with the OIA.

Due to the complexity of this work, it was undertaken by all levels of staff.

Reporting

Work within this category includes preparing this report to creditors regarding the progress achieved in the Period and the preparation of future reports.

Directors or senior managers are responsible for leading the reporting and delegating the production of the accounts, fee analysis and comparison with estimates to suitably experienced executives.

Distribution and Closure

The work within this category includes effecting distributions to both the preferential and unsecured creditors, including giving notice to prove their claims, adjudicating upon the claims, issuing formal rejection of any relevant claims, issuing payment with suitable notification to creditors, reconciling payments and accounting for unclaimed dividends. The work will also include preparation for the closure of the case and the final report.



GSM London Limited - In Liquidation

In accordance with best practice I provide below details of policies of BDO LLP in respect of fees and expenses for work in relation to the above Company.

The current charge out rates per hour of staff within my firm who may be involved in working on this case are:

GRADE	£
Partner	812
Director	340-681
Senior Manager	284-497
Manager	156-363
Senior Executive	124-254
Executive	76-132

This in no way implies that staff at all such grades will work on the case. The rates charged by BDO LLP are reviewed periodically and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case and the nature of the work undertaken is recorded at that time. Units of time can be as small as 3 minutes. BDO LLP records time for this case under the following categories:-

Pre Appointment
Steps on Appointment
Planning and Strategy
General Administration
Asset Realisation/Management
Trading Related Matters
Employee Matters
Creditor Claims
Reporting
Distribution and Closure.

Under each of the above categories the work is recorded in greater detail in sub categories. Please note that the 10 categories provide greater detail than the six categories recommended by the Recognised Professional Bodies who are responsible for licensing and monitoring insolvency practitioners.

Where an officeholder's remuneration is approved on a time cost basis the time invoiced to the case will be subject to VAT at the prevailing rate.

Where remuneration has been approved on a time costs basis a periodic report will be provided to any committee appointed by the creditors or in the absence of a committee to the creditors. The report will provide a breakdown of the remuneration drawn and will enable the recipients to see the average rates of such costs.

Expenses

Expenses including disbursements (costs incurred in the case which have been paid by the firm and are recharged to the estate) can be divided into two categories.



1) Category 1 expenses

These are expenses relating directly to the estate incurred by an independent third party. In addition to professional fees and expenses, such expenses may include items such as bonding, advertising, insurance, external printing costs, couriers, travel (by public transport), land registry searches, fees in respect of swearing legal documents and storage of the Company's records.

For cost effectiveness, ERA work is sub-contracted to ERA Solutions Limited who are experienced specialists in this area.

Creditor approval is not required to pay category 1 expenses.

2) Category 2 expenses

These are expenses relating directly to the estate which have been incurred by an associated party or which have an element of shared costs.

We propose to recover from the estate the cost of travel where staff use either their own vehicles or company cars in travelling connected with the Company. In these cases a charge of 45p per mile is raised which is in line with the HM Revenue & Customs Approved Mileage Rates (median - less than 10,000 miles per annum) which is the amount the firm pays to staff.

Creditor approval is required to pay category 2 expenses from the estate.

Where applicable, expenses will be subject to VAT at the prevailing rate.

GSM London Limited - In Liquidation William Matthew Tait and Antony Nygate of BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH appointed Joint Liquidator on 25 August 2020

**Revised Fees Estimate as at 22
October 2021**

Joint Liquidators' Fees	Total Hours	Blended Rate £	Estimated Fee £
Summary Activity			£
A. Pre Appointment Matters			0.00
Total			0.00
B. Steps on Appointment	5.45	155.70	848.55
C. Planning and Strategy	38.55	545.35	21,023.35
D. General Administration	488.60	259.81	126,942.85
E. Assets Realisation/Dealing	25.80	521.52	13,455.30
F. Trading Related Matters	0.25	788.00	197.00
G. Employee Matters	39.60	339.05	13,426.20
H. Creditor Claims	514.70	370.49	190,691.50
I. Reporting	165.00	287.42	47,425
J. Distribution and Closure	280.00	204.91	57,375
TOTAL			471,384.75

