

LIQ03

Notice of progress report in voluntary winding up



Companies House

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1 Company details

Company number 0 7 4 7 7 4 9 0

Company name in full GSM London Holdings Limited

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

2 Liquidator's name

Full forename(s) Steven

Surname Edwards

3 Liquidator's address

Building name/number 4 Mount Ephraim Road

Street Tunbridge Wells

Post town Kent

County/Region

Postcode T N 1 1 E E

Country

4 Liquidator's name ①

Full forename(s) Vincent John

Surname Green

① **Other liquidator**
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 4 Mount Ephraim Road

Street Tunbridge Wells

Post town Kent

County/Region

Postcode T N 1 1 E E

Country

② **Other liquidator**
Use this section to tell us about
another liquidator.

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Period of progress report

From date	^d 2	^d 0	^m 0	^m 8	^y 2	^y 0	^y 2	^y 0	
To date	^d 1	^d 9	^m 0	^m 8	^y 2	^y 0	^y 2	^y 1	


7

Progress report

<input checked="" type="checkbox"/> The progress report is attached	
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8

Sign and date

Liquidator's signature	Signature X  X								
Signature date	^d 1	^d 3	^m 1	^m 0	^y 2	^y 0	^y 2	^y 1	

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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 **Laura Macukat**

Company name **Crowe U.K. LLP**

Address
4 Mount Ephraim Road
Tunbridge Wells

Post town
Kent

County/Region

Postcode
T N 1 1 E E

Country

DX

Telephone
01892 700200



Checklist

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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

Crowe

**GSM London Holdings Limited
(In Creditors' Voluntary Liquidation)**

Annual Progress Report to 19 August 2021

**Steven Edwards
Vincent John Green**

**Crowe U.K. LLP
4 Mount Ephraim Road
Tunbridge Wells
Kent
TN1 1EE**

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1. INTRODUCTION

On 20 August 2019, Mark Newman and Vincent John Green of Crowe U.K. LLP were appointed Joint Liquidators of GSM London Holdings Limited ("the Company"). Under the terms of a Block Transfer Order, Steven Edwards was appointed Joint Liquidator on 29 July 2021 replacing Mark Newman.

The Joint Liquidators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to their appointment. Prior to the Joint Liquidators' appointment, a review of ethical issues was undertaken and no ethical threats were identified. Since their appointment the Joint Liquidators have continued to undertake periodic reviews of ethical matters and no ethical threats have been identified.

This Progress Report summarises the progress of the Liquidation for the period from 20 August 2020 to 19 August 2021 ("the Reporting Period").

Statutory information relating to the Company is attached at **Appendix I**.

2. ADMINISTRATION AND PLANNING

The Joint Liquidators are required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progression of the administration of the case, which ensures that work is carried out to high professional standards. A detailed list of these tasks can be found at **Appendix II**.

Reporting

The Joint Liquidators have met their statutory and regulatory duties to report to creditors, as listed below. In consideration of the need for transparency and engagement with creditors, care has been taken to ensure that reports and other communications with creditors have provided useful details of the strategies pursued and the outcomes anticipated.

During the Reporting Period, the following key documents have been issued:

- The progress report for the period 20 August 2019 to 19 August 2020;

Other administrative tasks

During the Reporting Period, the following material tasks in this category were carried out:

- Conducting periodic case reviews to ensure that the Liquidation is progressing efficiently, effectively and in line with statutory requirements;
- Maintaining case files, including documenting decisions made by the Joint Liquidators that materially affect the Liquidation

3. REALISATION OF ASSETS

The Joint Liquidators' Receipts and Payments account is attached at **Appendix III**. The funds in the Liquidation estate are held in a non-interest bearing account.

Inter-Company Debtors

The Company's records show inter-company debtors with a total book value of £12,159,820.62 and an uncertain estimated to realise value. There are four inter-company debts which are owed by three companies which have each entered into an insolvency process.

GSM London Limited entered into Administration on 30 July 2019 and then Liquidation 25 August 2020. William Matthew Humphries Tait and Antony David Nygate of BDO LLP were appointed Joint Administrators and thereafter Joint Liquidators. GSM London Limited is shown in the Company's records to owe the Company £475,020.80.

In the Reporting Period, a first interim dividend of 19.95 pence in the pound was paid by GSM London Limited and £94,743.06 has been received in respect of the Company's claim. A further dividend is anticipated but the timing or quantum of the dividend is currently unknown.

Greenford Facilities Limited ("Greenford") entered into Administration on 30 July 2019 and thereafter into Liquidation on 5 March 2020. William Matthew Humphries Tait and Antony David Nygate of BDO LLP were appointed Joint Administrators and then Joint Liquidators. Greenford is shown to owe the Company £43,776.47. The dividend prospects are currently estimated by the liquidators at a sum below 10 pence in the pound.

