

The Insolvency Act 1986

Administrator's progress report

Name of Company GB Group Holdings Limited	Company number 06038345
In the High Court of Justice, Chancery Division [full name of court]	Court case number 1668 of 2015

(a) Insert full name(s) and address(es) of administrator(s)

We (a) Antony David Nygate of BDO LLP, 55 Baker Street, London, W1U 7EU and Francis Graham Newton of BDO LLP, 1 Bridgewater Place, Water Lane, Leeds, LS11 5RU

administrator(s) of the above company attach a progress report for the period

(b) Insert date

From

(b)
9 September 2016

to

(b)
26 January 2017

Signed

Joint administrator(s)

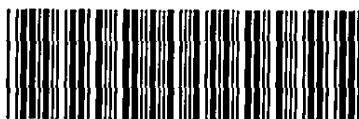
Dated

26-1-17.

Contact details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

c/o Robert Ferne, BDO LLP, 55 Baker Street, London, W1U 7EU	
Our Ref	Tel 020 7893 3562
DX Number	DX Exchange



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COMPANIES HOUSE

When you have completed and signed this form please send it to the Registrar of Companies at
Companies House, Crown Way, Cardiff, CF14 3UZ

DX 33050 Cardiff

26 January 2017

Please ask for Ben Ezekiel
Telephone 020 7893 3258**TO ALL CREDITORS**

Dear Sir(s)

GB Group Holdings Limited ('the Company') - In Administration

It is now 22 months since our appointment in respect of the Company. In accordance with Rule 2.47 of the Insolvency Rules 1986, we now report on the progress made in implementing the approved proposals and achieving the statutory purpose of the Administration.

This report has been prepared to support an application to Court for the extension of the period of Administration and should be read in conjunction with the previous progress report to creditors dated 5 October 2016. This report is available free of charge from Companies House website.

1 Statutory Information

The Joint Administrators are Antony David Nygate of BDO LLP, 55 Baker Street, London W1U 7EU and Francis Graham Newton of BDO LLP, 1 Bridgewater Place, Water Lane, Leeds LS11 5RU. They were appointed Joint Administrators of the Company on 9 March 2015.

Under the provisions of paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the Joint Administrators carry out their functions jointly and severally and neither Joint Administrator has exclusive power to exercise any function.

The Joint Administrators were appointed by the directors of the Company pursuant to Paragraph 22 of Schedule B1 to the Insolvency Act 1986.

The registered office of the Company is situated at c/o BDO LLP, 55 Baker Street, London W1U 7EU.

The registration number and court case number are:

Company Number	Court Case Number
06038345	High Court of Justice no 1668/2015

Please note that the Joint Administrators of GB Building Solutions Limited ('GBBS') and GB Development Solutions Limited ('GBDS') will be reporting separately to the respective creditors of each company.



We enclose, for your information, a summary of our receipts and payments to date showing a balance in hand of £9,750 (fixed charge) and £118,610 (floating charge) together with a copy of our abstract account covering the last four month period from 9 September 2016 to 26 January 2017, and report as follows

2 Assets

Subsidiaries / Investments

The Company holds equitable interests in a number of entities. We do not anticipate any recoveries being made in respect of the investments

Company name	Shareholding (%)	Status
GBBS	100	In Administration
GBDS	100	In Administration
Oxford GB Limited	100	Dormant (subsidiaries in Administration)
Discovery Business Solutions Limited	100	In Liquidation
GB Asset Management Solutions Limited	100	Dissolved
Aston Care Solutions Limited	100	Dissolved
GB Care Solutions Limited	100	Dissolved
GB General Works Limited	100	Dissolved
Contour Education Services Limited	21	Transferred for nil consideration
GB Energy Solutions Ltd	100	Dissolved

Inter-Group Debtors

Oxford GB Group ('OGB')

Oxford GB Limited ('OGBL'), the holding company of the OGB Group, holds 100% of the shares in Oxford GB Two Limited ('OGB2') the developer of a hotel site in Leeds

On 4 March 2016, OGB2 was placed into Administration. Based on current information there will be no distribution to unsecured creditors

Other Debtors

Contour Education Services Ltd ('Contour')

As previously advised, following protracted negotiations the sum of £32,400 was recovered in respect of the debt due to the Company.