Expenses Estimate

Category 1 Expenses 0.00 2.1

Category 2 Expenses - mileage 0.00 2.2

**Professional Fees and Expenses
Estimate**

Agents' Fees and Expenses - Student
claims agreement £83,600 3.1

Agents' Fees - ERA Matters £8,240 3.2

Legal Fees and Expenses £8,500 3.3

The table above is our estimate of the Joint Liquidators' fees on a time costs basis for this appointment and the anticipated expenses. This estimate and the expenses are prepared on the basis of the information available to us at the date of this estimate. Assuming that there are no major unanticipated factors, we would expect that our fees may be lower than the estimate. In the following pages we provide a summary of the work we believe is necessary. Where applicable, all fees and expenses will be subject to VAT at the prevailing rate.

In any work of this nature we may have recourse to engage specialists to assist us for example in ensuring that we obtain best value for the estate assets and also to protect the legal interests of the estate including where necessary taking action to recover sums due to the estate. The specialists we engage will invoice us and that will be an expense of the estate. Such expenses

are not subject to creditor approval but nevertheless have an effect on the funds available for creditors in the estate.

1. Joint Liquidator's Fees

Fees (remuneration) may be sought on four different bases and a guide for creditors is attached. The four bases are, a time costs basis; a percentage of the assets realised; fixed amount; or a combination of the first three bases. In this insolvency case we are seeking fees on a time cost basis and have estimated a fee of £471,385.

Where possible we will delegate work to my staff and by this expedient the work is conducted by suitably qualified and experienced members of staff at different hourly costs. The current charge out rates per hour of staff within my firm's LONDON office is below:

GRADE £

Partner	812
Director	340-681
Senior Manager	284-497
Manager	156-363
Senior Executive	124-254
Executive	76-132

These rates are confirmed in an attached document which sets out my firm's policy on time costs and expenses. My firm's hourly time costs rate are normally reviewed in December and July each year and adjusted to take account of inflation and the firm's overheads. We have estimated the time we will spend in respect of the following areas of work in respect of this insolvency. Below we provide the primary work that will be undertaken by us.

Steps upon Appointment

This work included the preparation of statutory documentation and setting up internal files. This work was undertaken by all levels of staff.

No further work will be undertaken under this category and the actual costs therefore equate to the revised Fees Estimate.

Planning and Strategy

This work includes reviewing GSM's current and prospective financial position post-appointment and general strategy planning during the Liquidation. This work is carried out by partners, directors and associate directors.

General Administration

This work includes VAT and taxation matters, instructing and liaising with solicitors regarding legal matters and advice, namely in respect of the disclaiming of leases and employment tribunal matters, dealing with receipts and payments accounts, statutory matters, general meetings and discussions with the Joint Liquidators' team, general administration and correspondence.

The majority of this work requires a range of insolvency knowledge and experience, balanced with good accounting and administrative skills and is delegated largely to executives with suitable levels of experience, supervised by directors or managers.

Asset Realisation/Management

Work was also undertaken to collect pre-appointment book debts relating to unpaid tuition fees and sums due from the SLC, collection of cash at bank and correspondence with Cardnet,

disclaiming of leases and other property related matters including rent deposit enquiries. The work is led at director and senior manager level, supported by executives.

Trading-Related Matters

Work in this category includes finalising trading accounts. This work is undertaken by all levels of staff.

Trading concluded on 13 December 2019 but it has been necessary to ensure that all trading income has been received and trading expenses discharged.

Employee Matters

This work encompassed dealing with all aspects relating to the Company's 275 employees, including correspondence with former employees, liaising with ERA Solutions, pension issues and employment tribunal matters. This work is undertaken by all levels of staff.