Clipper Group Limited ("Clipper") entered into Creditors' Voluntary Liquidation on 20 August 2019 and Vincent Green and Mark Newman were appointed Joint Liquidators. Under the terms of a Block Transfer Order, Steven Edwards was appointed Joint Liquidator on 29 July 2021 replacing Mark Newman. Clipper is the Company's sole shareholder.

Clipper is shown in the Company's records to owe a total of £11,641,023.55. The sole source of funds available to Clipper, would arise from a shareholder's distribution being made to Clipper by the Company. However, a distribution to Clipper would only occur after all creditor claims have been paid in full plus statutory interest.

As the Company is awaiting realisations from other assets, it is uncertain if the unsecured claims can be settled in full to enable a shareholder's distribution. Should a distribution be made, the Company would receive further funds from Clipper as an unsecured creditor. Until there is clarity on distributions paid from other inter-company debtors, realisations from this source are uncertain.

The Joint Liquidators have submitted a claim in each insolvency process and will monitor the distribution position for each debtor. Creditors will be notified of the dividend prospects and amounts received in our subsequent progress reports.

Shares & Investments

The Company's shares and investments had a book value of £1,700,000 and an estimated to realise value of £240,000.

The Company is the sole shareholder of GSM London Services Limited ("GSMLS") with a holding of 145,126,736 Ordinary A shares of £0.10 each. GSMLS entered into Members' Voluntary Liquidation ("MVL") on 29 August 2019 and Matthew Wild and Terence Jackson of RSM Restructuring Advisory LLP ("RSM") were appointed as Joint Liquidators. An MVL is a liquidation procedure for a solvent company.

The Company, as sole shareholder, will receive the benefit of any surplus from GSMLS, following settlement of all liabilities (and statutory interest) and the costs of the MVL. The surplus was estimated by the directors at £240,000.

The Joint Liquidators' understand that RSM are currently awaiting tax clearance from HM Revenue & Customs prior to any shareholder distributions being made. Creditors will be notified of the dividend prospects in our subsequent progress reports.

4. CREDITORS

Irrespective of whether sufficient realisations are achieved to pay a dividend to creditors, the Joint Liquidators have had to carry out key tasks which are detailed at **Appendix II**. The following sections explain the anticipated outcomes to creditors and any distributions paid.

Secured Creditors

The Company has not granted any charges over its assets.

Preferential Creditors

Employees/Directors were shown to be owed £16,294.91 in respect of their claims for unpaid holiday pay. A claim has been received from the Redundancy Payments Service amounting to £8,227.15 of which £1,000.01 is claimed preferentially.

The Joint Liquidators anticipate being able to pay a distribution of 100 pence in the pound in respect of employees' preferential claims. Further correspondence will be circulated to preferential creditors shortly in this regard.

Unsecured Creditors

HMRC was shown to be owed £62,345.10. A claim of £62,567.07 has been received.

The trade and expense creditors as per the Statement of Affairs totalled £4,546.96, employees' unsecured claims were estimated to total £109,337.96 and Inter-Company creditors were estimated to total £14,805,258.87. Please be advised that proofs of debt may still be received and therefore the total value of unsecured claims is not known at present.

Dividend Prospects

Where a floating charge is created after 15 September 2003 a prescribed part of a company's net property should be made available for unsecured creditors.

The Company has not granted a floating charge to any creditor after 15 September 2003 and consequently the prescribed part provisions do not apply.

It is anticipated that a distribution of 100 pence in the pound will be made in respect of preferential claims. A distribution to unsecured creditors is also anticipated but the timing and quantum of that distribution will be dependent on the recoverability of assets.

It is anticipated that ERA Solutions Limited, an unconnected company that specialises in Employment Rights Act matters and insolvent employers, will be engaged to assist the Joint Liquidators in the calculation of the distributions relating to the former employee claims. A decision by correspondence has been circulated to creditors to vote on the approval/rejection of ERA Solutions Limited costs to assist in this matter capped at £500 plus VAT.

5. FEES AND EXPENSES

Pre-Appointment Costs

The creditors authorised the fee of £7,500 plus VAT and disbursements for assisting the directors with placing the Company in Liquidation and with preparing the Statement of Affairs on 20 August 2019.

The fees and disbursements were paid from first realisations on appointment and are shown in the enclosed receipts and payments account.

The Joint Liquidators' Fees

It is the firm's practice to ensure that work is conducted by the appropriate staff member at the appropriate level of experience. Junior members of staff deal with the day to day administration on cases and a manager and partner then oversees the work undertaken. Where the issues are complex and litigious, the work will be closely supervised or undertaken by a manager or partner.

