

WU07

Notice of progress report in a winding-up by the court



Companies House

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

1 Company details

Company number	0	7	5	1	9	5	1	6
Company name in full	Grandwood Systems Limited							

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

2 Liquidator's name

Full forename(s)	David John
Surname	Standish

3 Liquidator's address

Building name/number	15 Canada Square
Street	Canary Wharf
Post town	London
County/Region	
Postcode	E 1 4 5 G L
Country	

4 Liquidator's name ①

Full forename(s)	Kristina
Surname	Kicks

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

5 Liquidator's address ②

Building name/number	15 Canada Square
Street	Canary Wharf
Post town	London
County/Region	
Postcode	E 1 4 5 G L
Country	

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

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6 Period of progress report

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

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X

Id. Saito

X

Signature date

^d 0	^d 1	^m 1	^m 2	^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 Amy Rose

Company name Interpath Advisory

Address St Nicholas House

Park Row

Post town Nottingham

County/Region

Postcode

N G 1 6 F Q

Country

DX

Telephone

Tel +44 (0) 115 666 0260

**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

Progress Report

For the period from 17 October 2020 to 16 October 2021

Company name	Grandwood Systems Limited - in liquidation
Court details	High Court of Justice No. 003863 of 2016
Winding up order date	05 September 2016
Petition date	08 July 2016
Appointment date	17 October 2016
Liquidators	David John Standish and Kristina Kicks
Contact details for case administrator	Amy Rose 0115 666 0261 Email: amy.rose@interpathadvisory.com
Assets	There have been no asset realisations in this period. Any assets remaining to be realised and the progress made in the realisation of these assets are shown in Appendix 2.
Dividend prospects	On present information it is expected that no dividend will be paid to any class of creditor.
Liquidators' Remuneration	The basis for the liquidators' remuneration has been fixed by reference to time costs by a creditor's resolution passed on 7 February 2017. An analysis of the amount charged during the period is detailed in Appendix 4.
Liquidators' Expenses	Expenses totalling £88 have been incurred for this period and are shown in Appendix 5. The receipts and payments for the period are shown in Appendix 1.
Interpath	On 4 May 2021, KPMG LLP sold its Restructuring practice in the UK to Interpath Ltd ('Interpath Advisory').

Creditors' rights are explained in detail in Appendix 5

	OTHER REALISATIONS		
	Third Party Contribution	NIL	50,000.00
	ISA suspense int gross	NIL	20.41
	Tax on ISA suspense int	NIL	(4.08)
	ISA interest gross	NIL	0.04
	Tax paid on ISA interest	NIL	(0.01)
		NIL	50,016.36
	COST OF REALISATIONS		
	OR disbursements	NIL	(1,170.00)
	Cheque/Payable order fee	NIL	(0.15)
	Liquidator's fees	NIL	(41,006.50)
	Liquidator's expenses	NIL	(660.04)
	Irrecoverable VAT	NIL	(8,333.31)
	Bank charges	(88.00)	(440.00)
		(88.00)	(51,610.00)
	UNSECURED CREDITORS		
(907,907.00)	Trade & expense	NIL	NIL
		NIL	NIL
(907,907.00)		(88.00)	(1,593.64)
	REPRESENTED BY		
	ISA		(1,593.64)
			(1,593.64)

Appendix 2

Assets Realisation and Progression

1. Asset realised to date

No assets have been realised to date.

2. Progress report on the realisation of the remaining assets

As previously reported, our activity since commencement of the liquidation has predominantly been to analyse the limited Company records we have received from third parties and corresponding with potential connected parties which we have identified in order to better understand the Company's historic trading activities. Our investigations remain ongoing and a further update will be provided in our next report.

During the period covered by this report, we have been taking the necessary steps to secure potential recoveries for creditors in the future and a further update will be provided in our next report.