Creditor Claims

This work includes receiving and recording all creditor claims, identifying whether additional supporting evidence was necessary from the creditor, reviewing the validity of all claims submitted by creditors alleging they have security rights which would afford them a higher priority when funds are distributed, considering, checking and recording all preferential claims, considering, checking and recording all unsecured creditor claims and identifying any claims which might be categorised as deferred claims.

It has also been necessary to deal with a high incidence of complaints and monetary claims that were notified by a number of GSM's former students for breach of contract and consequential loss. These claims necessitated a large volume of telephone and email correspondence with claimants and the implementation of various processes to manage and review the claims, in conjunction with the OIA.

Due to the complexity of this work, it was undertaken by all levels of staff.

Reporting

Work within this category includes preparing this report to creditors regarding the progress achieved in the Period and the preparation of future reports.

Directors or senior managers are responsible for leading the reporting and delegating the production of the accounts, fee analysis and comparison with estimates to suitably experienced executives.

Distribution and Closure

The work within this category includes effecting distributions to both the preferential and unsecured creditors, including giving notice to prove their claims, adjudicating upon the claims, issuing formal rejection of any relevant claims, issuing payment with suitable notification to creditors, reconciling payments and accounting for unclaimed dividends. The work will also include preparation for the closure of the case and the final report.

2. Expense Estimate

2.1 Category 1 Expenses

Our estimate in respect of this heading covers expenses relating directly to the case incurred by an independent third party, excluding the professional fees and expenses estimate detailed below. Such expenses may include items such as bonding, advertising, insurance, external

printing costs, couriers, travel (by public transport), company and land registry searches, fees in respect of swearing legal documents and storage of the Company's records.

Creditor approval is not required to pay category 1 expenses from the estate.

2.2 Category 2 Expenses - mileage

We do not anticipate there will be any mileage expenses incurred in the Liquidation. In these cases a charge of 45p per mile is raised which is in line with the HM Revenue & Customs Approved Mileage Rates (median - less than 10,000 miles per annum) which is the amount the firm pays to staff.

Creditor approval is required to pay category 2 expenses from the estate.

3. Professional Fees and Expenses Estimate

3.1 Agents' Fees and Expenses - Student Claims Agreement

The OIA assisted the Joint Administrators/Liquidators in dealing with student claims. The sum of £83,600 has been paid to the OIA in this respect. No further costs will be incurred in this respect.

3.2 Agents' Fees and Expenses - ERA Matters

For cost effectiveness, ERA work is sub-contracted to ERA Solutions Limited who are experienced specialists in this area. The following work will be undertaken; liaising with employees regarding any queries they may have relating to their employment, liaising with the Insolvency Service regarding employee claims and providing all the statutory information necessary, liaising with the Benefits Agencies, mortgage, insurance and credit providers, dealing with pre-appointment tribunal cases and assisting on post appointment cases, providing dividend calculation and dealing with queries from HMRC. It is estimated that the fee will be £8,240.

3.3 Legal fees and Expenses

Marriott Harrison LLP have been paid £2,515 in respect of legal fees provided in connection with the disclaiming of the leases at Meridian House.

PDT Solicitors have been engaged by the Joint Liquidators to assist in dealing with employment tribunal matters. It is currently estimated that their fees will be between £3,750 and £6,000.

Statement from the Insolvency (England and Wales) Rules 2016 regarding the rights of creditors in respect of the Joint Liquidators' fees and expenses:

Creditors' and members' requests for further information in administration, winding up and bankruptcy

18.9.—(1) The following may make a written request to the office-holder for further information about remuneration or expenses (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report under rule 18.14—

- (a) a secured creditor;
 - (b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
 - (c) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;
 - (d) any unsecured creditor with the permission of the court; or
 - (e) any member of the company in a members' voluntary winding up with the permission of the court.
- (2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one member or creditor.
- (3) The office-holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by—
- (a) providing all of the information requested;
 - (b) providing some of the information requested; or
 - (c) declining to provide the information requested.
- (4) The office-holder may respond by providing only some of the information requested or decline to provide the information if—
- (a) the time or cost of preparation of the information would be excessive; or
 - (b) disclosure of the information would be prejudicial to the conduct of the proceedings;
 - (c) disclosure of the information might reasonably be expected to lead to violence against any person; or
 - (d) the office-holder is subject to an obligation of confidentiality in relation to the information.
- (5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.
- (6) A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of—
- (a) the office-holder giving reasons for not providing all of the information requested; or
 - (b) the expiry of the 14 days within which an office-holder must respond to a request.
- (7) The court may make such order as it thinks just on an application under paragraph (6).