The Company is currently pursuing the recovery of sums due from a former director and solicitors have been instructed to assist with the recovery of the debt.

The sum of £4,800 has been received in respect of a deposit held by a third party

3 Investigations into the affairs of the Company

The Joint Administrators have a statutory duty to investigate the affairs of the Company together with the conduct of the directors. We confirm that the statutory report has been submitted to the Insolvency Service.

4 Extension of Administration

As mentioned in our previous report, we confirm that the Administration was extended to 8 March 2017 with the consent of Lloyds Banking Group ('the Bank'). To conclude the Administration the Joint Administrators have sought the permission of the Court to extend the period of Administration for a further 12 months.

5 Prospects for Creditors

Prescribed Part

Under the provisions of Section 176A of the Insolvency Act 1986, the Joint Administrators must state the amount of funds available to unsecured creditors in respect of the Prescribed Part. This provision only applies where a company has granted a floating charge to a creditor after 15 September 2003. The Company granted floating charge security to the Bank in August 2013 so the provisions will apply in this Administration.

Based on current realisations, the estimated Prescribed Part available to unsecured creditors is c£15,000-20,000 before costs of distribution.

Secured Creditor

As at the date of the Administration, the Bank was owed c£6.75m plus interest and accrued charges. The debt has been cross-guaranteed by a number of other GB Group companies. The debt includes a group performance bond which has been claimed in full pending clarification of a formal call on the bond.

To date the Bank has received £550,000 under its fixed charge security. It is anticipated that the Bank will suffer a shortfall in respect of its security and if this remains the case there will be no additional return to the unsecured creditors beyond any amount made available from the Prescribed Part.

Preferential Creditors

GBGH did not have any employees and therefore has no preferential creditors.

Unsecured Creditors

The records of the Company indicated that unsecured creditor claims, excluding any shortfall to the Bank, were in the order of £18.6m. This included intercompany balances and amounts due under cross-indemnities. Please note, we have not adjudicated or sought final claims from the unsecured creditors; consequently these figures may increase or decrease and should therefore be treated with caution.

As stated earlier in this report, the only funds available to unsecured creditors will be by way of the Prescribed Part.

6 Joint Administrators' Remuneration

As there will be insufficient property to enable a distribution to be made to the unsecured creditors of the Company, other than by way of the Prescribed Part, our remuneration and any category 2 disbursements will be subject to the approval of the secured and preferential creditors as set out in Rule 2 106(5A)(a)/(b) of the Insolvency Rules 1986. In the absence of any preferential creditors the secured creditor has approved the Joint Administrators' remuneration on a time costs basis.

A summary of the Joint Administrators time incurred to 20 January 2017 is detailed below

Company	Time costs (£)	Hours	Ave. hourly rate (£)	Billed to date (£)	Balance o/s (£)
GBGH	100,982	294	343	27,000	73,982

Attached are detailed schedules which summarise the time costs since the commencement of the Administration to 20 January 2017 and indicates the work undertaken since the commencement of the Administrations

For your reference a creditors' guide to the administrators' fees may be found at the following website <http://www.icaew.com/en/technical/insolvency/creditors-guides>

7 Joint Administrators' Disbursements

Where disbursements are recovered in respect of precise sums expended to third parties there is no necessity for these costs to be authorised. These are known as Category 1 disbursements. A summary of the disbursements incurred and drawn to date are detailed in the table below

Category 1 Disbursements	(£)
Advert	334
Insurance	200
PR	192
Travel	99
	<u>825</u>
Less disbursements drawn	<u>631</u>
Disbursements not yet drawn	<u>194</u>

The creditors have previously approved that the Joint Administrators be authorised to draw Category 2 disbursements in respect of postage, stationery, photocopying charges, telephone, fax and other electronic communications on the basis of £12.50 per creditor in the first year of the Administration and £6.25 per creditor in respect of each subsequent year. No amounts have been drawn in this regard.

