

LIQ03

Notice of progress report in voluntary winding up



Companies House

TUESDAY



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11/02/2020

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COMPANIES HOUSE

1 Company details

Company number 0 8 3 0 9 2 4 7

Company name in full GGML Limited

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

2 Liquidator's name

Full forename(s) Zelf

Surname Hussain

3 Liquidator's address

Building name/number PricewaterhouseCoopers LLP

Street 7 More London Riverside

Post town London

County/Region

Postcode S E 1 2 R T

Country United Kingdom

4 Liquidator's name ①

Full forename(s) Toby Scott

Surname Underwood

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

5 Liquidator's address ②

Building name/number PricewaterhouseCoopers LLP, Central Square

Street 29 Wellington Street

Post town Leeds

County/Region West Yorkshire


Postcode L S 1 4 D L

Country United Kingdom

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

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report															
From date	d	1	d	9	m	1	m	2	y	2	y	0	y	1	y	8
To date	d	1	d	8	m	1	m	2	y	2	y	0	y	1	y	9
7	Progress report															
<input checked="" type="checkbox"/> The progress report is attached																
8	Sign and date															
Liquidator's signature	Signature 															
Signature date	d	1	d	0	m	0	m	2	y	2	y	0	y	2	y	0

LIQ03

Notice of progress report in voluntary winding up



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	Kate Whitham
Company name	PricewaterhouseCoopers LLP
Address	Central Square 29 Wellington Street
Post town	Leeds
County/Region	West Yorkshire
Postcode	L S 1 4 D L
Country	United Kingdom
DX	
Telephone	0113 289 4162



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

Joint liquidators' progress report from 19 December 2018 to 18 December 2019

10 February 2019

GGML Limited - in liquidation

Table of contents

Abbreviations and definitions	3
Key messages	4
Why we've sent you this report	4
How much creditors have received	4
What you need to do	4
Overview of what we've done to date	5
Outcome for creditors	6
Secured creditors	6
Preferential creditors (mainly employees)	6
There are no known preferential creditors of the Company.	6
Unsecured creditors	6
Progress since we last reported	7
Realisation of assets	7
Connected party transactions	7
Statutory and compliance	7
Change of liquidator	7
Investigations and actions	7
Our receipts and payments account	7
Our expenses	7
Our fees	8
Creditors' rights	8
What we still need to do	8
Next report	8
Appendix A: Receipts and payments	9
Appendix B: Expenses	10
Appendix C: Remuneration update	11
Payments to associates	11
Our work in the period	11
Our future work	12

Disbursements	13
Our relationships	14
Details of subcontracted work	14
Legal and other professional firms	14
Appendix D: Other information	15

Abbreviations and definitions

The following table shows the abbreviations and insolvency terms that may be used in this report:

Abbreviation or definition	Meaning
Company	GGML Limited
Liquidators	Zelf Hussain and Toby Scott Underwood
Firm	PricewaterhouseCoopers LLP
IR16	Insolvency (England and Wales) Rules 2016
IA86	Insolvency Act 1986
CVL	Creditors' voluntary liquidation
HMRC	HM Revenue and Customs
Rutland	Rutland Partners LLP
GL	Gardman Limited - in liquidation
Prescribed part	The amount set aside for unsecured creditors from floating charge funds in accordance with Section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003
Secured creditors	Creditors with security in respect of their debt, in accordance with Section 248 IA86
Preferential creditors	Generally, claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
RPS	Redundancy Payments Service, an executive agency sponsored by the Department for Business, Energy and Industrial Strategy, which authorises and pays the statutory claims of employees of insolvent companies under the Employment Rights Act 1996
Unsecured creditors	Creditors who are neither secured nor preferential

This report has been prepared by Zelf Hussain and Toby Scott Underwood as Joint Liquidators of the Company, solely to comply with the Joint Liquidators' statutory duty to report to creditors under IR16 on the progress 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.

This report has not been prepared in contemplation of it being used, and it is not suitable to be used, to inform any investment decision in relation to the debt of or any financial investment in the Company.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcome for creditors.

Any persons choosing to rely on this report for any purpose or in any context other than under IR16 do so at their own risk. To the fullest extent permitted by law, the Joint Liquidators do not assume any liability in respect of this report to any such person.

