



Mint Partners Limited – in Administration

Joint Administrators' proposals for achieving the purpose of administration

11 October 2010

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1. Purpose of this document

I wrote to all creditors on 24 August 2010 to explain that Mint Partners Limited (the 'Company') had entered into Administration and that PN Spratt and I had been appointed as Joint Administrators (the 'Administrators') on 19 August 2010.

We were appointed as Administrators to manage the affairs, business and property of the Company. We will act until such time as our proposals for achieving the purpose of administration have been agreed by creditors and implemented, following which the Administration will be ended.

The purpose of administration is to achieve one of the following objectives: -

- (a) Primarily, rescuing the Company as a going concern, or failing that
- (b) Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration), or finally
- (c) Realising property in order to make a distribution to one or more secured or preferential creditors.

For the reasons detailed in this document, objective (b) is being pursued as it was not reasonably practical to rescue the Company as a going concern.

This document and its appendices form the Administrators' statement of proposals for achieving the purpose of administration as required by Paragraph 49 Schedule B1 of the Insolvency Act 1986 ("Sch.B1 IA86").

You are requested to vote upon the Administrators' proposals and to fix the Administrators' remuneration by returning the enclosed Form 2.25B together with details of your claim on the enclosed claim form. If a claim form has been submitted previously for voting purposes, it is not necessary to send a further copy. We have set 27 October 2010 as the date by which these must be returned. Please note that you will be bound by the proposals if they are approved by the requisite majority of creditors. It is important that you read this document carefully.

Please note that you are not obliged to return the Form 2.25B if you do not wish to vote on the resolutions and you will not prejudice your claim and entitlement to a dividend, should there be one, if you do not vote, or if your claim is submitted after the date mentioned above.

1. Purpose of this document

If you have any concerns or questions regarding the background to this case or what is being proposed, please do not hesitate to contact my colleague, Katherine Joice on 020 7804 7254 or by email katherine.a.joice@uk.pwc.com.



Signed.....

DC Chubb

Joint Administrator of the Company

DC Chubb and PN Spratt have been appointed as Joint Administrators of Mint Partners Limited to manage its affairs, business and property as its agents and act without personal liability. DC Chubb and PN Spratt are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.

2. The Administrators' statement of proposals

a. Brief history and summary of the Administrators' actions to date

Background

The Company was a non-trading entity. Its principal asset was the entire share capital of MEQ Realisations Limited (formerly Mint Equities Limited) ('MEQ'), which operated an agency brokerage that traded a range of financial and non-financial products from offices in London, Paris, Dubai and Switzerland.

HSBC Bank Plc ('HSBC') held a fixed and floating charge debenture over the assets of the Company and MEQ.

The circumstances giving rise to the Administrators' appointment

MEQ had fallen behind in its repayments of PAYE and National insurance and entered into a Time to Pay arrangement with HMRC for repayment of this debt. This arrangement was adhered to until August 2009.

In 2009, MEQ also discovered that its settlement process, which had been transferred to a new provider in 2007 had failed to account for stamp duty on any trades. At the time of discovery, the outstanding liability to HM Revenue and Customs ('HMRC') was circa £3m. MEQ subsequently sent a proposal to HMRC for the settlement of this amount, which was not accepted.

Following discussions between MEQ's advisors and HMRC, HMRC wrote to MEQ on 30 July 2010 and advised that they would commence winding up proceedings if full payment for the PAYE liabilities was not made within 7 days.

An offer to purchase the shares of MEQ had been made by BGC Brokers LLP ('BCP'), with due diligence expected to take four weeks before the transaction could be completed. BGC subsequently withdrew their offer on 12 August 2010 due to the risk of the winding up petition being filed prior to the completion of their due diligence.

On 13 August 2010 BGC submitted an offer for specific business and assets of the Company and MEQ which could only be effected through a pre-packaged administration transaction. The directors considered that if a winding up petition was presented, the business of MEQ would disintegrate very quickly and the Company's shareholding in MEQ would be worth nil.

In the absence of the share offer from BGC and given the threat of the winding up petition from HMRC, the board concluded on 16 August 2010 that the offer from BGC for the specific business and assets was in the interests of the creditors as a whole.

2. The Administrators' statement of proposals

Accordingly, DC Chubb and PN Spratt of PricewaterhouseCoopers LLP ('PwC') were appointed as Joint Administrators on 19 August 2010 by the Company's directors

Sale of the business and assets

Immediately following the Administrator's appointment the majority of the Company's assets were sold to BGC for £306,001. Details of the sale were provided to creditors in the initial circular to creditors on 24 August 2010 pursuant to the requirements of Statement of Insolvency Practice No.16 ('SIP 16').

The Administrators are currently seeking to realise the remaining assets that were specifically excluded from the sale. These include:

- The 30% investment in MyHab Limited - a small business specialising in festival accommodation. The Administrators are currently assessing the value of the asset and liaising with several interested parties.
- The shares in Mint Acquisitions Limited – a non-trading wholly owned subsidiary of the Company that owns the rights to a profit share investment in a property development referred to as Dollar Bay. The Administrators are currently discussing the sales process with agents to determine the best sale strategy.
- The rental deposit for the leasehold premises at 80 Cannon Street - the Company's former premises in London. The Company relocated from these premises prior to the Administrators' appointment. Recoveries of the deposit are dependent upon the ability to assign the lease and reach an agreement with the landlord.

As the Administrators are in the process of seeking to realise these assets, they are unable provide creditors with further details at this time. Details of any realisations will be provided in future progress reports.