Remuneration and expenses: application to court by a creditor or member on grounds that remuneration or expenses are excessive

18.34.—(1) This rule applies to an application in an administration, a winding-up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that—

- (a) the remuneration charged by the office-holder is in all the circumstances excessive;
 - (b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or
 - (c) the expenses incurred by the office-holder are in all the circumstances excessive.
- (2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable—
- (a) a secured creditor,
 - (b) an unsecured creditor with either—
 - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
 - (ii) the permission of the court, or
 - (c) in a members' voluntary winding up—
 - (i) members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or
 - (ii) a member of the company with the permission of the court.
- (3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question ('the relevant report').

Applications under rules 18.34 and 18.35 where the court has given permission for the application

18.36.—(1) This rule applies to applications made with permission under rules 18.34 and 18.35.

- (2) Where the court has given permission, it must fix a venue for the application to be heard.
- (3) The applicant must, at least 14 days before the hearing, deliver to the office-holder a notice stating the venue and accompanied by a copy of the application and of any evidence on which the applicant intends to rely.
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders—
 - (a) an order reducing the amount of remuneration which the office-holder is entitled to charge;
 - (b) an order reducing any fixed rate or amount;
 - (c) an order changing the basis of remuneration;
 - (d) an order that some or all of the remuneration or expenses in question is not to be treated as expenses of the administration, winding up or bankruptcy;
 - (e) an order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by —
 - (i) the administrator or Liquidator or the administrator's or Liquidator's personal representative to the company, or
 - (ii) the trustee or the trustee's personal representative to such person as the court may specify as property comprised in the bankrupt's estate;
 - (f) any other order that it thinks just.
- (5) An order under paragraph (4)(b) or (c) may only be made in respect of periods after the period covered by the relevant report.
- (6) Unless the court orders otherwise the costs of the application must be paid by the applicant, and are not payable as an expense of the administration, winding up or bankruptcy.

Applications under rule 18.34 where the court's permission is not required for the application

18.37.—(1) On receipt of an application under rule 18.34 for which the court's permission is not required, the court may, if it is satisfied that no sufficient cause is shown for the application, dismiss it without giving notice to any party other than the applicant.

- (2) Unless the application is dismissed, the court must fix a venue for it to be heard.
- (3) The applicant must, at least 14 days before any hearing, deliver to the office-holder a notice stating the venue with a copy of the application and of any evidence on which the applicant intends to rely.
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders—
 - (a) an order reducing the amount of remuneration which the office-holder is entitled to charge;
 - (b) an order reducing any fixed rate or amount;
 - (c) an order changing the basis of remuneration;
 - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration or winding up or bankruptcy;
 - (e) an order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by —
 - (i) the administrator or Liquidator or the administrator's or Liquidator's personal representative to the company, or
 - (ii) the trustee or the trustee's personal representative to such person as the court may specify as property comprised in the bankrupt's estate;
 - (f) any other order that it thinks just.
- (5) An order under paragraph (4)(b) or (c) may only be made in respect of periods after the period covered by the relevant report.
- (6) Unless the court orders otherwise the costs of the application must be paid by the applicant, and are not payable as an expense of the administration or as winding up or bankruptcy.



GSM London Limited - In Creditors' Voluntary Liquidation ('the Company')

Registered Number: 01443436

NOTICE OF A DECISION BY CORRESPONDENCE PROCEDURE

RULE 15.8 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016

NOTICE that the Creditors of the Company are invited to make decisions as to whether to approve or reject the resolutions below.

