

# AM10

## Notice of administrator's progress report



Companies House

SATURDAY



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A14

23/12/2017

#610

COMPANIES HOUSE

### 1 Company details

Company number 06038345

Company name in full GB Group Holdings Limited

→ Filling in this form  
Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Antony David

Surname Nygate

### 3 Administrator's address

Building name/number BDO LLP, 55

Street Baker Street

Post town

County/Region London

Postcode W1U7EU

Country England

### 4 Administrator's name ①

Full forename(s) Francis Graham

Surname Newton

① Other administrator  
Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number BDO LLP, 1

Street Bridgewater Place

Water Lane

Post town

County/Region Leeds

Postcode LS115RU

Country England

② Other administrator  
Use this section to tell us about  
another administrator.

# AM10

## Notice of administrator's progress report

### 6 Period of progress report

From date	d	2	d	7	m	0	m	1	y	2	y	0	y	1	y	7
To date	d	2	d	6	m	0	m	7	y	2	y	0	y	1	y	7

### 7 Progress report

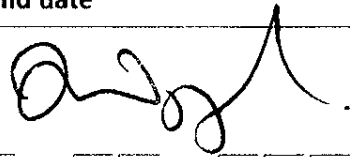
☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X



X

Signature date

d	2	d	2	m	0	m	8	y	2	y	0	y	1	y	7
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Fax: +44 (0)20 7487 3686  
DX 9025 West End W1  
www.bdo.co.uk

55 Baker Street  
London W1U 7EU

22 August 2017

Please ask for: Ben Ezekiel  
Telephone: 020 7893 3258

## TO ALL KNOWN CREDITORS

Dear Sir / Madam

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

It is now 30 months since my appointment in respect of the Company. In accordance with Rule 18.6 of the Insolvency (England and Wales) Rules 2016, I am now reporting the progress made in implementing the approved proposals and achieving the statutory purpose of the Administration for the period from 27 January 2017 to 26 July 2017.

#### 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 £120,460 (floating charge)

together with a copy of our abstract account covering the last six month period from 27 January 2017 to 26 July 2017, and report as follows:

## **2 Assets**

### **Subsidiaries / Investments**

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

Company Name	Percentage	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 and based on current information there will be no distribution to the unsecured creditors.

#### **Other Debtors**

The only remaining asset of the Company is sums due from a former director. Solicitors have been instructed to assist with the recovery of the debt.

The sum of £1,873 has been received in respect of an insurance refund.

## **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**

I confirm that the Administration has been extended with the consent of the Court for a further period of 12 months and is set to expire on 9 March 2018.

#### **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 Lloyds Banking Group ('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 c. £18.6m. 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 26 July 2017 is detailed below.

Category	Hours	Rate (£/hr)	Amount (£)	Total (£)
GBGH	111,501	325	343	27,631
				84,715

Attached are detailed schedules which summarise the time costs since the commencement of the Administration to 26 July 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
	825
Less disbursements drawn	631
Disbursements not yet drawn	194

The creditors have previously approved that the Joint Administrators be authorised to draw Category 2 disbursements in respect of printing, stationary, photocopying, telephone 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 and on the basis of the mileage scale approved by HMRC, being 45p per mile unless otherwise disclosed to the creditors. Please note that no Category 2 disbursements will be drawn in respect of the Administration of the Company.

## **8 Creditor rights and enquiries**

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.

Creditors with the concurrence of at least 5% in value of the unsecured creditors may within 21 days of this report request in writing further information regarding the remuneration and expenses set out in this report. In accordance with Rule 18.9(3) of the Rules within 14 days of a request we will provide further information or explain why further information is not being provided. Creditors may access information setting out creditors' rights in respect of the approval of the Joint Administrator's remuneration at <https://www.r3.org.uk/what-we-do/publications/professional/fees>.

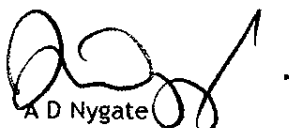
Creditors with the concurrence of at least 10% of the creditors may apply to the court if they consider that the remuneration of the administrators, or the basis fixed for the remuneration of the administrator or expenses charged by the administrator are excessive (Rule 18.34 of the Rules). Such an application must be made within 8 weeks of receiving this draft report. The text of Rules 18.9 and 18.34 are set out at the end of this report.

The Joint Administrators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this appointment. A copy of the code is at <http://www.icaew.com/en/members/regulations-standards-and-guidance/ethics/code-of-ethics-d>.

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 Insolvency Practitioners Association in the UK

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**Statement from the Insolvency (England and Wales) Rules 2016 regarding the rights of creditors in respect of the Joint Administrators' 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.