Objective of the Administration

The Administrators have concluded that it was not reasonably practicable to rescue the Company as a going concern. As such, the objective of the Administration is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration).

2. The Administrators' statement of proposals

Dividend prospects

Secured Creditors – HSBC held a fixed and floating charge debenture created on 22 September 2005. At the date of the Administrator's appointment the amount due to HSBC was £438,569.66 (inclusive of charges). Following completion of the sale to BGC, the Administrators paid the balance in full from the sale proceeds. As the Bank's charge related to both MEQ and the Company, the distribution was apportioned in accordance with the sales proceeds for both entities. The balance paid by the Company was £47,836.87.

Preferential Creditors – As the Company was not a trading entity and did not have any employees, there are no preferential creditors.

Unsecured Creditors – In their Statement of Affairs, the directors have estimated the balance due to unsecured creditors to be £5,137,594 which comprises Crown debt and an intercompany debt due to MEQ Realisations Limited (formerly Mint Equities Limited) – in Administration. It is currently anticipated that there will be a distribution to ordinary unsecured creditors however as there are further assets to be realised, the quantum of the distribution remains uncertain at this stage.

Prescribed Part - The Prescribed Part (Section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003) applies where there are floating charge realisations, net of costs, to be set aside for unsecured creditors. This equates to:

- 50% of net property up to £10,000
- 20% of net property in excess of £10,000
- Subject to a maximum amount of £600,000

The Administrators consider that there will be sufficient sums available after the asset realisations for a distribution to the unsecured creditors under the Prescribed Part. However as are still further assets to be realised it is not yet possible to estimate the quantum of the dividend to be paid in respect to the Prescribed Part.

Ending the Administration

The Administrators currently envisage that once the objective of the Administration has been achieved, the Administrators will either place the Company into creditors' voluntary liquidation in accordance with Paragraph 83 Sch.B1 IA86 or if it is more cost effective, apply to court for permission to make a distribution to unsecured creditors in the Administration.

2. The Administrators' statement of proposals

b. Proposals for achieving the purpose of the Administration

The Administrators make the following proposals for achieving the purpose of administration.

- i) The Administrators will continue to manage and finance the Company's business, affairs and property from asset realisations in such manner as they consider expedient with a view to achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration).
- ii) The Administrators may investigate and, if appropriate, pursue any claims that the Company may have under the Companies Act 1985 or IA86 or otherwise. In addition, the Administrators shall do all such other things and generally exercise all their powers as Administrators as they in their discretion consider desirable in order to achieve the purpose of the Administration or to protect and preserve the assets of the Company or to maximise their realisations or for any other purpose incidental to these proposals.
- iii) The Administrators may at their discretion establish in principle the claims of unsecured creditors for adjudication by a subsequent liquidator and that the costs of so doing be met as a cost of the Administration as part of the Administrators' remuneration (where the Administrators think there will be sufficient funds for a distribution to unsecured creditors other than by virtue of the prescribed part) or out of the prescribed part as costs associated with the prescribed part (where the Administrators think that funds will become available to the unsecured creditors by virtue of the prescribed part but not otherwise).
- iv) The Administrators may use any or a combination of "exit route" strategies in order to bring the Administration to an end, but in this particular instance the Administrators are likely to wish to pursue the following options as being the most cost effective and practical in the present circumstances: -
 - (a) Once asset disposals are complete, the Administrators will place the Company into creditors' voluntary liquidation. In these circumstances, it is proposed that DC Chubb and PN Spratt be appointed as Joint Liquidators and any act required or authorised to be done by the Joint Liquidators may be done by either any or both of them. In accordance with Paragraph 83(7) Sch.B1 IA86 and Rule 2.117A(2)(b) IR86, creditors may nominate alternative liquidators, provided that the nomination is made before the proposals are approved; or
 - (b) In the event that it is more cost effective to do so, the Administrators will apply to the court to allow the Administrators to distribute surplus funds, if any, to unsecured non-preferential creditors. If such permission is given, the Administration will be brought to an end by notice to the Registrar of Companies under Paragraph 84 Sch.B1 IA86, following registration of which the Company will be dissolved three months later. If permission is not granted, the Administrators will place the Company into creditors' voluntary liquidation or otherwise act in accordance with any order of the court.

2. The Administrators' statement of proposals

- v) The Administrators shall be discharged from liability pursuant to Paragraph 98(1) Sch.B1 IA86 in respect of any action of theirs as Administrators 14 days after they cease to be joint administrators of the Company or in any case at a time determined by the court.
- vi) It is proposed that the unpaid pre-Administration costs detailed at Appendix A be approved for payment as expenses of the Administration.
- vii) It is proposed that the Administrators' fees be fixed under Rule 2.106 of the Insolvency Rules 1986 by reference to the time properly given by the Administrators and the various grades of their staff according to their firm's usual charge out rates for work of this nature and that disbursements for services provided by the Administrators' own firm (defined as Category 2 disbursements in Statement of Insolvency Practice No.9) be charged in accordance with the Administrators' firm's policy as set out in Appendix B. It will be for the creditors' committee to fix the basis and level of the Administrators' fees and Category 2 disbursements but if no committee is appointed, it will be for the general body of creditors to determine these instead.

Creditors are asked to vote upon the following matters: -

- The approval of the Administrators' proposals for achieving the purpose of administration
- The approval for payment of the unpaid pre-Administration costs
- The basis and level of the Administrators' fees and Category 2 disbursements
- The timing of the Administrators' discharge from liability pursuant to Paragraph 98(1) Sch.B1 IA86.