Decision Procedure: The creditors are invited to indicate by correspondence whether they approve or reject the resolutions. A voting form is attached for recording your vote. The completed voting form, together with a proof of debt form, unless previously submitted, must be sent to me at the contact details below. Your voting form and proof of debt form must be received on or before the Decision Date below otherwise your vote cannot be counted.

Decision Date: 8 November 2021

Any nominations for membership of the committee must be received by the Convener, together with a proof of debt form on or before the Decision Date and will only be accepted if the Convener is satisfied as to the nominee's eligibility to be a member of such committee under Rule 17.4 of the Rules.

Creditors may within five business days of this notice require a physical meeting be held to consider the matter. This is explained in more detail overleaf.

Any creditor, including creditors whose debt is treated as a small debt (less than £1,000) or who has opted out of receiving notices, must deliver a completed proof of debt form, as detailed above, if they wish to vote, nominate a member for the liquidation committee or request a physical meeting.

RESOLUTIONS

That:

- 1 A liquidation committee be established, if sufficient creditors are willing to be members.
- 2 The Joint Liquidators' remuneration be approved on a time costs basis in accordance with the Revised Fees Estimate circulated to creditors.
- 3 The Joint Liquidators be authorised to draw category 2 disbursements based on the mileage scale approved by HMRC, being 45p per mile unless otherwise disclosed to creditors, as an expense of the Liquidation.

Date: 22 October 2021

William Matthew Tait
Joint Liquidator

The Joint Liquidators are William Matthew Tait (Officeholder No: 9564) and Antony Nygate (Officeholder No: 9237) of BDO LLP, BDO LLP, 55 Baker Street, London, W1U 7EU. The Joint Liquidators may also be contacted via Alice Denmark, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH or at BRCMTLondonandSouthEast@bdo.co.uk.

Certain Rules apply to decision procedures. The full text of the Rules is attached but the effect of those Rules is summarised here:

Creditor Voting rights (R.15.28): Every creditor who has this notice is entitled to vote in respect of the debt due to the creditor. Where there is a physical meeting the creditor must submit a proxy form (not relevant at this stage). Creditors, including creditors whose debt is treated as a 'small debt' (£1,000 or less) must still deliver a proof for voting purposes, if they have not already done so.

Calculation of creditors voting rights (R.15.31): In respect of this Liquidation creditors' claims will be calculated as at the date of liquidation being 25 August 2020. Claims that have an uncertain value will be valued at £1, or a higher value if the chair allows.

Requisite majority of creditors for making a decision (15.34): A CVL a decision approved if a majority of creditors, by value vote, in favour by the Decision Date.

Appeals against decisions (R.15.35): Decisions of the Joint Liquidator in convening the Decision Procedure and dealing with voting is subject to appeal to the court by a creditor. Any appeal must be made within 21 days of the Decision Date.

Physical Meeting: If creditors want to consider the resolutions at a physical meeting they must notify in writing the Joint Liquidator, whose details are above, within five business days of delivery of this notice. A meeting will be convened if sufficient creditors notify the nominee within the timeframe. Section 246ZE of the Insolvency Act sets the 'minimum number' of creditors for requisitioning a meeting at any of the following:—

- (a) 10% in value of the creditors or contributories;
- (b) 10% in number of the creditors or contributories;
- (c) 10 creditors or contributories.

Extract from the Insolvency (England and Wales) Rules 2016

Creditors' voting rights

15.28.—(1) In an administration, an administrative receivership, a creditors' voluntary winding up, a winding up by the court and a bankruptcy, a creditor is entitled to vote in a decision procedure or to object to a decision proposed using the deemed consent procedure only if—

(a) the creditor has, subject to 15.29, delivered to the convener a proof of the debt claimed in accordance with paragraph (3), including any calculation for the purposes of rule 15.31 or 15.32, and

(b) the proof was received by the convener—

(i) not later than the Decision Date, or in the case of a meeting, 4pm on the business day before the meeting, or

(ii) in the case of a meeting, later than the time given in sub-paragraph (i) where the chair is content to accept the proof; and

(c) the proof has been admitted for the purposes of entitlement to vote.