The Joint Liquidators' fees were approved by creditors on 2 October 2019 as follows:

- (i) On a fixed fee basis of £20,000 plus disbursements plus VAT for undertaking all categories of work in the liquidation, excluding distributions to non-preferential creditors and the agreement of unsecured claims.
- (ii) On a fixed fee basis of £5,000 plus VAT for the first initial unsecured non-preferential creditor distribution and the agreement of unsecured claims.
- (iii) On a fixed fee basis of £2,500 plus VAT for each subsequent unsecured non-preferential creditor distributions and the agreement of unsecured claims.

The Joint Liquidators have drawn £20,000 in respect of their fees agreed on a fixed basis in the Reporting Period.

Expenses

Expenses are amounts payable by the Joint Liquidators from the Liquidation estate which are not otherwise categorised as the Joint Liquidators' remuneration or as a distribution to a creditor or creditors.

Category 1 expenses are payments to entities providing a service to which the expense relates who are not associates and where the specific expenditure is directly referable to the Liquidation. These expenses are charged to the estate at cost. Liquidators may discharge Category 1 expenses from the funds held in the Liquidation without further recourse to creditors.

Category 2 expenses are other expenses which are payable to associates or which have an element of shared cost. Payments may only be made in relation to Category 2 expenses if the creditors have approved the bases of their calculation. Category 2 expenses were approved by creditors on 2 October 2019.

Details of the expenses incurred and paid in the Reporting Period and also since the commencement of the Liquidation are detailed at **Appendix IV** together with a comparison to the expenses that were estimated at the outset of the Liquidation.

Specialist Advice and Services

When instructing third parties or associates to provide specialist advice and/or services the Joint Liquidators are obligated to ensure that the work is warranted and that the work undertaken provides good value. In each case, when considering which specialist to instruct, the Joint Liquidators take into account the experience and knowledge of the specialist, the likely cost to the Liquidation estate and whether the cost of the instruction is proportionate to the likely benefit.

Guidance in respect of insolvency practitioners' fees is available to download at:

<http://www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees>

Information about insolvency processes can be found on the R3 website at:

<http://www.creditorinsolvencyguide.co.uk/>

A hard copy of this guidance information will be provided on request.

Crowe U.K. LLP's charge out rate and expenses policy is attached at **Appendix V**.

6. CREDITORS' RIGHTS

An unsecured creditor may, with the permission of the Court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), request further details of the Joint Liquidators' remuneration and expenses within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the Court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to Court to challenge the amount and/or basis of the Joint Liquidators' fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

7. CONCLUSION

The administration of the Liquidation will continue in order to finalise the following outstanding matters that are preventing the case from being closed:

- Realisation of assets as detailed in the body of this report
- Preferential and unsecured distributions as appropriate
- Finalise taxation and VAT matters

The Joint Liquidators anticipate that the Liquidation will remain open for a further 12 months to enable these matters to be dealt with.

Should you have any queries, please contact Laura Macukat at this office.



Signed

Steven Edwards
Joint Liquidator

Date 13 October 2021

Appendix I

Statutory Information

Company Name	GSM London Holdings Limited
Former Trading Name	Clipper Holdco Limited
Company Number	07477490
Registered Office	4 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EE
Former Registered Office	GSM London Study Centre, 56 Tabard Street, London, SE1 4LG
Office holders	Steven Edwards and Vincent John Green
Office holders' address	Crowe U.K. LLP, 4 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EE
Office holders' telephone	01892 700 200
Date of appointment	20 August 2019
Change in Office Holder	Steven Edwards was appointed Joint Liquidator on 29 July 2021, replacing Mark Newman.

Appendix II

List of Work Undertaken in Reporting Period

General Description	Includes
Administration and Planning	
Statutory/advertising	Filing of documents to meet statutory requirements Advertising in accordance with statutory requirements
Document maintenance/file review/checklist	Filing of documents Periodic file reviews Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
Bank account administration	Preparing correspondence opening and closing accounts Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments
Planning / Review	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical and technical aspects of the case
Books and records / storage	Dealing with records in storage Sending job files to storage
Creditor reports	Preparing annual progress report, investigation, meeting and general reports to creditors
Realisation of Assets	
Debtors	Collecting supporting documentation Correspondence with debtors Reviewing and assessing debtors' ledgers Receiving updates from respective Administrators and Liquidators regarding outstanding balances
Other assets:	Review company shares and investments and likelihood of recoveries to be made
Creditors	
Creditor Communication	Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via email and post Corresponding with the Pension Protection Fund and the Pensions Regulator Corresponding with ERA Solutions regarding employees' claims
Dealing with proofs of debt	Receipting and filing claims when not related to a dividend Corresponding with Redundancy Payments Service regarding claims when not related to a dividend