2. The Administrators' statement of proposals

c. Statement of affairs

Richard Barnett, a director of the Company delivered a signed statement of affairs ('SOA') of the Company to the Administrators on Friday 8 October 2010. A copy is attached as Appendix C, as required by statute it includes details of the names, addresses and debts of the creditors.

The Administrators make the following comments on the statement of affairs: -

- In accordance with the standard format of the statement of affairs, no provision has been made for the costs of realising the Company's assets or the costs of the Administration.
- The Administrators have not carried out anything in the nature of an audit on the information.
- The rental deposits relate to the premises at 80 Cannon Street which MEQ previously operated. As neither the Company nor MEQ are now in occupation of this premises, the recovery of the deposit is dependent upon the ability to assign the lease and reach an agreement with the Landlord.
- The directors loans were sold to BGC. Details of this were included in the SIP 16 provided to creditors on 24 August 2010. The full value was realised by the Administrators.
- The balance shown as outstanding to HMRC does not accurately reflect the total amount outstanding. The true balance of the debt to HMRC is in excess of £600,000.

The statement of affairs is copied in redacted form at Appendix C and, as is required by statute, includes details of the names, addresses and debts of creditors (including details of any security held).

2. The Administrators' statement of proposals

d. Statutory and other information

Court details for the Administration:	High Court of Justice, Chancery Division, Companies Court 6747 of 2010
Full name:	Mint Partners Limited
Trading name:	Mint Partners Limited
Registered number:	04795286
Registered address:	Ropemaker Place, 25 Ropemaker Street, London EC2Y 9LY
Company directors:	Richard Barnett, Anthony Bullman, Timothy Bullman, Timothy Clarke, David Mills, Jamie Royston
Company secretary:	Not listed
Shareholdings held by the directors and secretary:	Timothy Bullman (21.52%), Jamie Royston (22.49%), Richard Barnett (21.14%)
Date of the Administration appointment:	19 August 2010
Administrators' names and addresses:	DC Chubb and PN Spratt of PricewaterhouseCoopers LLP, Plumtree Court, London, EC4A 4HT
Appointor's / applicant's name and address:	The Directors, Ropemaker Place, 25 Ropemaker Street, London EC2Y 9LY
Objective being pursued by the Administrators:	Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration)
Division of the Administrators' responsibilities:	Any act required or authorised to be done by the Administrators may be done by all or any one of the Administrators for the time being holding office..
Proposed end of the Administration:	Most likely to be either Creditors Voluntary Liquidation or distribution to unsecured creditors in the Administration followed by Dissolution
Estimated dividend for unsecured creditors:	Uncertain
Estimated values of the prescribed part and the company's net property:	Uncertain
Whether and why the Administrators intend to apply to court under Section 176A(5) IA86:	No
The European Regulation on Insolvency Proceedings (Council Regulation(EC) No. 1346/2000 of 29 May 2000):	The European Regulation on Insolvency Proceedings applies to this Administration and the proceedings
Any other information which the Administrators think necessary to enable creditors to decide whether or not to vote for adoption of the proposals:	None

3. Receipts and payments account

Receipts & Payment Account to 24 September 2010

Receipts	£
Sale proceeds	306,001
Interest received	78
	<hr/>
	306,079
 Payments	 Nil
 Distribution	
Distribution to secured creditor	47,837
	<hr/>
	47,837
 Balance held by Administrators	 <hr/>
	258,242

Appendix A Pre – Administration Costs

The following costs were incurred prior to the appointment of Administrators but with a view to the Company entering Administration. It is proposed that the unpaid costs will be paid as an expense of the Administration.

	Unpaid amount (£)	Paid amount (£)	Payment made by (if applicable)
Fees charged by the Administrators firm, PricewaterhouseCoopers LLP - based upon time costs incurred at the Administrators' normal scale rates	14,768.27	5,500.00	The Company prior to the Administrators appointment
Expense incurred by the Administrators - legal fees of Nabarro LLP	15,669.22		
Expense incurred by the Administrators - legal fees of Ashurst LLP	5,000.00	15,000.00	The Company prior to the Administrators appointment
Fees charged by other persons qualified to act as an insolvency practitioner	n/a	n/a	
Expenses charges by other persons qualified to act as an insolvency practitioner	n/a	n/a	
Total	£35,437.49	£20,500.00	

Between 14 August 2010 and 19 August 2010 PricewaterhouseCoopers LLP ('PwC') incurred pre-administration costs in respect of its own time costs of £20,268.27 (plus VAT) and legal fees and expenses of £20,669.22 (plus VAT). The only amounts paid prior to the Administrators' appointment were £5,500 (plus VAT) to PwC and £15,000 (plus VAT) to Ashurst, the balance remains unpaid.

It was clear from PwC's first meeting with management that the Company and MEQ's precarious financial position was such that a sale of the businesses and assets through an Administration was the only viable insolvency option available to protect the core operations and preserve value for the creditors. The strategy for the Administration required detailed planning and advice prior to the Administrators' appointment.

For clarification purposes, Ashurst were initially engaged by the Company to provide advice to management on the options available to the Company and assist with the appointment of an Administrator. PwC subsequently engaged Ashurst to continue to assist with the directors meetings to appoint Administrators and file the appointment documents. The unpaid costs of £5,000 directly relate to the work undertaken under the instruction of the PwC to place the Company into Administration.

The work undertaken during this period was essential to achieving the successful sale of the business and ensured greater realisations being achieved than would have been likely under any alternative insolvency procedure.

