



**Mint Partners Limited – in Creditors’ Voluntary Liquidation**

**Joint Liquidators’ progress report to members and creditors for the year  
ended 16 August 2012**

**10 October 2012**

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## 1. Executive summary

<b>Company</b>	Mint Partners Limited				
<b>Registered Number</b>	04795286				
<b>Registered Address</b>	7 More London Riverside, London SE1 2RT				
<b>Type of Insolvency</b>	Creditors' Voluntary Liquidation				
<b>Date of Appointment</b>	17 August 2011				
<b>Appointees</b>	David Christian Chubb and Peter Norman Spratt				
<b>Address</b>	PricewaterhouseCoopers LLP 7 More London Riverside London SE1 2RT				
<b>Dividend Prospects</b>	<table border="0"> <tr> <td style="text-align: center;"><b>Current estimate p in £</b></td> <td style="text-align: center;"><b>Previous estimate p in £</b></td> </tr> <tr> <td style="text-align: center;">Preferential Unsecured</td> <td style="text-align: center;">not applicable not applicable 0.4p 0.9p</td> </tr> </table> <p><i>Please note that the guidance on dividend prospects is indicative only. It should not be used as the sole or principal basis of any bad debt provision decision.</i></p>	<b>Current estimate p in £</b>	<b>Previous estimate p in £</b>	Preferential Unsecured	not applicable not applicable 0.4p 0.9p
<b>Current estimate p in £</b>	<b>Previous estimate p in £</b>				
Preferential Unsecured	not applicable not applicable 0.4p 0.9p				

## 2. Joint Liquidators' report to members and creditors for the year ended 16 August 2012

### Introduction

Pursuant to Rule 4-49C of the Insolvency Rules 1986 ("IR'86"), I am pleased to present the Joint Liquidators' ("Liquidators") first progress report to members and all known creditors on the conduct of the Liquidation of Mint Partners Limited ("the Company").

### Background to the Liquidation

On 19 August 2010, David Christian Chubb and Peter Norman Spratt of PricewaterhouseCoopers LLP were appointed Joint Administrators ("Administrators") of the Company. The Administration was concluded on 17 August 2011, being the date the Company moved into Creditors' Voluntary Liquidation.

### Assets still to be realised

The Company's assets to be dealt with in the Liquidation were:

- (i) MyHab Limited ("MyHab")

The Company has a 30% equity stake in MyHab via MPE Realisations Limited (formerly Mint Private Equity Limited) ("MPE"), a wholly owned subsidiary of the Company. MyHab specialised in providing festival accommodation and owed approximately £54k to MPE by way of an inter-company loan.

The MyHab Administrators' progress report of 23 May 2012 states that it is highly unlikely that there will be any distribution made to unsecured creditors of MyHab.

- (ii) MA Realisations Limited ("MARL")

MARL is a non-trading wholly owned subsidiary of the Company that has a profit share agreement in respect of a prospective property development. The realisation of this asset has been hampered by confidentiality issues imposed under the terms of the agreement between the parties.

The Liquidators believe that there could still be significant value in this asset for the Company and consequently, are holding this asset until such time as value can be realised. The original Directors of MARL have recently resigned and been replaced. The Liquidators will continue to monitor MARL's efforts to realise value from the agreement.

- (iii) Certain trademarks

The Liquidators have agreed a sale of certain "MINT" trademarks registered in Bahrain, Hong Kong, South Africa and the USA which were not acquired by BGC under the sale agreement. The sale has yet to be completed.

### Receipts and payments account

- (i) Administrators' final receipts and payments

An account of the Administrators' receipts and payments for the period 28 July 2011 to 16 August 2011 is set out in Section 3.

- (ii) Liquidators' receipts and payments account

An account of the receipts and payments in the Liquidation to 16 August 2012 is set out in Section 4.

## 2. Joint Liquidators' report to members and creditors for the year ended 16 August 2012

### Expenses statement

A statement of the expenses incurred by the Liquidators but not paid to 16 August 2012 is included in Section 5.

The Administrators' accrued and unpaid expenses will be met from any surplus funds held by the Liquidator, in accordance with Paragraph 99 of Schedule B1 to the Insolvency Act 1986.

### Outcome for Creditors

(1) Secured creditor

HSBC, the secured creditor was repaid in full under its fixed and floating charges over the assets of the Company and MEQ Realisations Limited – in Liquidation ("MEQ"). The balance paid by the Company was £47,837.

