

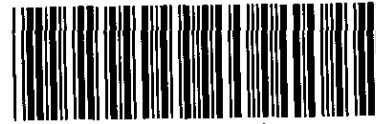
WU07

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



Companies House

SATURDAY



A08 *A858SUJU* #174
11/05/2019
COMPANIES HOUSE

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1 Company details

Company number 0 7 2 2 2 1 8 0

Company name in full GFI Consultants Ltd

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

2 Liquidator's name

Full forename(s) Stephen

Surname Penn

3 Liquidator's address

Building name/number Unit 2

Street Railway Court

Post town Ten Pound Walk

County/Region Doncaster

Postcode D N 4 5 F B

Country

4 Liquidator's name ①

Full forename(s)

Surname

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

5 Liquidator's address ①

Building name/number

Street

Post town

County/Region

Postcode

Country

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

WU07

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

6 Period of progress report

From date	^d 1	^d 3	^m 0	^m 3	^y 2	^y 0	^y 1	^y 8
To date	^d 1	^d 2	^m 0	^m 3	^y 2	^y 0	^y 1	^y 9

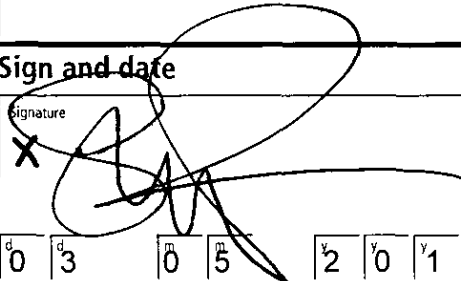
7 Progress report

The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X  X

Signature date	^d 0	^d 3	^m 0	^m 5	^y 2	^y 0	^y 1	^y 9
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**GFI Consultants Ltd
(In Liquidation)
Liquidator's Summary of Receipts & Payments**

Statement of Affairs £	From 13/03/2018 To 12/03/2019 £	From 13/03/2014 To 12/03/2019 £
ASSET REALISATIONS		
Cash at Bank	NIL	119.26
Deposit on Creditor's Petition	NIL	1,165.00
	<u>NIL</u>	<u>1,284.26</u>
COST OF REALISATIONS		
SOS Banking Fee	88.00	440.00
SOS Liquidation Administration Fee	NIL	2,235.00
	<u>(88.00)</u>	<u>(2,675.00)</u>
	<u>(88.00)</u>	<u>(1,390.74)</u>
REPRESENTED BY		
ISA NIB		(1,390.74)
		<u>(1,390.74)</u>

Note:

Liquidator's Annual Progress Report to Creditors

GFI Consultants Ltd - In Compulsory Liquidation

3 May 2019

GFI CONSULTANTS LTD - IN COMPULSORY LIQUIDATION

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- 1 Introduction and Statutory Information
- 2 Progress of the Liquidation
- 3 Creditors
- 4 Liquidator's Remuneration
- 5 *Creditors' Rights*
- 6 Next Report

APPENDICES

- A Receipts and Payments Account from 13 March 2018 to 12 March 2019
Cumulative Receipts and Payments Account for Period from 13 March 2014 to 12 March 2019
- B Additional Information in Relation to Liquidator's Fees, Expenses & Disbursements

1 Introduction and Statutory Information

- 1.1 I, Stephen Penn of Absolute Recovery Limited, Unit 2, Railway Court, Ten Pound Walk, Doncaster, DN4 5FB, was appointed as Liquidator of GFI Consultants Ltd (the **Company**) on 13 March 2014 following the presentation of a petition for the compulsory winding up of the Company. The winding-up order was made on 3 March 2014 in the High Court under court reference number 6647 of 2014. This progress report covers the period from 13 March 2018 to 12 March 2019 (**the Period**) and should be read in conjunction with any previous progress reports which have been issued.
- 1.2 Information about the way that we will use, and store personal data on insolvency appointments can be found at <http://absolute-recovery.co.uk/privacypolicy.html>. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.3 The trading address of the Company was St Clements House, 27 St Clements Lane, London, EC4N 7AE.
- 1.4 The registered office of the Company has been changed to Unit 2, Railway Court, Ten Pound Walk, Doncaster, DN4 5FB and its registered number is 07222180.