Appendix A Pre – Administration Costs

The Administrators confirm that the payment of unpaid pre-Administration costs as an expense of the Administration are subject to approval in the same manner as the Administrators' remuneration and certain disbursements and are not part of the Administrators' proposals subject to approval under Paragraph 53 Sch. B1 IA86.

Details of the work undertaken during the period 14 August 2010 to 19 August 2010 for which the time and expenses were incurred are as follows:

1. **PwC**

- Meetings with the directors and solicitors to discuss financial position and administration process
- Obtaining and assessing key documents to understand the stakeholder and secured creditor position
- Analysis of the company's financial position, considering insolvency options and identification of key issues
- Preparation of estimated outcome statement
- Preparing sale and purchase agreement with Nabarro
- Discussions with BGC in relation to the sale of the business and assets
- Preparation of the draft SIP 16 analysis
- Internal discussions and meetings regarding planning and strategies
- Analysis of tax position in relation to the sale
- Liaising with the secured creditor HSBC, regarding their respective interest and security
- Liaising with Nabarro LLP and Ashurst LLP in relation to the filing of appointment documents

2. **Nabarro LLP (engaged pursuant to an engagement letter dated 16 August 2010 between (1) Nabarro LLP and (2) the Administrators)**

- Meetings with the Administrators and the Company's directors to consider the administration process
- Legal review of key contractual and other documents to understand the stakeholder and secured creditor position
- Assisting the Administrators with their analysis of administration options and identification of key legal issues
- Assisting the Administrators with the legal aspects of preparation of their outcome statement and comparison
- Assisting the Administrators with negotiation of heads of terms with proposed purchaser, BGC
- Drafting and negotiation of business sale and purchase agreement and all ancillary documentation
- Associated advice on proposed business sale and process, including interaction with the proposed sale and purchase of the business and assets of the Company's trading subsidiary, Mint Equities Limited
- Advice on immediate post-appointment issues, including treatment of vacant premises at 80 Cannon Street
- Liaising with the Company's qualifying floating charge-holder, HSBC Bank plc, for its consent to the proposed appointment and release of security over assets to be sold
- Review of proposed administration appointment documents and attendance at court for initial filing
- Preparation for completion of sale and purchase agreement and ancillary documentation, including solicitors' undertakings

3. Ashurst LLP (engaged by the Administrators)

- Preparation of appointment documents for administrators, including witness statements
- Attending directors meeting in respect of appointing administrators
- Filing appointment documents at court
- Discussions with Nabarro and PwC in respect of pre-pack sale
- Advising administrations of appointments

Appendix B The Administrators' charging and disbursements recovery policy

Overview of the Administrators' strategy and objectives

DC Chubb and PN Spratt were appointed Administrators of the Company on 19 August 2010 with the objective of achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration).

Summary of legal and other professional firms

The Administrators have instructed the following professionals -

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Legal advice	Nadarro LPP	Industry knowledge and performance on previous knowledge of the Company from pre-appointment work	Time cost

All third party professionals are required to submit time costs analyses and narrative in support of invoices rendered.

Office holder's charging and disbursement policy

The time charged to the Administration is by reference to the time properly given by the Administrators and their staff in attending to matters arising.

It is the Administrators' policy to delegate tasks in the Administration to appropriate members of staff considering their level of experience and any 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 the Administrators themselves.

Set out below are the relevant maximum charge-out rates per hour worked for the grades of the Administrators' staff actually or likely to be involved on this assignment. Time is charged by reference to actual work carried out on the assignment. There has been no allocation of any general costs or overhead costs.

Grade	Rate per hour £
Partner	695
Director	610
Senior Manager	470
Manager	395

Appendix B

The Administrators' charging and disbursements recovery policy

Senior associate – qualified / consultant	330
Senior associate – unqualified	245
Associate	210
Support staff	105

Specialist departments within the Administrators' firm such as Tax, VAT, Property and Pensions may charge a small number of hours if and when the Administrators require their expert advice. Such specialists' rates do vary but the figures below provide an indication of the maximum rate per hour.

Grade	Maximum rate per hour £
Partner	980
Director	890
Senior Manager	830
Manager	605
Senior associate – qualified / consultant	370
Senior associate – unqualified	265
Associate	215
Support staff	105

In common with all professional firms, the scale rates used by the Administrators from PricewaterhouseCoopers LLP may periodically rise (for example to cover annual inflationary cost increases) over the period of the Administration. Any material amendments to these rates will be advised to the creditors and / or the creditors' committee in the next statutory report.

The Administrators' firm's expenses policy allows for all properly incurred expenses to be recharged to the case. Disbursements are charged to the assignment as follows: -

Disbursements for services provided by the Administrators' own firm(s) (Category 2 disbursements)

Photocopying	At 4 pence per sheet copied, only charged for circulars to creditors and other bulk copying.
Mileage	At a maximum of 63 pence per mile (up to 2,000cc) or 80 pence per mile (over 2,000cc)

Appendix B The Administrators' charging and disbursements recovery policy

Narrative of work carried out for the period 19 August 2010 to 24 September 2010

The key areas of work have been

1. Strategy and Planning

- Preparation of strategy
- Initial meetings with Directors
- Discussions with HSBC following appointment
- Discussions and meetings with company management/directors following appointment
- Ongoing review of the status of tasks
- Briefing and co-ordinating efforts between the engagement team members

2. Statutory and other compliance

- Statutory notices and letters
- Liaising with the directors regarding submission of the statement of affairs
- Correspondence with HSBC to establish new accounts and maintain of pre-appointment accounts
- Preparation and submission of the Joint Administrators' proposals
- Arranging the statutory bonds for the Administrators
- Arranging the appropriate insurance cover for the remaining assets
- Preparation of the disclosure of the pre-pack sale as required by SIP 16
- Internal compliance and completion of best practice procedures