(2) In the case of a meeting, a proxy-holder is not entitled to vote on behalf of a creditor unless the convener or chair has received the proxy intended to be used on behalf of that creditor.

(3) A debt is claimed in accordance with this paragraph if it is—

(a) claimed as due from the company or bankrupt to the person seeking to be entitled to vote; or

(b) in relation to a member State liquidator, claimed to be due to creditors in proceedings in relation to which that liquidator holds office.

(4) The convener or chair may call for any document or other evidence to be produced if the convener or chair thinks it necessary for the purpose of substantiating the whole or any part of a claim.

(5) In a decision relating to a proposed CVA or IVA every creditor, secured or unsecured, who has notice of the decision procedure is entitled to vote in respect of that creditor's debt.

(6) Where a decision is sought in an administration under sub-paragraph 3.52(3)(b) (pre administration costs), paragraph 18.18(4) (remuneration: procedure for initial determination in an administration) or paragraph 18.26(2) (first exception: administrator has made statement under paragraph 52(1)(b) of Schedule B1), creditors are entitled to participate to the extent stated in those paragraphs.

Calculation of voting rights

15.31.—(1) Votes are calculated according to the amount of each creditor's claim—

(a) in an administration, as at the date on which the company entered administration, less—

(i) any payments that have been made to the creditor after that date in respect of the claim, and

(ii) any adjustment by way of set-off which has been made in accordance with rule 14.24 or would have been made if that rule were applied on the date on which the votes are counted;

- (b) in an administrative receivership, as at the date of the appointment of the receiver, less any payments that have been made to the creditor after that date in respect of the claim;
- (c) in a creditors' voluntary winding up, a winding up by the court or a bankruptcy, as set out in the creditor's proof to the extent that it has been admitted;
- (d) in a proposed CVA—
 - (i) at the date the company went into liquidation where the company is being wound up,
 - (ii) at the date the company entered into administration (less any payments made to the creditor after that date in respect of the claim) where it is in administration,
 - (iii) at the beginning of the moratorium where a moratorium has been obtained (less any payments made to the creditor after that date in respect of the claim), or
 - (iv) where (i) to (iii) do not apply, at the Decision Date;
- (e) in a proposed IVA—
 - (i) where the debtor is not an undischarged bankrupt—
 - (aa) at the date of the interim order, where there is an interim order in force,
 - (bb) otherwise, at the Decision Date,
 - (ii) where the debtor is an undischarged bankrupt, at the date of the bankruptcy order.
- (2) A creditor may vote in respect of a debt of an unliquidated or unascertained amount if the convener or chair decides to put upon it an estimated minimum value for the purpose of entitlement to vote and admits the claim for that purpose.
- (3) But in relation to a proposed CVA or IVA, a debt of an unliquidated or unascertained amount is to be valued at £1 for the purposes of voting unless the convener or chair or an appointed person decides to put a higher value on it.
- (4) Where a debt is wholly secured its value for voting purposes is nil.
- (5) Where a debt is partly secured its value for voting purposes is the value of the unsecured part.
- (6) However, the value of the debt for voting purposes is its full value without deduction of the value of the security in the following cases—
 - (a) where the administrator has made a statement under paragraph 52(1)(b) of Schedule B1 and the administrator has been requested to seek a decision under paragraph 52(2); and
 - (b) where, in a proposed CVA, there is a decision on whether to extend or further extend a moratorium or to bring a moratorium to an end before the end of the period of any extension.
- (7) No vote may be cast in respect of a claim more than once on any resolution put to the meeting; and for this purpose (where relevant), the claim of a creditor and of any member State liquidator in relation to the same debt are a single claim.
- (8) A vote cast in a decision procedure which is not a meeting may not be changed.
- (9) Paragraph (7) does not prevent a creditor or member State liquidator from—
 - (a) voting in respect of less than the full value of an entitlement to vote; or
 - (b) casting a vote one way in respect of part of the value of an entitlement and another way in respect of some or all of the balance of that value.