(2) Preferential creditors

There are no preferential claims as the Company did not have any employees.

(3) Unsecured creditors

According to the Directors' statement of affairs, the Company had only two creditors with claims totalling circa £849k. The Liquidators are aware of at least 21 creditors with potential claims in the estate. Not all of these creditors have formally submitted claims although it is anticipated that claims may total at least £3.5m.

The increase in the potential level of claims is mainly attributable to: (1) creditors that were disclosed as creditors of MEQ as per the MEQ Directors' statement of affairs claiming directly against the Company instead of MEQ and (2) MEQ creditors who lodged claims in the estate of MEQ that were subsequently withdrawn, or which were rejected by the

Liquidators of MEQ because insufficient supporting evidence or documentation was provided.

**Any creditors that have not yet submitted a claim should do so using the form enclosed with this report**

The Liquidators currently estimate that a dividend payable by virtue of the prescribed part to unsecured creditors is likely to be in the region of 0.4p in the £, however the timing and the amount of the total dividend remains uncertain, in view of the current uncertainty regarding the level of claims and future realisations.

The prescribed part applies to situations where there are floating charge realisations, net of costs. In this case, an amount of funds will be set aside for distribution to unsecured creditors. The prescribed part is calculated as follows:

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

### Professional Advisers

Name of Professional Adviser	Nature of Work	Basis of Fee Arrangement
Nabarro LLP	Legal	Time costs

The Liquidators' choice was based upon their perception of the advisers experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them. The Liquidators have reviewed the fees charged and are satisfied that they are reasonable in the circumstances of the case.

## 2. Joint Liquidators' report to members and creditors for the year ended 16 August 2012

### Officeholders' time costs

#### (i) Administrators' time costs

The Administrators' remuneration has been approved on a time costs basis by the general body of creditors.

The Administrators' total time costs from the date of appointment to 16 August 2011 total £187,733 plus VAT which represents 529.9 hours at an average hourly rate of £354.28.

Of these costs, the Administrators had drawn remuneration totalling £62,716 plus VAT.

In the Administrators' final progress report, it was noted that the Administrators had incurred time costs totalling £165,669 plus VAT. Since that report, the Administrators have incurred further time costs of £22,064 plus VAT to 16 August 2011 and in accordance with Rule 4.49 IR'86 a full analysis of the time costs for this period is included in Section 6.

#### (ii) Liquidators' time costs

In accordance with Rule 4.127 IR'86, the remuneration basis agreed in the Administration will continue in the Liquidation.

The Liquidators have incurred time costs of £63,005 plus VAT to 16 August 2012. This represents 206.60 hours at an average hourly rate of £304.96. A full analysis of these time costs is included in Section 7.

### Officeholders' disbursements

#### (i) Administrators' disbursements

The Administrators have incurred Category 1 disbursements of £1,285 during the period 19 August 2010 to 16 August 2011. Category 1 disbursements are those expenses invoiced by third parties but paid directly by the Insolvency Practitioners' firm.

#### (ii) Liquidators' disbursements

The Liquidators have incurred Category 1 disbursements of £86.98 during the period 17 August 2011 to 16 August 2012.

Category 1 disbursements are reimbursed at cost although no amounts have been drawn to date.

### Additional information

If any creditor requires further explanations on any aspect of the Liquidators' progress report, then please telephone Diane Adebowale on 020 7212 3515 who will be pleased to deal with such enquiries. However, any request for further information regarding the Liquidators' remuneration or disbursements should be made in writing (Rule 4.49 IR'86).

In addition, should any creditor consider the Liquidators' remuneration and disbursements to be excessive or inappropriate, they have the right to challenge the amounts in accordance with Rule 4.131 IR'86.

## 2. Joint Liquidators' report to members and creditors for the year ended 16 August 2012

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The Liquidators' next report to creditors will be circulated at the earlier of the conclusion of the Liquidation or in approximately 12 months.