We provide at the end of this report an extract from the Insolvency Rules 1986 setting out the rights of creditors to request further information and/or challenge the remuneration or fees within the Administration.

8 Other Matters

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.

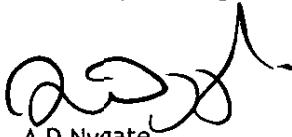
An additional guide for creditors can be accessed using the below website <http://www.icaew.com/en/technical/insolvency/creditors-guides>

The Joint Administrators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this appointment.

If you require any further information regarding this matter, please do not hesitate to contact Ben Ezekiel on the above number.

Please note, the affairs, business and property of the Company are being managed by the Joint Administrators who act only as agents of the Company and without personal liability.

Yours faithfully
For and on behalf of
GB Group Holdings Limited



A D Nygate
Joint Administrator
Authorised by the Institute of Chartered Accountants in England & Wales in the UK

Enc

Statement from the Insolvency Rules 1986 (as amended) regarding the rights of creditors in respect of the Joint Administrators' fees and expenses:-

Rule 2 48A Creditors' request for further information

(1) If—

- (a) within 21 days of receipt of a progress report under Rule 2 47—
 - (i) a secured creditor, or
 - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
- (b) with the permission of the court upon an application made within that period of 21 days, any unsecured creditor, makes a request in writing to the administrator for further information about remuneration or expenses (other than pre-administration costs) set out in a statement required by Rule 2 47(1)(db) or (dc), the administrator must, within 14 days of receipt of the request, comply with paragraph (2)

(2) The administrator complies with this paragraph by either—

- (a) providing all of the information asked for, or
- (b) so far as the administrator considers that—
 - (i) the time or cost of preparation of the information would be excessive, or
 - (ii) disclosure of the information would be prejudicial to the conduct of the administration or might reasonably be expected to lead to violence against any person, or
 - (iii) the administrator is subject to an obligation of confidentiality in respect of the information, giving reasons for not providing all of the information

(3) Any creditor, who need not be the same as the creditor who requested further information under paragraph (1), may apply to the court within 21 days of—

- (a) the giving by the administrator of reasons for not providing all of the information asked for, or
- (b) the expiry of the 14 days provided for in paragraph (1),
and the court may make such order as it thinks just

(4) Without prejudice to the generality of paragraph (3), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 2 109(18) by such further period as the court thinks just

Rule 2 109 Creditors' claim that remuneration is or other expenses are excessive

(1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)

(1A) Application may be made on the grounds that—

- (a) the remuneration charged by the administrator,
- (b) the basis fixed for the administrator's remuneration under Rule 2 106, or
- (c) expenses incurred by the administrator,
is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate

(1B) The application must, subject to any order of the court under Rule 2 48A(4), be made no later than 8 weeks after receipt by the applicant of the progress report which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")

(2) The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss it without a hearing but it shall not do so without giving the applicant at least 5 business days' notice, upon receipt of which the applicant may require the court to list the application for a without notice hearing. If the application is not dismissed, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly

Statement from the Insolvency Rules 1986 (as amended) regarding the rights of creditors in respect of the Joint Administrators' fees and expenses (continued):-

Rule 2 109 (continued)

(3) The applicant shall, at least 14 days before the hearing, send to the administrator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it

(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 administrator was entitled to charge,

(b) an order fixing the basis of remuneration at a reduced 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,

(e) an order that the administrator or the administrator's personal representative pay to the Company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify,

and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report

(5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the administration

GB Group Holdings Limited - In Administration

Summary of Joint Administrators' Receipts And Payments from 9 March 2015 (date of appointment) to 26 January 2017