Please note you should read this report in conjunction with the Joint Liquidators' previous reports issued to the Company's creditor. Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

Zelf Hussain and Toby Scott Underwood have been appointed as Joint Liquidators of the Company. Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. The Joint Liquidators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

The Joint Liquidators may act as controllers of personal data as defined by UK data protection law depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP may act as a processor on the instructions of the Joint Liquidators. Personal data will be kept secure and processed only for matters relating to the Joint Liquidators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the Joint Liquidators.

PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP is authorised and regulated by the Financial Conduct Authority for designated investment business

Key messages

Why we've sent you this report

I'm writing to update you on the progress of the liquidation of the Company in the 12 months since our appointment on 19 December 2018.

How much creditors have received

The following table summarises the possible outcome for creditors based on what we currently know.

Class of creditor	Current estimate (p in £)
Secured creditor(s)	N/A
Preferential creditors	N/A
Unsecured creditors	12 – 24p in the £

What you need to do

We may decide that some or all creditors who are owed £1,000 or less by the Company won't be required to submit a proof of debt in order to receive the anticipated dividend payment.

A creditor who we decide is not required to submit a proof of debt will be notified when we deliver notice of our intention to pay a dividend of the amount we'll treat as their admitted debt for the purpose of the dividend, unless the creditor advises us that the amount is incorrect (in which case a proof of debt will be required) or not owed.

Please note that should you wish to vote in relation to any decision procedure during the liquidation or object to a decision sought by deemed consent, you'll need to submit a proof of debt, even if one is not required for dividend purposes.

As part of our first communication with you, we are required to inform you about your right to opt out of receiving further documents relating to these proceedings.

Overview of what we've done to date

Company Background

The Company was part of a Group, (referred to below), of which the main trading entity was GL. Incorporated in May 1991, GL was a wholesale supplier of non-plant products, mainly wild bird care products and garden hardware. GL sold to garden centres including B&Q and Homebase, and to Amazon; plus a large volume of independent garden centres across the UK.

In March 2018, a fire broke out at GL's new warehouse in Daventry. The timing of the fire resulted in the business having significantly reduced stock levels for its key trading period over spring and summer 2018. Despite financial support from lending banks and shareholders to assist in rebuilding, the business faced significant financial and operational pressure. Despite recovering from the disruption of the fire, the Group still required significant cash (at least £10m) to continue to affect its turnaround. There being no immediate alternative funding available, against a backdrop of significant financial pressure there was deemed to be no option other than for GL to enter insolvency proceedings.

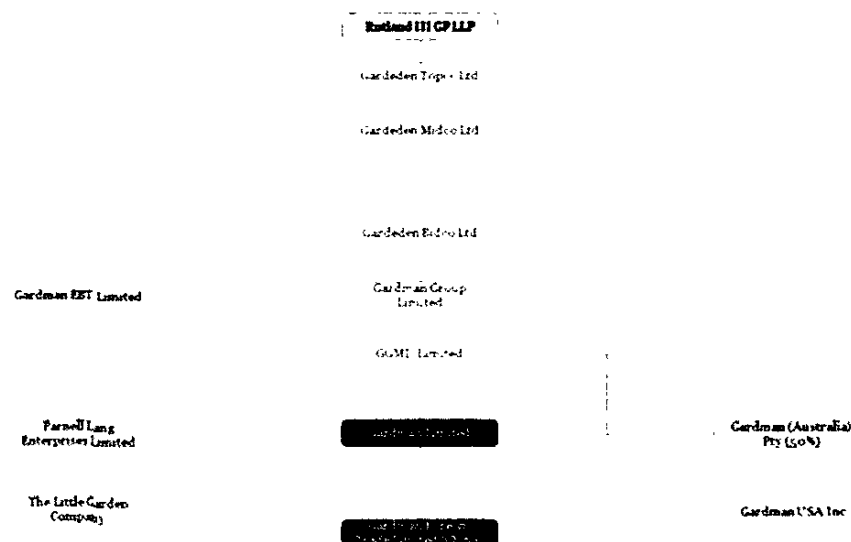
GL entered administration on 16 October 2018. As at that date, GL employed 171 members of staff. Its head office was located in Peterborough, and it also traded from two warehouse leasehold properties and operated a leasehold showroom.