3. Reporting

- Issuing press release in relation to sale
- Review of creditor and supplier circulars

4. Freehold/ Leasehold Property

Reviewing documentation and attending meeting in relation to potential sale of interest in the Dollar Bay investment.
Discussions with Savills and Knight Frank in respect of Dollar Bay investment
Dealing with leasehold property at 80 Cannon Street, including discussion with lawyers and drafting correspondence to landlord
Discussions with BGC and Nabarro in relation to leasehold property in Switzerland

5. Other Assets

- Discussions with directors and former directors in relation to MyHab investment

Appendix B The Administrators' charging and disbursements recovery policy

- Discussion with director of Myhab in relation to appointment and the Company's investment
- Finalising issues in relation to the sale and purchase agreement

6. Creditors/liabilities

- Dealing with general creditor enquiries over the telephone, in writing and in person.
- Preparation and issuing of circulars to creditors, notifying them of the administration and inviting claims.
- Review and recording of claims received.

Appendix B The Administrators' charging and disbursements recovery policy

Charge-out rate summary for the period 19 August 2010 to 24 September 2010

	Hours					Total Hours	Total Cost	Average Hourly Rate
	Partner	Senior Manager	Senior Associate	Associate	Support Staff			
Strategy & Planning	2.00	-	31.80	-	-	33.80	11,884.00	351.60
Compliance	-	-	9.60	1.30	-	10.90	3,441.00	315.69
Reporting	0.60	-	-	-	-	0.60	417.00	695.00
Freehold/Leasehold Property	-	3.70	11.00	-	-	14.70	5,369.00	365.24
Other Assets	-	9.20	10.10	2.00	-	21.30	7,731.62	362.99
Unsecured Creditors	0.50	3.00	-	-	-	3.50	1,757.50	502.14
Tax & VAT	-	0.90	3.50	-	0.70	5.10	2,116.00	414.90
Total Hours	3.10	16.80	66.00	3.30	0.70	89.90	32,716.12	363.92
Total Costs	2,154.50	8,229.00	21,845.62	413.00	74.00	32,716.12		
Average Rate (£/h)	695.00	489.82	330.99	125.15	105.71	363.92		

Appendix C

Copy of the statement of affairs

mparRule 2.29

Form 2.14B

Statement of affairs

Name of company Mint Partners Limited	Company number 04795286
In the High Court of Justice of England and Wales, Chancery Division, Companies Court	Court case number 6747 of 2010

(a) Insert name and address of registered office of the company

Statement as to the affairs of (a) Mint Partners Limited, Ropemaker Place, 25 Ropemaker Street, London, EC2Y 9LY

(b) Insert date

on the (b) 19 August 2010, the date that the company entered administration.

Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named company as at (b) 19 August 2010 the date that the company entered administration.

Full name RICHARD JOSEPH BARRETT

Signed RJB

Dated 8/10/2010

A – Summary of Assets

Assets

Assets subject to fixed and floating charge:

	Book Value £	Estimated to Realise £
Fixed Asset Investments	600,505	0
Intercompany	343,624	0
Office Rental Deposits	271,960	271,960
Director's Loans	306,000	306,000
Other Debtors	85,300	85,300

Uncharged assets:


Estimated total assets available for preferential creditors

	Book Value £	Estimated to Realise £
	-	-
Estimated total assets available for preferential creditors	1,607,389	663,260

Signature RJB Date 8/10/2010

A1 – Summary of Liabilities

	Estimated to realise	
	£	£
Estimated total assets available for preferential creditors (carried from page A)	1,607,389	663,260
Liabilities		
Preferential creditors	-	
Estimated (deficiency)/surplus as regards preferential creditors	-	
Estimated prescribed part of net property where applicable (to carry forward)	-	
Estimated total assets available for floating charge holders	1,607,389	663,260
Debts secured by floating charges	4,288,302	4,288,302
Estimated (deficiency)/surplus of assets after floating charges	(2,680,913)	(3,625,042)
Estimated prescribed part of net property where applicable (brought down)	-	
Total assets available to unsecured creditors	-	
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	849,292	849,292
Estimated (deficiency)/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)	(849,292)	(849,292)
Shortfall to floating charge holders (brought down)	(2,680,913)	(3,625,042)
Estimated (deficiency)/surplus as regards creditors	(3,530,205)	(4,474,334)
Issued and called up capital	10	10
Preference share capital	753,331	753,331
Estimated total (deficiency)/surplus as regards members	(4,283,546)	(5,227,675)

Signature  Date 8/10/2010

Appendix C

Copy of the statement of affairs

COMPANY CREDITORS

Note: You must include all creditors and identify all creditors under hire-purchase, chattel leasing or conditional sale agreements *and* customers claiming amounts paid in advance of the supply of goods or services *and* creditors claiming retention of title over property in the company's possession.