Requisite majorities

- 15.34. —(1) A decision is made by creditors when a majority (in value) of those voting have voted in favour of the proposed decision, except where this rule provides otherwise.
- (2) In the case of an administration, a decision is not made if those voting against it—
 - (a) include more than half in value of the creditors to whom notice of the decision procedure was delivered; and
 - (b) are not, to the best of the convener or chair's belief, persons connected with the company.
 - (3) Each of the following decisions in a proposed CVA is made when three-quarters or more (in value) of those responding vote in favour of it—
 - (a) a decision approving a proposal or a modification;
 - (b) a decision extending or further extending a moratorium; or
 - (c) a decision bringing a moratorium to an end before the end of the period of any extension.
 - (4) In a proposed CVA a decision is not made if more than half of the total value of the unconnected creditors vote against it.
 - (5) For the purposes of paragraph (4)—
 - (a) a creditor is unconnected unless the convener or chair decides that the creditor is connected with the company;
 - (b) in deciding whether a creditor is connected reliance may be placed on the information provided by the company's statement of affairs or otherwise in accordance with these Rules; and
 - (c) the total value of the unconnected creditors is the total value of those unconnected creditors whose claims have been admitted for voting.
 - (6) In a case relating to a proposed IVA—
 - (a) a decision approving a proposal or a modification is made when three-quarters or more (in value) of those responding vote in favour of it;
 - (b) a decision is not made if more than half of the total value of creditors who are not associates of the debtor vote against it.

(7) For the purposes of paragraph (6)–

- (a) a creditor is not an associate of the debtor unless the convener or chair decides that the creditor is an associate of the debtor;
- (b) in deciding whether a creditor is an associate of the debtor, reliance may be placed on the information provided by the debtor's statement of affairs or otherwise in accordance with these Rules; and
- (c) the total value of the creditors who are not associates of the debtor is the total value of the creditors who are not associates of the debtor whose claims have been admitted for voting.

Appeals against decisions under this Chapter

15.35.–(1) A decision of the convener or chair under this Chapter is subject to appeal to the court by a creditor, by a contributory, or by the bankrupt or debtor (as applicable).

(2) In a proposed CVA, an appeal against a decision under this Chapter may also be made by a member of the company.

(3) If the decision is reversed or varied, or votes are declared invalid, the court may order another decision procedure to be initiated or make such order as it thinks just but, in a CVA or IVA, the court may only make an order if it considers that the circumstances which led to the appeal give rise to unfair prejudice or material irregularity.

(4) An appeal under this rule may not be made later than 21 days after the Decision Date.

(5) However, the previous paragraph does not apply in a proposed CVA or IVA, where an appeal may not be made after the end of the period of 28 days beginning with the day–

(a) in a proposed CVA, on which the first of the reports required by section 4(6) or paragraph 30(3) of Schedule A1 was filed with the court(a); or

(b) in a proposed IVA–

(i) where an interim order has not been obtained, on which the notice of the result of the consideration of the proposal required by section 259(1)(a) has been given, or

(ii) otherwise, on which the report required by section 259(1)(b)(b) is made to the court.

(6) The person who made the decision is not personally liable for costs incurred by any person in relation to an appeal under this rule unless the court makes an order to that effect.

(7) The court may not make an order under paragraph (6) if the person who made the decision in a winding up by the court or a bankruptcy is the official receiver or a person nominated by the official receiver.

Extract from the Insolvency Act 1986 (as amended)

Section 246ZE Decisions by creditors and contributories: general

(1) This section applies where, for the purposes of this Group of Parts, a person ("P") seeks a decision about any matter from a company's creditors or contributories.

(2) The decision may be made by any qualifying decision procedure P thinks fit, except that it may not be made by a creditors' meeting or (as the case may be) a contributories' meeting unless subsection (3) applies.