Appendix III

Receipts & Payments Account

GSM London Holdings Limited (In Liquidation) Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 20/08/2020 To 19/08/2021 £	From 20/08/2019 To 19/08/2021 £
	ASSET REALISATIONS		
Uncertain	Inter-Company Debtors	94,743.06	94,743.06
240,000.00	Shares & Investments	NIL	NIL
32,604.28	Cash at Bank - Lloyds Bank Plc	NIL	29,505.12
		94,743.06	124,248.18
	COST OF REALISATIONS		
	Specific Bond	NIL	320.00
	Preparation of S. of A. Fees	NIL	7,500.00
	Pre-appointment Disbursements	NIL	34.85
	Joint Liquidators Fees	20,000.00	20,000.00
	Pension Advisors	NIL	720.00
	Travel	NIL	19.90
	Postage	NIL	9.38
	Storage Costs	NIL	1.20
	Statutory Advertising	NIL	220.65
		(20,000.00)	(28,825.98)
	PREFERENTIAL CREDITORS		
(16,294.81)	Employee Arrears/Hol Pay	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(4,546.96)	Trade & Expense Creditors	NIL	NIL
(109,337.96)	Employees	NIL	NIL
(14,805,258.87)	Inter-Company Creditors	NIL	NIL
(62,345.10)	H M Revenue & Customs - PAYE	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(14,512,773.60)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(29,237,953.02)		74,743.06	95,422.20
	REPRESENTED BY		
	Vat Receivable		833.68
	Bank 1 Current - SVENSKA		89,741.00
	Vat Control Account		4,847.52
			95,422.20

Appendix IV

Expenses Information

Expenses summary for the review period and the whole period, together with a comparison of the original estimate

Expenses including Category 1 Disbursements	Basis	Original Estimated Total	Actual Expenses incurred in the review period	Actual Expenses incurred to Date	Actual Expenses paid in the review period	Actual Expenses paid to Date	Reason for any Excess - if the expenses are likely to, or have, exceeded the original estimate
Books & Records Collection, Storage and Destruction The Chatham Archive & Document Storage Company Limited have been instructed to collect, inventory, store and eventually securely destroy the Company's books and records.	Fixed Fee	400.00	10.80	12.00	0.00	1.20	
Pension Consultancy Clumber Consultancy Limited will be instructed to provide advice in respect of any Company pension arrangements and, if required, submit a claim to the Redundancy Payments Service for any unpaid contributions.	Fixed Fee	1,000.00	0.00	720.00	0.00	720.00	
Statutory Advertising		221.00	0.00	220.65	0.00	220.65	
Statutory Bond		320.00	0.00	320.00	0.00	320.00	
Postage		50.00	0.00	9.38	0.00	9.38	
Travel Costs		50.00	0.00	19.90	0.00	19.90	

Category 2 Disbursements	Basis	Original Estimated Total	Actual Expenses incurred in the review period	Actual Expenses incurred to Date	Actual Expenses paid in the review period	Actual Expenses paid to Date	Reason for any Excess - if the expenses are likely to, or have, exceeded the original estimate
Photocopying		50.00	0.00	0.00	0.00	0.00	
Mileage		50.00	0.00	0.00	0.00	0.00	

Appendix V

Charge Out Rates and Expenses Policy

The table below sets out the charge-out rates utilised by Recovery Solutions at Crowe U.K. LLP for charging staff time:-

Partner	£400 per hour
Director	£350 per hour
Senior Manager	£300 per hour
Manager	£250 per hour
Assistant Manager	£200 per hour
Senior Administrator	£175 per hour
Administrator/Cashier	£140 per hour
Trainee/Support Staff	£75 per hour

It should be noted that the above rates may increase from time to time over the period of the administration of each insolvency case. The above rates are effective from 1 April 2021. Time is charged in six minute units.

Expenses

Expenses are amounts properly payable by the office holder from the estate which are not otherwise categorised as the office holder's remuneration or as a distribution to a creditor or member. These may include, but are not limited to, legal fees, agents' fees, trading expenses and tax liabilities.

Category 1 expenses are payments to entities providing a service to which the expense relates who are not associates and where the specific expenditure is directly referable to the appointment in question. These are charged to the estate at cost, with no uplift. These include, but are not limited to, such items as advertising, bonding and other insurance premiums. Legislation provides that office holders may discharge Category 1 expenses from the funds held in the estate without further recourse to creditors or members.

Category 2 expenses are other expenses which are payable to associates or which have an element of shared cost. Payments may only be made in relation to Category 2 expenses after the creditors or members have approved the bases of their calculation.

Further Guidance

Guidance in respect of insolvency practitioners' fees is available to download at:

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