Name of creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
HSBC Current account	95 Gracechurch Street London EC3V 0DQ	4,288,302	The bank loan and overdraft are secured by a fixed and floating charge over the assets of the Company; a fixed equitable charge over all present and future freehold and leasehold property of the Company; a multilateral company guarantee given by the Company, Mint Equities Limited and Mint Derivatives Limited to secure all liabilities of each other; and a £500,000 joint and several guarantee given by certain directors and other guarantees.	16 May 2005	Bank loan was settled as part of administration agreement
		4,288,302			
Unsecured, non-preferential claims					
Intercompany – Mint Equities London	Ropemaker Place, 25 Ropemaker Street, London, EC2Y 9LY	848,447			
HMRC – corporate tax	CT OPS Merthyr Tydfil 1 Government Buildings Castle Street Merthyr Tydfil CF47 8AA	845			
Total		849,292			

Signature

Date

3/10/2010

Appendix C

Copy of the statement of affairs

COMPANY SHAREHOLDERS

Name of Shareholder	Address (with postcode)	No. of shares held	Nominal Value	Details of Shares held
	See attachment for listing			
TOTALS				

Signature *RUBA* Date 8/10/2010

Appendix D Common questions and answers (references to ‘Rules’ are to the Insolvency Rules 1986)

I The initial meeting of creditors and the creditors’ committee

Am I obliged to vote at the meeting that is being conducted by correspondence - “(postal) meeting”

You are not obliged to vote, and if you do not wish to vote there is no need to return the Form 2.25B to register your vote. You will not prejudice your claim and entitlement to dividend if you do not do so.

How do I ensure that my vote counts?

In order to be counted, a creditors’ vote must be received by the Administrators by 12.00 hours on the closing date specified on Form 2.25B and must be accompanied by written details of the creditor’s claim unless written details of the claim have been given previously for voting purposes(Rule 2.48(2)).

If any vote is received without written details of the creditor’s claim, or the Administrators decide that the creditor is not entitled to vote according to Rules 2.38 and 2.39, that creditor’s vote shall be disregarded (Rule 2.48(3)).

The closing date shall be set at the discretion of the Administrators. In any event, it must not be set less than 14 days from the date of issue of the Form 2.25B (Rule 2.48(4)).

II A creditor’s guide to administrators’ fees (in accordance with Statement of Insolvency Practice No.9)

The following information about the Administrators’ fees is from Statement of Insolvency Practice No.9 (“SIP 9”) produced by the Association of Business Recovery Professionals, Appendix C: A Creditors’ Guide to Administrators’ Fees (England and Wales) (Revised with effect from 6 April 2010).

1 Introduction

1.1 When a company goes into administration the costs of the proceedings are paid out of its assets. The creditors, who hope eventually to recover some of their debts out of the assets, therefore have a direct interest in the level of costs, and in particular the remuneration of the insolvency practitioner appointed to act as administrator. The insolvency legislation recognises this interest by providing mechanisms for creditors to determine the basis of the administrator’s fees. This guide is intended to help creditors be aware of their rights under the legislation

Appendix D Common questions and answers (references to ‘Rules’ are to the Insolvency Rules 1986)

to approve and monitor fees, explains the basis on which fees are fixed and how creditors can seek information about expenses incurred by the administrator and challenge those they consider to be excessive.

2 The nature of administration

2.1 Administration is a procedure which places a company under the control of an insolvency practitioner and the protection of the court with the following objective:

- rescuing the company as a going concern, or
- achieving a better result for the creditors as a whole than would be likely if the company were wound up without first being in administration, or, if the administrator thinks neither of these objectives is reasonably practicable
- realising property in order to make a distribution to secured or preferential creditors.

3 The creditors’ committee

3.1 The creditors have the right to appoint a committee with a minimum of 3 and a maximum of 5 members. One of the functions of the committee is to determine the basis of the administrator’s remuneration. The committee is normally established at the meeting of creditors which the administrator is required to hold within a maximum of 10 weeks from the beginning of the administration to consider his proposals. The administrator must call the first meeting of the committee within 6 weeks of its establishment, and subsequent meetings must be held either at specified dates agreed by the committee, or when a member of the committee asks for one, or when the administrator decides he needs to hold one. The committee has power to summon the administrator to attend before it and provide information about the exercise of his functions.

4 Fixing the administrator’s remuneration

4.1 The basis for fixing the administrator’s remuneration is set out in Rule 2.106 of the Insolvency Rules 1986, which states that it shall be fixed:

- as a percentage of the value of the property which the administrator has to deal with,
- by reference to the time properly given by the administrator and his staff in attending to matters arising in the administration, or
- as a set amount.

Any combination of these bases may be used to fix the remuneration, and different bases may be used for different things done by the administrator. Where the remuneration is fixed as a percentage, different percentages may be used for different things done by the administrator.

Appendix D Common questions and answers (references to ‘Rules’ are to the Insolvency Rules 1986)

It is for the creditors’ committee (if there is one) to determine on which of these bases, or combination of bases, the remuneration is to be fixed. Where it is fixed as a percentage, it is for the committee to determine the percentage or percentages to be applied, and where it is a set amount, to determine that amount. Rule 2.106 says that in arriving at its decision the committee shall have regard to the following matters:

- the complexity (or otherwise) of the case;
- any responsibility of an exceptional kind or degree which falls on the administrator;
- the effectiveness with which the administrator appears to be carrying out, or to have carried out, his duties;
- the value and nature of the property which the administrator has to deal with.

4.2 If there is no creditors’ committee, or the committee does not make the requisite determination (and provided the circumstances described in paragraph 4.3 do not apply), the administrator’s remuneration may be fixed by a resolution of a meeting of creditors having regard to the same matters as apply in the case of the committee. If the remuneration is not fixed in any of these ways, it will be fixed by the court on application by the administrator, but the administrator may not make such an application unless he has first tried to get his remuneration fixed by the committee or creditors as described above, and in any case not later than 18 months after his appointment.