Appendix 3

Statutory Information

Company details	
Company Name	Grandwood Systems Limited
Registered No	07519516
Trading address	4th Floor, 13 John Prince's Street, London, W1G 0JR
Registered office	15 Canada Square, Canary Wharf, London, E14 5GL
Appointment	
Liquidators	17 October 2016 by the Secretary of State.
Office holder details	<p>David John Standish was appointed on 17 October 2016 and is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in England & Wales.</p> <p>Kristina Kicks was appointed on 23 December 2020 and is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in England & Wales.</p>
Former liquidator(s)	Please note that on 23 December 2020 an Order was made in the High Court appointing Kristina Kicks as Liquidator of the liquidation in place of John Thomas David Milsom following John Thomas David Milsom's retirement from KPMG LLP. In accordance with the Order, creditors were given notice of the Order by advertisement in the London Gazette on 18 January 2021.
Functions	The functions of the office holders are being exercised by any or one of them in accordance with section 231(2) Insolvency Act 1986.
Application of EC regulations	EC regulations apply and these proceedings are Main Proceedings as defined in Article 3 of the EC regulations.

Appendix 4

Analysis of Liquidators' time costs, disbursements and charge out rates

Joint Liquidators' charging policy

The time charged to the liquidation is by reference to the time properly given by us and our staff in attending to matters arising in the liquidation. This includes work undertaken in respect of tax, VAT, employee, pensions and health and safety advice from KPMG in-house specialists.

Our policy is to delegate tasks in the liquidation to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

A copy of "A Creditors' Guide to Liquidators' Fees" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available at:

<https://www.r3.org.uk/what-we-do/publications/professional/fees/liquidators-fees>

If you are unable to access this guide and would like a copy, please contact Amy Rose on 0115 666 0261.

Hourly rates

Set out below are the relevant hourly charge-out rates for the grades of our staff actually or likely to be involved on this liquidation. Time is charged by reference to actual work carried out on the liquidation; using a minimum time unit of six minutes.

Charge-out rates (£) for: Restructuring

Grade	From 01 Oct 2020 £/hr
Partner / Managing Director	690
Director	620
Senior Manager / Associate Director	560
Manager	467
Senior Administrator / Senior Associate	325
Administrator / Associate	236
Support / Analyst	147

The charge-out rates used by us might periodically rise (for example to cover annual inflationary cost increases) over the period of the liquidation. In our next statutory report, we will inform creditors of any material amendments to these rates.

Policy for the recovery of disbursements

Where funds permit the officeholders will seek to recover both Category 1 and Category 2 disbursements from the estate. For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

Category 1 disbursements: These are costs where there is specific expenditure directly referable to both the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

Category 2 disbursements: These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Category 2 disbursements charged by KPMG Restructuring include mileage. This is calculated as follows:

Mileage claims fall into three categories:

- Use of privately-owned vehicle or car cash alternative – 45p per mile.
- Use of company car – 60p per mile.
- Use of partner's car – 60p per mile.

For all of the above car types, when carrying KPMG passengers an additional 5p per mile per passenger will also be charged where appropriate.

The following disbursements were incurred in the period covered by this annual progress report.

SIP 9 - Expenses

Expenses	Category 1		Category 2		Totals (£)
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)	
External printing	2.78		NIL		2.78
Postage	2.42		NIL		2.42
Total	5.20		NIL		5.20

Narrative of work carried out for the period 17 October 2020 to 16 October 2021

The key areas of work have been:

Statutory and compliance	Attempting to collate initial information to enable us to carry out our statutory duties, including creditor information, details of assets; preparing statutory receipts and payments accounts; ensuring ongoing compliance with all statutory obligations within the relevant timescales; updating the list of unsecured creditors;
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	drafting our annual report.
Strategy documents, Checklist and reviews	monitoring and reviewing the liquidation strategy; briefing of our staff on the liquidation strategy and matters in relation to various work-streams; regular case management and reviewing of progress, including regular team update meetings and calls; reviewing and authorising junior staff correspondence and other work; dealing with queries arising during the liquidation; reviewing matters affecting the outcome of the liquidation; allocating and managing staff/case resourcing and budgeting exercises and reviews; liaising with legal advisors regarding the various instructions; complying with internal filing and information recording practices, including documenting strategy decisions.
Cashiering	ensuring compliance with appropriate risk management procedures in respect of receipts and payments.
Tax	seeking to gather information from the Company's records in relation to the taxation position of the Company and conducting reviews.
General	reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9; liaising with certain stakeholders in relation to retrieval of the books and records; seeking legal advice in relation to obtaining a delivery up of the Company's books and records from the director. Drawing remuneration in accordance with the basis which has been approved. No fees have been drawn to date from the liquidation estate but have been paid by a third party.
Asset realisations	seeking to recover debtor funds from a third party and secure potential recoveries for creditors.
Creditors and claims	reviewing historical claim data.
Investigations/ Directors/potential claim assignment	reviewing Company and directorship searches; reviewing pre-appointment transactions where possible; reviewing the limited Company books and records received; progressing a potential assignment of certain Company claims against third parties.