2 Progress of the Liquidation

- 2.1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period.
- 2.2 At Appendix A is my Receipts and Payments Account for the period of this report. Also attached at Appendix A is a cumulative Receipts and Payments Account from the date of my appointment as Liquidator to 12 March 2019.
- 2.3 Following on from my last report and in summary, I have entered into a formal joint funding agreement between the funder; Burford Capital, myself in my capacity as Liquidator of GFI Consultants Limited and Mr John Paylor; Licensed Insolvency Practitioner of Guardian Business Recovery in his capacity as Trustee in Bankruptcy of Andrew Skeene and Junie Bowers and Liquidator of Proximity Ventures Limited. The terms of those funding arrangements are confidential between the parties, although I would add that any funding provided is non-recourse and subject to any assets recovered and realised.
- 2.4 The purpose of the joint funding agreement in the main is to recover (through the commencement of legal proceedings or otherwise) any assets under the control of any of the above-mentioned insolvent estates and amalgamate the relevant insolvent estates with a view to preventing the dissipation of assets and to avoid a situation whereby the entity pursued seeks to assert that the asset did not form part of a particular insolvent estate. In effect where any asset forms part of the estate of either officeholder (myself or Mr Paylor), it can be claimed for the benefit of all the relevant insolvent estates.
- 2.5 Following an initial assessment by Burford Capital, as funders, it was agreed that specialist insolvency solicitors needed to be instructed. HCR Sprecher Grier (being a trading name of HCR Legal LLP) (formerly Sprecher Grier Limited) were therefore instructed as legal advisors.
- 2.6 Substantial investigations, both in this jurisdiction and overseas, have taken place with a view to uncovering and understanding the historic affairs of the company prior to its liquidation. These investigations highlighted many matters that required further examination and warranted applications to Court for (inter alia) the disclosure of certain documents (such as bank statements) pursuant to the powers conferred upon myself and Mr Paylor under section 236 of the Insolvency Act 1986. Such investigations were required in an attempt to unravel a complex financial structure and locate assets around the world. Overseas lawyers were sought to assist with this in jurisdictions such as the United States of America, Dubai, Belize, St Vincent and the Grenadines and Mauritius.