4.3 There are special rules about creditors’ resolutions in cases where the administrator has stated in his proposals that the company has insufficient property to enable a distribution to be made to unsecured creditors except out of the reserved fund which may have to be set aside out of floating charge assets. In this case, if there is no creditors’ committee, or the committee does not make the requisite determination, the remuneration may be fixed by the approval of

- each secured creditor of the company; or
- if the administrator has made or intends to make a distribution to preferential creditors –
 - each secured creditor of the company; and
 - preferential creditors whose debts amount to more than 50% of the preferential debts of the company, disregarding debts of any creditor who does not respond to an invitation to give or withhold approval,

having regard to the same matters as the committee would.

Note that there is no requirement to hold a creditors’ meeting in such cases unless a meeting is requisitioned by creditors whose debts amount to at least 10 per cent of the total debts of the company.

4.4 A resolution of creditors may be obtained by correspondence.

Appendix D Common questions and answers (references to ‘Rules’ are to the Insolvency Rules 1986)

5. Review of remuneration

5.1 Where there has been a material and substantial change in circumstances since the basis of the administrator’s remuneration was fixed, the administrator may request that it be changed. The request must be made to the same body as initially approved the remuneration, and the same rules apply as to the original approval.

6. Approval of pre-administration costs

6.1 Sometimes the administrator may need to seek approval for the payment of costs in connection with preparatory work incurred before the company went into administration but which remain unpaid. Such costs may relate to work done either by the administrator or by another insolvency practitioner. Details of such costs must be included in the administrator’s proposals.

6.2 Where there is a creditors’ committee, it is for the committee to determine whether, and to what extent, such costs should be approved for payment. If there is no committee or the committee does not make the necessary determination, or if it does but the administrator, or other insolvency practitioner who has incurred pre-administration costs, considers the amount agreed to be insufficient, approval may be given by a meeting of creditors. Where the circumstances described in paragraph 4.3 apply, the determination may be made by the same creditors as approve the administrator’s remuneration.

6.3 The administrator must convene a meeting of the committee or the creditors for the purposes of approving the payment of pre-administration costs if requested to do so by another insolvency practitioner who has incurred such costs. If there is no determination under these provisions, or if there is but the administrator or other insolvency practitioner considers the amount agreed to be insufficient, the administrator may apply to the court for a determination.

7 What information should be provided by the administrator?

7.1 When seeking remuneration approval

7.1.1 When seeking agreement to his fees the administrator should provide sufficient supporting information to enable the committee or the creditors to form a judgement as to whether the proposed fee is reasonable having regard to all the circumstances of the case. The nature and extent of the supporting information which should be provided will depend on:

- the nature of the approval being sought;
- the stage during the administration of the case at which it is being sought; and
- the size and complexity of the case.

Appendix D Common questions and answers (references to ‘Rules’ are to the Insolvency Rules 1986)

7.1.2 Where, at any creditors’ or committee meeting, the administrator seeks agreement to the terms on which he is to be remunerated, he should provide the meeting with details of the charge-out rates of all grades of staff, including principals, which are likely to be involved on the case.

7.1.3 Where the administrator seeks agreement to his fees during the course of the administration, he should always provide an up to date receipts and payments account. Where the proposed fee is based on time costs the administrator should disclose to the committee or the creditors the time spent and the charge-out value in the particular case, together with, where appropriate, such additional information as may reasonably be required having regard to the size and complexity of the case. The additional information should comprise a sufficient explanation of what the administrator has achieved and how it was achieved to enable the value of the exercise to be assessed (whilst recognising that the administrator must fulfil certain statutory obligations that might be seen to bring no added value for creditors) and to establish that the time has been properly spent on the case. That assessment will need to be made having regard to the time spent and the rates at which that time was charged, bearing in mind the factors set out in paragraph 4.1 above. To enable this assessment to be carried out it may be necessary for the administrator to provide an analysis of the time spent on the case by type of activity and grade of staff. The degree of detail will depend on the circumstances of the case, but it will be helpful to be aware of the professional guidance which has been given to insolvency practitioners on this subject. The guidance suggests the following areas of activity as a basis for the analysis of time spent:

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors
- Any other case-specific matters

The following categories are suggested as a basis for analysis by grade of staff:

- Partner
- Manager
- Other senior professionals
- Assistants and support staff

The explanation of what has been done can be expected to include an outline of the nature of the assignment and the administrator’s own initial assessment, including the anticipated return to creditors. To the extent applicable it should also explain:

Appendix D Common questions and answers (references to ‘Rules’ are to the Insolvency Rules 1986)

- Any significant aspects of the case, particularly those that affect the amount of time spent.
- The reasons for subsequent changes in strategy.
- Any comments on any figures in the summary of time spent accompanying the request the administrator wishes to make.
- The steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, time recording, fee drawing or fee agreement.
- Any existing agreement about fees.
- Details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees.

It should be borne in mind that the degree of analysis and form of presentation should be proportionate to the size and complexity of the case. In smaller cases not all categories of activity will always be relevant, whilst further analysis may be necessary in larger cases.

7.1.4 Where the fee is charged on a percentage basis the administrator should provide details of any work which has been or is intended to be sub-contracted out which would normally be undertaken directly by an administrator or his staff.

7.2 After remuneration approval

Where a resolution fixing the basis of fees is passed at any creditors’ meeting held before he has substantially completed his functions, the administrator should notify the creditors of the details of the resolution in his next report or circular to them. In all subsequent reports to creditors the administrator should specify the amount of remuneration he has drawn in accordance with the resolution (see further paragraph 8.1 below). Where the fee is based on time costs he should also provide details of the time spent and charge-out value to date and any material changes in the rates charged for the various grades since the resolution was first passed. He should also provide such additional information as may be required in accordance with the principles set out in paragraph 7.1.3. Where the fee is charged on a percentage basis the administrator should provide the details set out in paragraph 7.1.4 above regarding work which has been sub-contracted out.

