
Joint liquidators' progress report
from 17 August 2016 to 16 August
2017

Mint Partners Limited
(in Creditors' Voluntary
Liquidation)

10 October 2017

PricewaterhouseCoopers LLP
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Abbreviations and definitions

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

Abbreviation or definition	Meaning
Company	Mint Partners Limited
Liquidators	David Chubb and Zelf Hussain
MARL	MA Realisations Limited
MEQ	MEQ Realisations Limited – in Creditors Voluntary Liquidation, the Company’s subsidiary and largest creditor
the Asset	an indirect interest held by MARL in a property development
firm	PricewaterhouseCoopers LLP
IR16	Insolvency (England and Wales) Rules 2016
IA86	Insolvency Act 1986
CVL	Creditors’ voluntary liquidation
HMRC	HM Revenue & Customs
prescribed part	The amount set aside for unsecured creditors from floating charge funds in accordance with section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003
secured creditors	Creditors with security in respect of their debt, in accordance with Section 248 IA86
preferential creditors	Generally, claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
RPS	Redundancy Payments Service, an executive agency sponsored by the Department for Business, Energy and Industrial Strategy, which authorises and pays the statutory claims of employees of insolvent companies under the Employment Rights Act 1996
unsecured creditors	Creditors who are neither secured nor preferential

Key messages

Why we've sent you this report

I'm writing to update you on the progress of the liquidation of Mint Partners Limited in the previous 12 months since our last report dated 10 October 2016.

You can still view our earlier reports on our website at www.pwc.co.uk/mint.

How much creditors may receive

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

Class of creditor	Current estimate (p in £)	Previous estimate (p in £)
Preferential creditors	Not applicable	Not applicable
Unsecured creditors	0.8	0.8

**Please note this guidance on dividends is only an indication and should not be used as the main basis of any bad debt provision or debt trading.*

What you need to do

We've started asking for outstanding claims from unsecured creditors so that we can agree them for dividend purposes.

If you haven't already done so, please send your claim to us so that we can agree it. You can get a claim form by contacting Thomas Wadey on 0113 289 4322. Creditors who do not submit claims will be excluded from any dividend.

As part of our first communication with you since the Insolvency (England and Wales) Rules 2016 ("IR16"), we are required to inform you about your right to opt out of receiving further documents relating to these proceedings. Appendix E contains further details on this right and how you may elect to opt out.

Background and remaining asset

Background to the Liquidation

On 19 August 2010, David Christian Chubb and Peter Norman Spratt of PricewaterhouseCoopers LLP were appointed Joint Administrators of the Company. The Administration was concluded on 17 August 2011, being the date the Company moved into Creditors' Voluntary Liquidation. Zelf Hussain replaced Peter Norman Spratt as Joint Liquidator with effect from 30 June 2015.

Remaining asset

MA Realisations Limited ("MARL")

As previously reported, the Company's remaining asset is a shareholding in MARL and the Liquidators gained control of this entity by replacing the directors. MARL was a non-trading subsidiary of the Company and has an indirect interest in a property asset ("the Asset"). MARL's directors fully utilised the loan made by MEQ Realisations Ltd - in Liquidation ("MEQ") to explore whether value could be realised for MARL's interest. They subsequently required further funding. Neither the Company nor MEQ was able to facilitate further funding and, as the directors remain of the opinion that there is value in MARL's interest in the Asset, they sought external funding.

A sale of the shareholding in MARL was completed in May 2017 to an external funder. MARL's directors together with the purchaser will continue to pursue the Asset. Under the terms of the sale the Company is entitled to deferred consideration in the event the directors achieve a successful recovery from the Asset.

As the timing and quantum of any recovery from the Asset remains uncertain, arrangements have been put in place under the sale agreement for the purchaser, Henderson and Jones Limited, to distribute any deferred consideration directly to MPL's creditors. The liquidators of MPL will provide a list of creditors entitled to a distribution from these proceeds, and their appropriate proportions.

This means that once we have obtained the necessary statutory clearances we will be able to distribute to creditors and bring the liquidation to a close.

Outcome for unsecured creditors

The Liquidators currently estimate that the dividend payable by virtue of the prescribed part to unsecured creditors is likely to be in the region of 0.8p in the £, based on there being no further realisations in the Liquidation, should there be a further recovery from MARL, this could increase.

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 amount of £600,000

We currently estimate that the Company's net property will be approximately £63,500 and the prescribed part fund £15,700 based on this.

The prescribed part dividend rate is currently estimated to be 0.8p in the £. An increased dividend may be payable if any realisations are made from the Company's interest in MARL, however realisations from this asset remain highly uncertain. The current intention is to pay the distribution at the same time as the distribution by MEQ.