	Estimated to realise per statement of affairs (£)	09/09/16 to 26/01/17 (£)	Total (£)
Receipts subject to fixed charge security			
Investments	50,000	-	-
Freehold/Leasehold properties	550,000	-	600,000 00
Output VAT	-	120,000 00	-
	<u>600,000</u>	<u>120,000 00</u>	<u>600,000 00</u>
Payments subject to fixed charge security			
Legal Fees		-	4,950 00
Legal Disbursements		-	6 00
Insurance & Service Charges		9,129 02	16,072 87
Agent's Fees		15,500 00	15,500 00
Agent's disbursements		3,370 80	3,370 80
Sundry		-	350 00
Distribution to Fixed Charge Holder - Lloyds Banking Group		-	550,000 00
Output VAT		-	-
		<u>27,999 82</u>	<u>590,249 67</u>
Fixed charge balance in hand			9,750 33
			<u>600,000 00</u>
Receipts subject to floating charge security			
Inter-Group debtors	62,465	-	-
Other Debtors	130,000	37,200 00	37,200 00
Insurance Refunds	-	-	133,017 21
Interest Gross	-	18 79	157 88
Sundry Refunds	-	-	2,709 92
Bank Interest	-	-	2 60
	<u>192,465</u>	<u>37,218 79</u>	<u>173,087 61</u>
Payments under floating charge security			
Joint Administrators' Fees		-	27,000 00
Joint Administrators' Disbursements		-	630 69
Data Protection Fees		-	70 00
Storage Costs		-	2,105 50
Legal Fees & Disbursements		8,750 00	21,250 00
Bank Charges		-	0 37
Input VAT	-	6,072 13	-
VAT Control account		-	3,421 11
		<u>2,677 87</u>	<u>54,477 67</u>
Floating charge balance in hand			118,609 94
			<u>173,087 61</u>

BDO LLP
55 Baker Street
London
W1U 7EU

A D Nygate & F G Newton
Joint Administrators
26 January 2017

Detailed Time Charged and Rates Applicable for the Period From 9 March 2015 (date of appointment) to 20 January 2017

[illegible]

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR EXECUTIVE		EXECUTIVE		OTHER STAFF		GRAND TOTAL		AVERAGE RATE
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	£
01 Statutory Reporting									4 65	476 90			4 65	476 90	
02 Reporting to Appointer			19 00	9,074 00					3 50	1,592 50			22 50	10,666 50	
04 Reporting to Creditors	2 00	956 50	26 35	9,120 05	6 25	1,676 50							34 60	11,753 05	
06 Reporting to other bodies			6 85	2,713 65					1 45	139 20			6 85	2,713 65	
99 Other Matters	2 00	956 50	52 20	20,907 70	6 25	1,676 50			9 60	2,208 60			1 45	139 20	
I Sub Total	8 50	5,852 75	159 30	61,789 35	37 55	7,854 20	6 15	1,194 55	79 15	23,989 65	3 80	301 75	294 45	100,982 25	367 58

Net Total	294 45	100,982 25	342 95
Other Disbursements		825 27	
Billed		27,630 69	
Grand Total		£74,176 83	

GB Group Holdings Limited - In Administration

Summary of Time Charged at Standard Rates for the Period From 9 September 2016 to 20 January 2017

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR EXECUTIVE		EXECUTIVE		OTHER STAFF		GRAND TOTAL		AV RATE	
	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£	£	£
General Administration	0 25	127 25	5 15	1,580 40	0 10	20 20	1 95	393 90	9 50	1,058 45	1 20	84 80	18 15	3,265 00		179 89
Assets Realisation/Dealing			1 00	321 00									1 00	321 00		321 00
Reporting			4 05	1,300 05					0 50	78 50			4 55	1,378 55		302 98
	0 25	127 25	10 20	3,201 45	0 10	20 20	1 95	393 90	10 00	1,136 95	1 20	84 80	23 7	4,964 55		209 47

Net total	23 70	4,964 55
Disbursements		0 00
Billed		0 00
Grand Total		4,964 55