The Company's ultimate shareholder is Rutland, which invested in the Group in 2015, supporting a management buyout.

Prior to the fire in March 2018, the Group achieved annual turnover and EBITDA of c. £60m and £3m respectively.

Following GL entering administration, the directors of the Company resolved that the Company was insolvent and therefore commenced steps to place the Company into creditors' voluntary liquidation and an appointment of liquidators was made on 19 December 2018.

Group structure



Outcome for creditors

Secured creditors

There are no known secured creditors of the Company.

Preferential creditors (mainly employees)

There are no known preferential creditors of the Company, as the Company had no employees.

Unsecured creditors

Dividends become available for unsecured creditors when there are sufficient funds (after costs of the liquidation) to pay the secured and preferential creditors in full, with an amount left over. In certain circumstances, part of the amount available for secured creditors may be ring-fenced for the benefit of unsecured creditors. This prescribed part is paid out of 'net property', which is floating charge realisations after costs, and after paying – or setting aside enough to pay – preferential creditors in full. But it only has to be made available where the floating charge was created on or after 15 September 2003.

The amount of the prescribed part is:

- 50% of net property up to £10,000
- 20% of net property above £10,000
- Subject to a maximum of £600,000.

In this case the prescribed part doesn't apply because the floating charge registered against the Company has been repaid in full.

We think a dividend of between 12 and 24 pence in the £ will be paid to the unsecured creditors based on what we know currently.

Progress since we last reported

Realisation of assets

There were no assets listed in the Companies' statements of affairs that were subject to fixed or floating charge.

As detailed in the directors' statement of affairs, the below assets were listed as uncharged assets and are as follows:

Cash at bank

The Company's solicitors were holding a sum of £851k as a result of a pre-appointment transaction. This was subsequently transferred to the liquidation bank account.

Inter-company positions

The directors' statement of affairs lists an inter-company receivable due from GL, as well as a debt due to another group company. When viewed as a whole, the positions between the Company, GGML and two other group companies also in liquidation produce a circular dividend flow within the group.

In order to allow dividends to flow around the group and funds ultimately to be returned to third party creditors, we are working with the other companies in liquidation. Once all four companies are in a position to make a distribution, GGML will be in a position to make a first and final distribution to its creditors, which will be effected using a dividend model to flow funds once around the group, rather than spending time and incurring cost processing multiple dividends.

Connected party transactions

There have been no connected party transactions during the period of this report.

Statutory and compliance

During the period of this report we have:

- Prepared and submitted our report on the conduct of the directors in the period leading to the Liquidation of the Company, which is also noted below;
- Dealt with incoming creditor queries and logged claims received;
- Deregistered for VAT in the period; and
- Liaised with our specialist tax team to ensure that tax clearance was requested.

Change of liquidator

Lyn Leon Vardy, one of the previous joint liquidators, has left the firm. To make sure that outstanding issues in the liquidation continue to be pursued, an application was made to the Court to remove him and appoint Zelf Hussain as Liquidator. Zelf Hussain is licensed in the United Kingdom to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales.

The application was granted and so Zelf Hussain replaced Lyn Leon Vardy as Liquidator with effect from 20 May 2019.

Investigations and actions

We have reviewed the Company's affairs and taken into account any points raised by creditors in discharging our duties under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice No.2. At this time, nothing has come to our attention to suggest that we need to do any more work in line with our duties.

Our receipts and payments account

We set out in Appendix A an account of our receipts and payments in the liquidation from 19 December 2018 to 18 December 2019.

Our expenses

We set out in Appendix B a statement of the expenses we've incurred to the date covered by this report and an estimate of our future expenses.

Our fees

We set out in Appendix C an update on our fees, disbursements and other related matters.

Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge our fees and expenses within eight weeks of receiving this report as set out in Rule 18.34 IR16. This information can also be found in the guide to fees at:

http://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2015/guide_to_liquidators_fees_oct_2015.ashx?la=en

You can also get a copy free of charge by telephoning Kate Whitham on 0113 289 4162.

What we still need to do

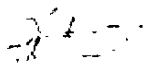
Once the other group companies are also in a position to make a distribution to their creditors, we will effect the flow of funds around the group such that a dividend is paid to GGML's creditors. Once this has been completed, we will take steps to conclude the liquidation.