As at 16 August 2017, the Liquidators had admitted 17 claims from unsecured creditors totalling £1.8m. There remain two further claims to be adjudicated with a value of £322k. From the information contained in the directors' statement of affairs, the Liquidators are aware of at least five creditors who are owed approximately £22k, but have yet to submit claims despite being reminded to do so.

Investigations and actions

Nothing has come to our attention during the period under review to suggest that we need to do any more work in line with our duties under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice No.2.

Our receipts and payments account

We set out in Appendix A an account of our receipts and payments in the liquidation from 17 August 2016 to 16 August 2017.

Our expenses

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

The statement excludes any potential tax liabilities that we may need to pay as a liquidation expense in due course because amounts due will depend on the position at the end of the tax accounting period.

Our fees

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

Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR86. Any request must be in writing. Creditors can also challenge our fees and expenses within eight weeks of receiving this report as set out in Rule 18.34 IR86. This information can also be found in the guide to fees at:

<http://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/creditors-guide-to-liquidators-fees-england-and-wales.ashx?la=en>

You can also get a copy free of charge by telephoning Thomas Wadey on 0113 289 4322.

What we still need to do

In order to bring the liquidation to a close we will need to complete the following tasks:

- Distribute the prescribed part to unsecured creditors;
- Complete statutory closure tasks and issue the liquidators final account.

Next report

We expect to send our next report to creditors at the end of the liquidation or in about 12 months, whichever is the sooner. If you've got any questions, please get in touch with Thomas Wadey on 0113 289 4322.

Yours faithfully



David Chubb
Joint Liquidator

David C Chubb and Zelf Hussain 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 bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>. The Joint Liquidators 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.

Appendix A: Receipts and payments

	Notes	As at 16-Aug-16 £	Movement in year £	Cumulative to 16-Aug-17 £
Receipts				
Funds received from the Joint Administrators		90,696	-	90,696
Sale of trademarks		8,000	-	8,000
Other		123	427	550
Loans and advances		60,000	-	60,000
Contribution towards costs (received from BGC Brokers LLP)		17,074	-	17,074
Bank interest		113	70	183
VAT receipts - Administration & Liquidation	1	12,116	-	12,116
Output VAT		8,127	-	8,127
		<u>196,249</u>	<u>497</u>	<u>196,746</u>
Payments				
Legal fees - Administration		29,381	-	29,381
Legal fees - Liquidation		24,260	-	24,260
Statutory advertising		147	-	147
Loan to MARL		52,998	6,324	59,322
Bank charges		499	26	525
VAT payments - Liquidation		7,867	-	7,867
Irrecoverable input VAT	2	9,912	-	9,912
Recoverable input VAT	2	841	173	1,014
		<u>125,905</u>	<u>6,523</u>	<u>132,428</u>
Cash in hand	3	<u>70,344</u>	<u>(6,026)</u>	<u>64,318</u>

Notes:

1. VAT receipts include recoveries from the Administration
2. Only 16% of input VAT is recoverable.
3. Funds held in non-interest bearing bank account.

Appendix B: Expenses

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

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

	Expenses incurred to 16.08.16	Expenses incurred 17.08.16 to 16.08.17	Cumulative	Estimated future	Anticipated total
	£	£	£	£	£
Expenses incurred during the Administration					
Joint Administrators' time costs	125,017	-	125,017	-	125,017
Joint Administrators' disbursements	1,285	-	1,285	-	1,285
Legal fees - Administration	29,381	-	29,381	-	29,381
	<u>155,683</u>	<u>-</u>	<u>155,683</u>	<u>-</u>	<u>155,683</u>
Expenses incurred during the Liquidation					
Joint Liquidators' time costs	229,060	60,950	290,010	48,500	338,510
Joint Liquidators' disbursements	731	198	929	1,000	1,929
Legal and other professional costs	35,855	-	35,855	-	35,855
Statutory advertising	147	-	147	-	147
Loan to MARL	52,998	6,324	59,322	-	59,322
Bank charges	499	26	525	-	525
Other payments	-	-	-	1,000	1,000
Irrecoverable input VAT	9,912	-	9,912	-	9,912
	<u>329,202</u>	<u>67,498</u>	<u>396,700</u>	<u>50,500</u>	<u>447,200</u>
	<u>484,885</u>	<u>67,498</u>	<u>552,383</u>	<u>50,500</u>	<u>602,883</u>

Notes

The statement does not include unpaid/estimated future irrecoverable input VAT

Appendix C: Remuneration update

In accordance with Rule 4.127 IR86, the remuneration basis agreed in the Administration will continue in the Liquidation, and is on a time cost basis.

The Liquidators have incurred time costs of £60,950.40 plus VAT in the period from 17 August 2016 to 16 August 2017. This represents 145.10 hours at an average hourly rate of £420.06. A full analysis of these time costs is included in Section 5. No remuneration has been drawn to date. We think the fees eventually drawn may be restricted by the funds available.