(3) This subsection applies if at least the minimum number of creditors or (as the case may be) contributories make a request to P in writing that the decision be made by a creditors' meeting or (as the case may be) a contributories' meeting.

(4) If subsection (3) applies P must summon a creditors' meeting or (as the case may be) a contributories' meeting.

(5) Subsection (2) is subject to any provision of this Act, the rules or any other legislation, or any order of the court–

(a) requiring a decision to be made, or prohibiting a decision from being made, by a particular qualifying decision procedure (other than a creditors' meeting or a contributories' meeting);

(b) permitting or requiring a decision to be made by a creditors' meeting or a contributories' meeting.

(6) Section 246ZF provides that in certain cases the deemed consent procedure may be used instead of a qualifying decision procedure.

(7) For the purposes of subsection (3) the "minimum number" of creditors or contributories is any of the following–

(a) 10% in value of the creditors or contributories;

(b) 10% in number of the creditors or contributories;

(c) 10 creditors or contributories.

(8) The references in subsection (7) to creditors are to creditors of any class, even where a decision is sought only from creditors of a particular class.

(9) In this section references to a meeting are to a meeting where the creditors or (as the case may be) contributories are invited to be present together at the same place (whether or not it is possible to attend the meeting without being present at that place).

(10) Except as provided by subsection (8), references in this section to creditors include creditors of a particular class.

(11) In this Group of Parts "qualifying decision procedure" means a procedure prescribed or authorised under paragraph 8A of Schedule 8.



VOTING FORM

GSM London Limited - In Creditors' Voluntary Liquidation ('the Company')
Registered Number: 01443436

RESOLUTIONS

(* Please indicate voting preference)

- 1 That a liquidation committee be established if sufficient creditors are willing to be members of the committee

*Approved/Rejected

Do you consent to be a member of the creditors' committee?

*Yes/No

- 2 That the Joint Liquidators' remuneration be approved on a time costs basis in accordance with the Revised Fees Estimate circulated to creditors.

*Approved/Rejected

- 3 That the Joint Liquidators be authorised to draw category 2 disbursements based on the mileage scale approved by HMRC, being 45p per mile unless otherwise disclosed to creditors, as an expense of the Liquidation.

*Approved/Rejected

TO BE COMPLETED BY THE CREDITOR WHEN RETURNING FORM

Name of Creditor

Signature of Creditor

(If signing on behalf of creditor, state capacity e.g. director/solicitor etc)

NOTE: This form must be accompanied by a proof of debt form unless previously submitted. Creditors whose debt is treated as a small debt (£1,000 or less) or who has opted out of receiving notices must still deliver a proof of debt form for voting purposes otherwise their vote will be disregarded.

This form must be returned to William Matthew Tait c/o BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH or to BRCMTLondonandSouthEast@bdo.co.uk, by no later than the Decision Date 8 November 2021.

Proof of Debt/Claim Form
GSM London Limited
Company No: 01443436
Creditors' Voluntary Liquidation

Debt as at the date of the preceding Administration: 30 July 2019

1	Name of creditor (If a company please also give company registration number and where registered).	
2	Address of creditor including email address for correspondence.	
3	Total amount of claim, including any Value Added Tax at the above date.	
4	If amount in 3 above includes outstanding uncapitalised interest please state amount.	£
5	Particulars of how and when debt incurred. (If you need more space append a continuation sheet to this form).	
6	Particulars of any security held, the value of the security, and the date it was given.	
7	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates.	
8	Provide details of any documents by reference to which the debt can be substantiated. (Note: There is no need to attach them now but the Liquidator may call for any document or evidence to substantiate the claim at his discretion as may the Chair or convener of any meeting).	
9	Signature of creditor or person authorised to act on his behalf _____	Dated _____
Name in BLOCK LETTERS _____		
Position with or in relation to creditor _____ Address of person signing (if different from 2 above)		

Deliver to the Joint Liquidator, William Matthew Tait, Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH or to BRCMTLondonandSouthEast@bdo.co.uk.