Next report

We expect to send our next report to creditors at the end of the liquidation or in about 12 months, whichever is sooner.

If you've got any questions, please get in touch with Kate Whitham on 0113 289 4162.

Yours faithfully



Zelf Hussain
Joint liquidator

Zelf Hussain and Toby Scott Underwood have been appointed as joint liquidators of the company. Zelf Hussain is licensed in the United Kingdom to act as an Insolvency Practitioner by the Institute of Chartered Accountants in England and Wales. Toby Scott Underwood is licensed in the United Kingdom to act as an Insolvency Practitioner by the Institute of Chartered Accountants in England and Wales.

*The joint liquidators are bound by the Insolvency Code of Ethics which can be found at:
<https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>*

The joint liquidators may act as controllers of personal data as defined by UK data protection law depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP may act as a processor on the instructions of the joint liquidators. Personal data will be kept secure and processed only for matters relating to the joint liquidators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the joint liquidators.

Appendix A: Receipts and payments

Statement of Affairs (£)	RECEIPTS	From 19 December 2018 to 18 December 2019
		(£)
	Bank Interest Gross	2,212.67
867,882.00	Cash in hand	851,279.65
219,008.00	Intercompany Debtors	-
1,086,890.00	Total	853,492.32
	PAYMENTS	
	Statutory advertising	150.00
	VAT Receivable	30.00
	Total	180.00
	Balance at bank	853,312.32

Note 1 - Funds held in an interest bearing account

Appendix B: Expenses

The following table provides details of our expenses. Expenses are amounts properly payable by us as liquidators from the estate and includes our fees, but excludes distributions to creditors. The table also excludes any potential tax liabilities that we may need to pay as a liquidation expense because amounts becoming due will depend on the position at the end of the tax accounting period.

The table should be read in conjunction with the receipts and payments account at Appendix A, which shows expenses actually paid during the period and the total paid to date.

Expenses	Incurred in the period under review £
Statutory advertising	150.00
Legal fees	221.26
Bordereau Fees	450.00
Liquidators Fees	40,000.00
Total	40,821.26

Appendix C: Remuneration update

Our fees were approved on a set fee basis by the creditors on 28 February 2019. We have not yet drawn any fees.

We set out later in this Appendix details of our work to date, anticipated future work, disbursements, subcontracted work and payments to associates.

Payments to associates

We have made no payments to associates during the period of this report.

Our work in the period

Whilst this is not an exhaustive list, in the following table we provide more detail on the key areas of work.

Area of work	Work undertaken	Why the work was necessary	Whether or not the work will provide a financial benefit to creditors
Strategy and planning	<ul style="list-style-type: none">• Completing tasks relating to job acceptance.• Reviewing the asset position of the company.• Periodic case reviews.• Conducted regular reviews of the file to assess case strategy and progress	<ul style="list-style-type: none">• To ensure orderly management and progression of the case in a cost effective manner.	<ul style="list-style-type: none">• We are required by statute to perform our functions as quickly and efficiently as possible.
Assets	<ul style="list-style-type: none">• Securing cash from lawyers' client account• Liaising with other group companies re inter-company debts• Contribute to dividend model to deal with circular dividend flows	<ul style="list-style-type: none">• Realisation of assets	<ul style="list-style-type: none">• To realise assets for the benefit of creditors
Statutory & compliance	<ul style="list-style-type: none">• Sending initial notices following our appointment.• Conduct regular case reviews.• Update diary management system.• Maintain case files.• File documents and emails.	<ul style="list-style-type: none">• To comply with mandatory statutory obligations placed on us.	<ul style="list-style-type: none">• Required by statute.