SIP 9 – Time costs analysis

SIP 9 – Time costs analysis (17/10/2020 to 16/10/2021)

	Hours				Time Cost (£)	Average Hourly Rate (£)
	Partner / Director	Manager	Administrator	Support		
Administration & planning						
Cashiering						
General (Cashiering)			0.70		0.70	227.50
Reconciliations (& IPS accounting reviews)			1.20		1.20	309.90
General						
Fees and WIP	0.80	9.10	5.30		15.20	7,305.30
Statutory and compliance						
Appointment and related formalities			0.10		0.10	32.50
Checklist & reviews		4.40	8.50		12.90	4,845.20
Statutory receipts and payments accounts			0.20		0.20	65.00

Strategy documents	0.30	2.30		2.60	1,495.00	575.00
Tax						
Post appointment corporation tax		4.00	0.30	4.30	2,021.30	470.07
Creditors						
Creditors and claims						
Agreement of unsecured claims		1.70		1.70	952.00	560.00
General correspondence	0.60	1.50		2.10	1,212.00	577.14
Secured creditors		1.50		1.50	700.50	467.00
Statutory reports		5.60	4.10	9.70	4,468.50	460.67
Investigation						
Investigations						
Correspondence re investigations		1.50		1.50	840.00	560.00
Realisation of assets						
Asset Realisation						
Debtors		2.00		2.00	1,120.00	560.00
Total in period	1.70	33.60	20.40	0.00	55.70	25,594.70
Brought forward time (appointment date to SIP 9 period start date)				559.90	204,807.30	
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)				55.70	25,594.70	
Carry forward time (appointment date to SIP 9 period end date)				615.60	230,402.00	

All staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

All time shown in the above analysis is charged in units of six minutes.

Appendix 5

Schedule of expenses incurred for the period

Schedule of expenses (17/10/2020 to 16/10/2021)

Expenses (£)	Incurred and paid in the period (£)	Incurred in the period not yet paid (£)	Total (£)
Cost of realisations			
Bank charges	88.00	0.00	88.00
TOTAL	88.00	0.00	88.00

For reporting purposes it is Interpath's policy to show costs and expenses net of VAT. Where the individual is not registered for VAT the VAT element is shown as 'Irrecoverable VAT' in the attached receipts and payments account and schedule of expenses.

Creditors' rights

As a creditor you have a right to request further information and to challenge the liquidators' remuneration and expenses.

Creditors are reminded that the basis upon which the liquidators' remuneration is to be charged has been agreed. The quantum is supported by an analysis of time costs in Appendix 4. Any additional information regarding liquidators' remuneration and / or other expenses incurred for the period is available from the liquidators upon request by any secured creditor or one or more unsecured creditor(s) whose claim(s) total at least 5% in value of the unsecured debt (in accordance with rule 18.9 of the Insolvency (England and Wales) Rules 2016 ("IR2016")). This request must be made within 21 days of receipt of the report.

In addition, creditors are reminded that the quantum can be challenged by any secured creditor or one or more unsecured creditor(s) whose claim(s) total at least 10% in value of the unsecured debt (in accordance with rule 18.34 IR2016) by making an application to court within eight weeks of receipt of this report.

The full text of these rules can be provided upon request or can be viewed on the following website:

<http://www.legislation.gov.uk/uksi/2016/1024/contents/made>

Appendix 6

About this report

This report has been prepared by David John Standish and Kristina Kicks, the Joint Liquidators in liquidation of Grandwood Systems Limited, solely to comply with their statutory duty to report creditors under the Insolvency (England and Wales) Rules 2016, and to provide an account of their acts and dealings and of the conduct of the liquidation, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency (England and Wales) Rules 2016 does so at its own risk. To the fullest extent permitted by law, the joint liquidators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

The appointments of the joint liquidators are personal to them and, to the fullest extent permitted by law, Interpath Ltd does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the liquidation.

We are bound by the Insolvency Code of Ethics.