David Chubb  
Joint Liquidator  
Mint Partners Limited

*DC Chubb and PN Spratt have been appointed as Joint Liquidators of Mint Partners Limited. 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 Data Controllers of personal data as defined by the Data Protection Act 1998. PricewaterhouseCoopers LLP will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the Liquidation.*

### 3. Summary of the Joint Administrators' receipts and payments for the period 28 July 2011 to 16 August 2011

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	£
Balance of funds stated in the Administrators' final progress report dated 8 August 2011	84,571
<b>Final receipts during Administration</b>	
Pre-appointment insurance refund	6,125
	<u>90,696</u>
<b>Final payments during Administration</b>	
Release of funds to Joint Liquidators	(90,696)
	<u>-</u>
<b>Cash in hand</b>	<u>-</u>



#### 4. Summary of the Joint Liquidators' receipts and payments for the period 17 August 2011 to 16 August 2012

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Receipts	£	Notes
Funds received from the Joint Administrators	90,696	
VAT receipts	5,953	
	<u>96,649</u>	
<b>Payments</b>		
Legal fees	35,037	
Statutory advertising	147	
Bank charges	298	
Irrecoverable VAT	5,911	1
Input VAT	1,126	1
	<u>42,519</u>	
<b>Cash in hand</b>	<u>54,130</u>	2

**Notes:**

1. Only 16% of input VAT is recoverable.
2. Funds not currently earning interest.

## 5. Statement of expenses incurred but not yet paid as at 16 August 2012

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	£
Balance of Joint Administrators' time costs	125,017
Joint Administrators' disbursements	1,285
Joint Liquidators' time costs	63,005
Joint Liquidators' disbursements	87
Legal and other professional costs:	
- Nabarro LLP	2,808
Sundry costs:	
- Companies House (late filing penalty charge re MARL)	3,771
Irrecoverable VAT	32,290
<b>Total expenses</b>	<b><u>228,263</u></b>
<b>Provision for prescribed part</b>	<b><u>15,710</u></b>

## 6. Analysis of the Joint Administrators' time costs for the period 28 July 2011 to 16 August 2011

Classification of work type	Hours					Total Hours	Total Cost (£)	Average hourly rate (£/h)
	Partner	Senior Manager	Manager	Senior Associate	Associate			
Strategy & planning	2.80			0.40	0.50	3.70	2,405.50	650.14
Compliance	0.60	1.90	0.40	16.80	10.20	29.90	8,114.40	271.38
Investigations	4.30	10.70		0.30	0.10	0.30	77.10	257.00
Other assets	1.20			4.30		19.40	9,552.00	492.37
Unsecured creditors						1.20	876.00	730.00
Tax & VAT			0.50	0.80		1.30	456.60	351.23
Accounting & treasury			0.10	0.50	1.90	2.50	582.00	232.80
<b>Total Hours</b>	<b>8.90</b>	<b>12.60</b>	<b>1.00</b>	<b>23.10</b>	<b>12.70</b>	<b>58.30</b>		
<b>Total Cost</b>	<b>6,497.00</b>	<b>6,372.60</b>	<b>428.50</b>	<b>5,966.70</b>	<b>2,798.80</b>		<b>22,063.60</b>	
<b>Average rate (£/h)</b>	<b>730.00</b>	<b>505.76</b>	<b>428.50</b>	<b>258.30</b>	<b>220.38</b>			<b>378.45</b>

The key areas of work have been:-

### Strategy & planning

- Team meetings to review progress of case, agree priorities and discuss key issues
- Managing and supervising of case staff

### Compliance

- Preparing and circulating Joint Administrators' final progress report to creditors
- Complying with regulatory requirements to move Company from Administration to Liquidation
- Complying with internal case checks and requirements

## 6. Analysis of the Joint Administrators' time costs for the period 28 July 2011 to 16 August 2011

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### Investigations

- Complying with the Administrators' obligations under the Company Directors Disqualification Act 1986

### Other assets

- Obtaining legal advice from Nabarro LLP on various matters regarding the realisation of the MARL investment
- Reviewing notification regarding MyHab entering Administration

### Unsecured creditors

- Dealing with matters in respect of unsecured creditor enquiries

### Tax & VAT

- Liaising with Tax specialists regarding progress on corporation tax and VAT matters

### Accounting & Treasury

- Processing of payments, journals and updating nominal ledger
- Preparing and reviewing bank reconciliations
- Dealing with enquiries regarding accounting matters