Accounting & Treasury	<ul style="list-style-type: none"> • Processed receipts, payments and journals. • Conducted regular bank reconciliations. • Set up new payees, and independently verified the payment details with them. 	<ul style="list-style-type: none"> • To ensure secure stewardship of funds. 	<ul style="list-style-type: none"> • To comply with statutory/regulatory obligations.
Creditors	<ul style="list-style-type: none"> • Preparing and sending initial letter and notification to creditors following the appointment. • Receiving proof of debts and maintaining a register. 	<ul style="list-style-type: none"> • To ensure all creditors are kept up to date in relation to the progression of the liquidation. 	<ul style="list-style-type: none"> • Direct financial benefit, as potential distribution to creditors.
Tax/VAT	<ul style="list-style-type: none"> • Gathering information in relation to the Company's tax affairs • Carrying out tax review and subsequent enquiries. • Liaising with HMRC to obtain tax clearance. • Corresponding with HMRC in relation to the Company's VAT matters. • Deregistering for VAT 	<ul style="list-style-type: none"> • In compliance with duties as proper officers for tax and VAT. 	<ul style="list-style-type: none"> • No direct benefit to creditors. In compliance with duties as proper officers for tax and VAT.

Our future work

We still need to do the following work in the liquidation.

Area of work	Work undertaken	Why the work was necessary	What, if any, financial benefit the work provided to creditors or whether it was required by statute
Strategy and planning	<ul style="list-style-type: none"> • Conduct regular reviews of the file to assess case strategy and progress 	<ul style="list-style-type: none"> • To ensure orderly management and progression of the case in a cost effective manner. 	<ul style="list-style-type: none"> • We are required by statute to perform our functions as quickly and efficiently as possible.
Statutory and compliance	<ul style="list-style-type: none"> • Conduct six-monthly case reviews • Finalise and issue this progress report. • Prepare and issue final report. 	<ul style="list-style-type: none"> • To comply with mandatory statutory obligations placed on us. 	<ul style="list-style-type: none"> • Required by statute.

	<ul style="list-style-type: none"> • Update diary management system. • Maintain case files. • Complete closure checklists • Close systems of record and send job files to storage. 		
Accounting and treasury	<ul style="list-style-type: none"> • Process receipts, payments and journals. • Conduct regular bank reconciliations. • Set up new payees, and independently verified the payment details with them. • Issuing dividend cheques. • Closing the bank account down. 	<ul style="list-style-type: none"> • To ensure secure stewardship of funds. 	<ul style="list-style-type: none"> • To comply with statutory obligations.
Creditor	<ul style="list-style-type: none"> • Receive and follow up creditor enquiries via telephone, email and post. • Review and prepare correspondence to creditors and their representatives. • Receive proof of debts and maintain up to date register of claims receive and creditor contact details. • Adjudicate the unsecured creditor claims. • Contribute to the dividend model to enable funds to flow around the group. 	<ul style="list-style-type: none"> • Preparation for return of funds for creditors. 	<ul style="list-style-type: none"> • For the financial benefit of the creditors.

Disbursements

We don't need to get approval to draw expenses or disbursements unless they are for shared or allocated services provided by our own firm, including room hire, document storage, photocopying, communication facilities. These types of expenses are called 'Category 2' disbursements and they must be directly incurred on the case, subject to a reasonable method of calculation and allocation and approved by the same party who approves our fees.

Our expenses policy allows for all properly incurred expenses to be recharged to the liquidation and has been approved by creditors where required..

The following disbursements arose in the period of this report.

Category	Description	Costs incurred (£)
2	Photocopying – at 10 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	-
2	Mileage – At a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	-
1	Legal fees	221.26
1	Bordereau Fees	450.00
Total		671.26

Our relationships

We have no business or personal relationships with the parties who approve our fees or who provide services to the liquidation where the relationship could give rise to a conflict of interest.

Details of subcontracted work

We have subcontracted no work during the period of this report.

Legal and other professional firms

We instructed the following professionals on this case:

Service provided]	Name of firm/organisation	Reason selected	Basis of fees
Legal services, including: <ul style="list-style-type: none">• Change of appointee related matters;	<ul style="list-style-type: none">• CMS	<ul style="list-style-type: none">• Industry knowledge	<ul style="list-style-type: none">• Fixed fee

Appendix D: Other information

Company's registered name:	GGML Limited
Registered number:	08309247
Registered address:	PricewaterhouseCoopers LLP, Central Square 29 Wellington Street, Leeds, LS1 4DL
Date of the Liquidators' appointment:	19 December 2018
Liquidators' names, addresses and contact details:	<p>Zelf Hussain, PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT and Toby Scott Underwood, PricewaterhouseCoopers LLP, Central Square 29 Wellington Street, Leeds, LS1 4DL</p> <p>Telephone: 0113 289 4000</p>