GFI CONSULTANTS LTD - IN COMPULSORY LIQUIDATION

- 2.7 Substantial information was gathered from these investigations and it became apparent that the company's financial affairs were far more complex than initially disclosed and involved numerous overseas entities that were initially unknown. Nevertheless, the information gathered enabled substantive legal proceedings to be issued against certain parties, including but not limited to the former directors of the Company, Mr Junie Conrad Omari Bowers and Mr Andrew Nathaniel Skeene.
- 2.8 In support of the above-mentioned legal proceedings, applications were made by Mr Paylor (under my authority) to the Court for Worldwide Freezing Orders were obtained against various entities for sums exceeding £10 million.
- 2.9 Attempts were made by certain defendants to the proceedings to discharge the Worldwide Freezing Orders, but these attempts were unsuccessful. Ultimately, this (amongst other matters) resulted in the parties discussing a compromise of the legal proceedings and a confidential settlement of those proceedings was concluded in November 2018.
- 2.10 Whilst I am unable to disclose the precise terms of the settlement (due to confidentiality provisions) a seven figure settlement sum is due to be paid to (inter alia) the Company in instalments over a 12 month period. As at 12 March 2019, the agreed instalment payments have been paid up to date. However, the realisations to date fall below the sums invested by Burford in bringing the legal proceedings. Accordingly, as during the Period there are insufficient realisations to produce a dividend to creditors.
- 2.11 Furthermore, ownership of land in Brazil where the teak tree plantations are is currently in the process of being transferred into my (and Mr Paylor's) control. Whilst informal valuations have been obtained at this stage it remains unclear (until such time as the land is in the control of the relevant officeholders and more formal valuations can be obtained) what price the land is likely to achieve if marketed for sale. Once the land in Brazil is under my (and Mr Paylor's) control this will be formally established and steps will be considered to realise the land for the best price achievable.
- 2.12 In summary, the settlement of the legal proceedings (if ultimately adhered to (which cannot be guaranteed)) is expected to produce further substantial recoveries and I (and Mr Paylor) expect to have control of underlying land in Brazil which I anticipate will generate further realisations for the benefit of the insolvent estate if indeed it can ultimately be realised. It is, however, currently uncertain as to whether, taking into account the substantial legal and other costs incurred to date, there will ultimately be sufficient net realisations to make a distribution to creditors. *It should be borne in mind that had litigation funding by been declined, I sincerely doubt any realisations would have been made whatsoever.*
- 2.13 During the Period generally and in addition to the significant work I have undertaken corresponding with Burford Capital and HCR Sprecher Grier which has been on an almost weekly basis, I have prepared and issued my previous progress report, corresponded with creditors, investors and other interested parties, maintained my own paper and electronic systems, completed and filed relevant tax returns and generally carried out my duties as liquidator. I will of course continue with my duties as liquidator and will report again in no later than 12 months when I hope to be able to provide you with more information concerning further realisations and the prospects of those realisations producing a dividend to creditors.

Administration

- 2.14 A liquidator must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. This work includes dealing with the Company's creditors and employees together with administrative tasks associated the appointment, such as agreeing the strategy for the liquidation, filing notices of appointment, statutory advertising, opening and maintaining the estate cash book and bank accounts and reporting periodically to creditors, HMRC and the Registrar of Companies.

GFI CONSULTANTS LTD - IN COMPULSORY LIQUIDATION

- 2.15 The actions taken by Burford Capital and HCR Sprecher Grier and the work they have and continue to carry on behalf of the insolvent estate will have a substantial impact upon the final outcome of this liquidation
- 2.16 Creditors should note that some of the work I am required to carry out will not necessarily bring any financial benefit to creditors but is required on every case by statute.

Realisation of Assets

- 2.17 During the Period, whilst certain instalment payments have been made under the terms of the settlement, these fall below the sums invested in the legal proceedings. Therefore no realisations have been made which permit a distribution to creditors.
- 2.18 Generally throughout the period of the liquidation, realisations have been made from the initial creditor's petition deposit and cash at bank.

It is hoped that the work the Liquidator and his staff have undertaken to date will bring a financial benefit to creditors. This is however heavily reliant upon the adherence to the terms of the settlement, realising the land in Brazil and the future steps that Burford Capital and HCR Sprecher Grier Limited consider (with my authority) appropriate to undertake in this matter.

Creditors (claims and distributions)

- 2.20 Further information on the anticipated outcome for creditors in this case can be found at section 3 of this report. A Liquidator is not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 2.21 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.
- 2.22 The above work will not necessarily bring any financial benefit to creditors generally, however a Liquidator is required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Liquidator in dealing with those claims.

Investigations

- 2.23 As you may be aware, in a compulsory liquidation the duty to investigate the Company's affairs is the responsibility of the Official Receiver. There is no requirement on the Liquidator to submit a report on the directors' conduct to the Department for Business, Energy & Industrial Strategy, however where matters are brought to the Liquidator's attention these are reported as appropriate to the Official Receiver for further consideration.

Matters still to be dealt with

- 2.24 The administration of the liquidation will be ongoing for the foreseeable future whilst the work carried out by Burford Capital and HCR Sprecher Grier Limited continues.