## 7. Analysis of the Joint Liquidators' time costs for the period 17 August 2011 to 16 August 2012

Classification of work type	Hours					Total Hours	Total Cost (£)	Average hourly rate (£/h)
	Partner	Senior Manager	Manager	Senior Associate	Associate			
Strategy & planning	2.40	0.50	0.80	3.10	1.30	8.10	3,422.90	422.58
Compliance		0.30	0.70	16.70	12.90	30.60	7,591.70	248.09
Investigations				1.60		1.60	555.20	347.00
Other assets	0.50	25.10	1.30	46.90	6.10	79.90	27,464.40	343.73
Unsecured creditors		0.20	0.50	17.70	4.50	22.90	5,586.10	243.93
Tax & VAT		5.00		18.60	11.00	34.60	11,021.40	318.54
Accounting & treasury			1.90	11.90	15.10	28.90	7,363.60	254.80
<b>Total Hours</b>	<b>2.90</b>	<b>31.10</b>	<b>5.20</b>	<b>116.50</b>	<b>50.90</b>	<b>206.60</b>		
<b>Total Cost</b>	<b>2,117.00</b>	<b>16,702.60</b>	<b>2,118.00</b>	<b>32,081.70</b>	<b>9,986.00</b>		<b>63,005.30</b>	
<b>Average rate (£/h)</b>	<b>730.00</b>	<b>537.06</b>	<b>407.31</b>	<b>275.38</b>	<b>196.19</b>			<b>304.96</b>

The key areas of work have been:-

### Strategy & planning

- Regular team meetings to review progress of case, agree priorities and discuss key issues
- Managing and supervising of case staff
- Complying with internal filing requirements.

### Compliance

- Preparing and sending initial notifications regarding appointment of Liquidators
- Arranging advertisement in London Gazette regarding notice of appointment and notice to creditors to submit claims
- Setting up an internal database and filing structure
- Dealing with internal and external compliance procedures and requirements.

### Investigations

- Complying with Administrators' obligations under the Company Directors Disqualification Act 1986

Mint Partners Limited - in Liquidation

## 7. Analysis of the Joint Liquidators' time costs for the period 17 August 2011 to 16 August 2012

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### Other assets

- Continuing to liaise with Nabarro on various matters regarding the realisation of the MARL investment
- Liaising with the directors of MARL in order to obtain updates on realisation of the investment
- Reviewing progress report from the Administrators of MyHab to confirm distribution prospects
- Liaising with BGC regarding settlement negotiations for the outstanding trademarks.

### Unsecured creditors

- Reviewing creditor claims received and contacting creditors, where necessary, for further evidence in support of their claims.
- Discussions with colleagues regarding with the rejection/ withdrawal of claims in the MEQ's estate which potentially may rest in the Company's estate
- Maintaining listing of unsecured creditors, updating new addresses and claims.

### Tax & VAT

- Ongoing reviews with Tax specialists regarding submission of corporation tax returns and VAT compliance
- Preparing, reviewing and submitting VAT returns and general VAT compliance matters
- Preparing, reviewing and submitting corporation tax returns (covering four periods).

### Accounting & Treasury

- Processing of payments, journals and updating nominal ledger
- Preparing, signing and sending cheques. Review and authorisation by senior staff of each payment
- Preparing and reviewing bank reconciliations
- Dealing with enquiries regarding accounting matters
- Setting up a new Liquidation bank account.

## 8. The Joint Liquidators' charging policy

### Time costs

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

It is the Liquidators' policy to delegate the routine administration of the Liquidation to junior staff in order to maximise the cost effectiveness of the work performed. These staff have been supervised by senior staff and the Liquidators. Any matter of particular complexity or significance that has required responsibility of an exceptional kind has also been dealt with by senior staff and the Liquidators.

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

In common with all professional firms, the scale rates used by the Liquidators may periodically rise (for example to cover annual inflationary cost increases) over the period of the Liquidation. PricewaterhouseCoopers LLP, or any successor firm, reserves the right to change the rates and grade structure. As stated below, amendments to these rates apply with effect from 1 July 2012.

Grade	Rate per hour Up to 30 June 2012	Rate per hour From 1 July 2012
Partner	730	755
Senior Manager	494	510
Manager	415	430
Senior Associate (qualified)	347	358
Senior Associate (unqualified)	257	266
Associate	221	225

Specialist departments within PricewaterhouseCoopers LLP, such as tax, VAT, property and pensions, sometimes charge a small number of hours should the Liquidators require their expert advice. Such specialists' rates do vary but the figures below provide an indication of the maximum rate per hour.

Grade	Rate per hour From 1 May 2011
Partner	1,029
Senior Manager	872
Manager	572
Senior Associate (qualified)	389
Senior Associate (unqualified)	278
Associate	226