7.3 Disbursements and other expenses

There is no statutory requirement for the committee or the creditors to approve the drawing of expenses or disbursements, but there is provision for the creditors to challenge them, as described below. Professional guidance issued to insolvency practitioners requires that, where the administrator proposes to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, document storage or communication facilities provided by the administrator’s own firm), they must be disclosed and be authorised by those responsible for approving his remuneration. Such expenses must be directly incurred on the case and subject to a reasonable method of calculation and allocation.

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8 Progress reports and requests for further information

8.1 The administrator is required to send a progress report to creditors at 6-monthly intervals. The report must include:

- details of the basis fixed for the remuneration of the administrator (or if not fixed at the date of the report, the steps taken during the period of the report to fix it);
- if the basis has been fixed, the remuneration charged during the period of the report, irrespective of whether it was actually paid during that period (except where it is fixed as a set amount, in which case it may be shown as that amount without any apportionment for the period of the report);
- if the report is the first to be made after the basis has been fixed, the remuneration charged during the periods covered by the previous reports, together with a description of the work done during those periods, irrespective of whether payment was actually made during the period of the report;
- a statement of the expenses incurred by the administrator during the period of the report, irrespective of whether payment was actually made during that period;
- the date of approval of any pre-administration costs and the amount approved;
- a statement of the creditors’ rights to request further information, as explained in paragraph 8.2, and their right to challenge the administrator’s remuneration and expenses.

8.2 Within 21 days of receipt of a progress report a creditor may request the administrator to provide further information about the remuneration and expenses (other than pre-administration costs) set out in the report. A request must be in writing, and may be made either by a secured creditor, or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors (including himself) or the permission of the court.

8.3 The administrator must provide the requested information within 14 days, unless he considers that:

- the time and cost involved in preparing the information would be excessive, or
- disclosure would be prejudicial to the conduct of the administration or might be expected to lead to violence against any person, or
- the administrator is subject to an obligation of confidentiality in relation to the information requested,

in which case he must give the reasons for not providing the information.

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Any creditor may apply to the court within 21 days of the administrator’s refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information.

9. Provision of information – additional requirements

The administrator must provide certain information about time spent on a case, free of charge, upon request by any creditor, director or shareholder of the company. The information which must be provided is –

- the total number of hours spent on the case by the administrator or staff assigned to the case;
- for each grade of staff, the average hourly rate at which they are charged out;
- the number of hours spent by each grade of staff in the relevant period.

The period for which the information must be provided is the period from appointment to the end of the most recent period of six months reckoned from the date of the administrator’s appointment, or where he has vacated office, the date that he vacated office.

The information must be provided within 28 days of receipt of the request by the administrator, and requests must be made within two years from vacation of office.

10 What if a creditor is dissatisfied?

10.1 If a creditor believes that the administrator’s remuneration is too high, the basis is inappropriate, or the expenses incurred by the administrator are in all the circumstances excessive he may, provided certain conditions are met, apply to the court.

10.2 Application may be made to the court by any secured creditor, or by any unsecured creditor provided at least 10 per cent in value of unsecured creditors (including himself) agree, or he has the permission of the court. Any such application must be made within 8 weeks of the applicant receiving the administrator’s progress report in which the charging of the remuneration or incurring of the expenses in question is first reported (see paragraph 8.1 above). If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the administrator a copy of the application and supporting evidence at least 14 days before the hearing.

10.3 If the court considers the application well founded, it may order that the remuneration be reduced, the basis be changed, or the expenses be disallowed or repaid. Unless the court orders otherwise, the costs of the application must be paid by the applicant and not as an expense of the administration.

11 What if the administrator is dissatisfied?

Appendix D

Common questions and answers (references to ‘Rules’ are to the Insolvency Rules 1986)

11.1 If the administrator considers that the remuneration fixed by the creditors’ committee is insufficient or that the basis used to fix it is inappropriate he may request that the amount or rate be increased, or the basis changed, by resolution of the creditors. If he considers that the remuneration fixed by the committee or the creditors is insufficient or that the basis used to fix it is inappropriate, he may apply to the court for the amount or rate to be increased or the basis changed. If he decides to apply to the court he must give at least 14 days’ notice to the members of the creditors’ committee and the committee may nominate one or more of its members to appear or be represented on the application. If there is no committee, the administrator’s notice of his application must be sent to such of the company’s creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid as an expense of the administration.

12 Other matters relating to remuneration

12.1 Where there are joint administrators it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute arising between them may be referred to the court, the creditors’ committee or a meeting of creditors.

12.2 If the administrator is a solicitor and employs his own firm to act on behalf of the company, profit costs may not be paid unless authorised by the creditors’ committee, the creditors or the court.

12.3 If a new administrator is appointed in place of another, any determination, resolution or court order which was in effect immediately before the replacement continues to have effect in relation to the remuneration of the new administrator until a further determination, resolution or court order is made.

12.4 Where the basis of the remuneration is a set amount, and the administrator ceases to act before the time has elapsed or the work has been completed for which the amount was set, application may be made for a determination of the amount that should be paid to the outgoing administrator. The application must be made to the same body as approved the remuneration. Where the outgoing administrator and the incoming administrator are from the same firm, they will usually agree the apportionment between them.

13. Effective date

This guide applies where a company enters administration on or after 6 April 2010, except where:

- the application for an administration order was made before that date, or
- where the administration was preceded by a liquidation which commenced before that date.