Connected Party Transactions

- 2.25 During the Period there have been no transactions with connected parties.

3 Creditors

Secured Creditor

3.1 The company has no secured creditors.

Preferential creditors

3.2 I am not aware that the company has any preferential creditors although 2 former employees have lodged claims with The Redundancy Payments Service. I have yet to be notified whether any payment was made and if so whether it included a preferential element.

Unsecured Creditors

3.3 I have become aware of many more creditors since the liquidation commenced (on the basis that investors are also creditors) and so far, claims totalling £9,705,281.54 have been received.

3.4 At this juncture it is not known whether there will be sufficient funds to pay a dividend to unsecured creditors. As explained above, this is however heavily reliant upon the adherence to the terms of the settlement, the realisation of the land in Brazil and the future steps that Burford Capital and HCR Sprecher Grier Limited consider (with my authority) appropriate to undertake in this matter.

4 Liquidator's Remuneration

4.1 In the absence of any alternative agreement from creditors (there is no creditors' committee) I am authorised to draw remuneration as liquidator in accordance with the realisation and distribution scale rates as set out in Schedule 11 of the Insolvency Rules 2016 only. The scale is as follows:

Realisations	Fee	Distributions	Fee
On the first £5,000	20%	On the first £5,000	10%
On the next £5,000	15%	On the next £5,000	7.5%
On the next £90,000	10%	On the next £90,000	5%
On all further sums	5%	On all further sums	2.5%

4.2 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from the following website:

<https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2017/liquidations-creditor-fee-guide-6-april-2017.ashx?la=en>

4.3 Attached as Appendix B is additional information in relation to the Liquidator's fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

5 Creditors' rights

5.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report.

- 5.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidator, as set out in this progress report, are excessive.

6 Next Report

- 6.1 As stated above, I am required to provide a further report on the progress of the liquidation within two months of the end of the next anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write to all creditors with my final account.

Yours faithfully


Stephen Penn
Liquidator

Enc

**GFI Consultants Ltd
(In Liquidation)**

LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 13/03/2018 To 12/03/2019 £	From 13/03/2014 To 12/03/2019 £
RECEIPTS			
Cash at Bank		0.00	119.26
Deposit on Creditor's Petition		0.00	1,165.00
		0.00	1,284.26
PAYMENTS			
SOS Banking Fee		88.00	440.00
SOS Liquidation Administration Fee		0.00	2,235.00
		88.00	2,675.00
Net Receipts/(Payments)		(88.00)	(1,390.74)
 MADE UP AS FOLLOWS			
ISA NIB		(88.00)	(1,390.74)
		(88.00)	(1,390.74)

Note:

Appendix B

Additional Information in Relation to the Liquidator's Fees, Expenses & Disbursements

1 Staff Allocation and the Use of Sub-Contractors

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 1.3 We are not proposing to utilise the services of any sub-contractors in this case.

2 Professional Advisors

- 2.1 On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
Burford Capital (funding agreement)	As described below

- 2.2 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.
- 2.3 The terms of the funding agreement are subject to a confidentiality clause. I would add that any funding provided is non-recourse and subject to any assets recovered and realised.

3 Liquidator's Expenses & Disbursements

- 3.1 An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below:


	Paid in prior period £	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
Category 1 disbursements				
Statutory advertising	Nil	Nil	88.00	176.00
Specific penalty bond	Nil	Nil	24.00	24.00
Computer Services - INSOLV	Nil	Nil	110.00	110.00
Category 2 disbursements				
None				

- 3.2 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.

- 3.3 Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. I do not proposed to recover disbursements of this nature.

WU07

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

 **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 **David Hines**

Company name **Absolute Recovery Limited**

Address **Unit 2
Railway Court**

Post town **Ten Pound Walk**

County/Region **Doncaster**

Postcode

D	N	4		5	F	B
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Country

DX

Telephone **01302 572701**

 **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