GB Group Holdings Limited - In Administration

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

	Estimated to realise per statement of affairs (£)	Movement 27/01/17 to 26/07/17 (£)	Total (£)
<b>Receipts subject to fixed charge security</b>			
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>
<b>Payments subject to fixed charge security</b>			
Legal Fees	-	-	4,950.00
Legal Disbursements	-	-	6.00
Insurance & Service Charges	-	-	16,072.87
Agent's Fees	-	-	15,500.00
Agent's Disbursements	-	-	3,370.80
Sundry	-	-	350.00
Distribution to Fixed Charge Holder - Lloyds Banking Group	-	-	550,000.00
Output VAT	-	-	-
	-	-	<u>590,249.67</u>
Fixed charge balance in hand			9,750.33
			<u><u>600,000.00</u></u>
<b>Receipts subject to floating charge security</b>			
Inter-Group debtors	62,465	-	-
Other Debtors	130,000	-	37,200.00
Insurance Refunds	-	1,873.98	134,891.19
Interest Gross	-	11.88	169.76
Sundry Refunds	-	-	2,709.92
Bank Interest	-	-	2.60
	<u>192,465</u>	<u>1,885.86</u>	<u>174,973.47</u>
<b>Payments under floating charge security</b>			
Joint Administrators' Fees	-	-	27,000.00
Joint Administrators' Disbursements	-	-	630.69
Data Protection Fees	-	35.00	105.00
Storage Costs	-	-	2,105.50
Legal Fees & Disbursements	-	-	21,250.00
Bank Charges	-	-	0.37
Input VAT	-	-	-
VAT Control account	-	-	3,421.11
	-	<u>35.00</u>	<u>54,512.67</u>
Floating charge balance in hand			120,460.80
			<u><u>174,973.47</u></u>
<b>MADE UP AS FOLLOWS</b>			
Input VAT			-
Bank of Scotland			92,169.26
RBS Account			38,041.87
VAT Control Account			-
			<u><u>130,211.13</u></u>
<b>BDO LLP</b>		<b>A D Nygate &amp; F G Newton</b>	
<b>55 Baker Street</b>		<b>Joint Administrators</b>	
<b>London</b>		<b>26 July 2017</b>	
<b>W1U 7EU</b>			

**Detailed Time Charged and Rates Applicable for the Period From 9 March 2015 (date of appointment) to 26 July 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 £	
02. Secured Creditors			1.90	735.30					3.00	1,365.00			4.90	2,100.30	380.40
04. Non-preferential Creditors			3.80	1,452.20	0.50	116.75			0.65	77.65			4.95	1,646.60	
H. Sub Total			5.70	2,187.50	0.50	116.75			3.65	1,442.65			9.85	3,746.90	
1. Reporting															357.38
01. Statutory Reporting									6.65	676.90			6.65	676.90	
02. Reporting to Appointer			19.00	9,074.00					3.50	1,592.50			22.50	10,666.50	
04. Reporting to Creditors	3.25	1,864.00	30.80	10,550.25	6.25	1,676.50			2.50	392.50			42.80	14,483.25	
06. Reporting to other bodies			6.85	2,713.65									6.85	2,713.65	
99. Other Matters									1.45	139.20			1.45	139.20	
I. Sub Total	3.25	1,864.00	56.65	22,337.90	6.25	1,676.50			14.10	2,801.10			80.25	28,679.50	
	12.85	8,338.15	175.00	68,349.90	37.75	7,894.60	6.65	1,295.55	89.15	25,299.95	4.10	323.05	325.50	111,501.20	

Net Total 325.40 111,501.20 342.66

Other Disbursements:

Billed 844.47

Grand Total 27,630.69

£84,714.98

### Summary of Time Charged at Standard Rates for the Period From 27 January 2017 to 26 July 2017

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR EXECUTIVE		EXECUTIVE		OTHER STAFF		GRAND TOTAL		AV RATE
	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£	£
Planning and Strategy	3.00	1,527.00											3.00	1,527.00	509.00
General Administration	0.10	50.90			0.15	30.30	0.20	40.40	5.05	638.15	0.30	21.30	8.45	1,984.00	234.79
Asset Realisation/Dealing			2.65	1,202.95									5.00	2,510.00	502.00
Employee Matters			5.00	2,510.00									0.10	22.40	224.00
Creditor Claims			0.10	22.40					0.25	39.25			0.25	39.25	157.00
Reporting	1.25	907.50	2.40	772.15					0.75	117.75			4.40	1,797.40	408.50
	4.35	2,485.40	10.15	4,507.50	0.15	30.30	0.20	40.40	6.05	795.15	0.30	21.30	21.2	7,880.05	371.70
														Net total	21.20 7,880.05
														Disbursements	0.00
														Billed	0.00
														Grand Total	7,880.05