Total time costs incurred for the Liquidation to 16 August 2017 are £290,010.29.

Our hours and average rates

Analysis of Liquidators' time costs for the period from 17 August 2016 to 16 August 2017

Classification of work type	Hours					Total hours	Total cost (£)	Average hourly rate
	Partner	Senior Manager	Manager	Senior Associate	Associate			
Strategy and planning			3.35	6.45		9.80	3,590.70	366.40
Statutory and compliance	0.70	1.20	6.80	18.40	1.60	28.70	10,351.10	360.67
Other assets	1.50	3.50	30.70	18.70		54.40	24,293.40	446.57
Unsecured creditors	0.10		1.50	3.20		4.80	1,748.00	364.17
Tax and VAT		0.85	8.60	24.65		34.10	18,136.85	531.87
Accounting and treasury			1.20	3.20	8.90	13.30	2,830.35	212.81
Sub-total	2.30	5.55	52.15	74.60	10.50	145.10	60,950.40	420.06
Brought forward from 16 August 2016						680.35	229,059.89	336.68
Overall total at 16 August 2017						825.45	290,010.29	351.34

Our time charging policy and hourly rates

We and our team charge our time for the work we need to do in the liquidation. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed and we supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the liquidation (including our cashiers, support and secretarial staff) charge time directly to the case and are included in any analysis of time charged. Each grade of staff has an hourly charge out rate which is reviewed from time to time. For the avoidance of doubt, work carried out by our cashiers, support and secretarial staff is charged on a time costs basis and is included in the analysis of hourly rates charged by partners or other staff members. Time is charged in three minute units (i.e. 0.05 units). We don't charge general or overhead costs.

We set out below the maximum charge-out rates per hour for the grades of our staff who already or who are likely to work on the liquidation.

Grade	From 1 July 2016 £	From 1 July 2017 £
Partner	840	865
Director	740	760
Senior manager	560	575
Manager	480	495
Senior associate – qualified	400	412
Senior associate – unqualified	295	304
Associate	250	258

We call on colleagues in our Tax, VAT, Real Estate and Pensions departments where we need their expert advice. Their specialist charge-out rates vary but the following are the maximum rates by grade per hour.

Grade	From 1 July 2016 £	From 1 July 2017 £
Partner	1,250	1,315
Director	1,175	1,235
Senior manager	1,170	1,230
Manager	700	735
Senior Associate / consultant	515	545
Associate / assistant consultant	255	310

In common with many professional firms, our scale rates may rise to cover annual inflationary cost increases.

Payments to associates

No payments to associates were made during the period.

Our work in the period

Earlier in this section we have included an analysis of the time spent by the various grades of staff.

Area of work	Work undertaken	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
Strategy and planning	<p>Allocating tasks between team members and following up on progress</p> <hr/> <p>Team meetings to review progress of case, agree priorities and discuss key issues</p>	Ongoing maintenance of the Liquidation	Overriding duty to realise the assets to the best advantage and distribute the proceeds, net of costs, among creditors and shareholders according to their rights
Statutory and compliance	<p>Preparing and circulating the Joint Liquidators' fifth progress report to MPL's members, creditors and the Registrar of Companies</p> <hr/> <p>Preparing details of the following for the Joint Liquidators' fifth progress report; receipts and payments account; expenses incurred but not yet paid and detailed time cost analyses</p>	Regulatory requirement	Required by statute
	<p>Dealing with the various on-going statutory, other regulatory and internal compliance procedures in the Liquidation e.g. providing regular updates on case progress to the Joint Liquidators</p> <hr/> <p>Dealing with general correspondence addressed to the Joint Liquidators</p>	Regulatory requirement	Required by statute
Other assets	<p>Liaising with the directors of MARL to obtain updates on their progress and to understand their strategy</p> <hr/> <p>Liaising with the directors of MARL and legal advisors regarding the share sale of MARL</p> <hr/> <p>Reviewing and completing share sale agreement</p> <hr/> <p>Assisting MARL to prepare its statutory annual accounts</p>	To derive value from the potential MARL asset	Overriding duty to realise the assets to the best advantage and distribute the proceeds, net of costs, among creditors and shareholders according to their rights

Creditors	Responding to creditors' enquiries regarding claims positions and reports, by email, post and phone	Ongoing maintenance of the Liquidation	Statutory duty to keep proper books and records to demonstrate transactions, assets and liabilities and copy correspondence
	Maintaining database of claims and creditors in preparation of potential dividend	Ongoing maintenance of the Liquidation	
Tax and VAT compliance	Preparing, reviewing and submitting VAT returns and general VAT compliance matters	In compliance with duties as proper officers for tax	In compliance with duties as proper officers for tax
	Responding to HMRC's enquiries regarding the corporation tax returns and the financial affairs of the Company		
Accounting and treasury	Processing of payments, receipts, journals and updating nominal ledger	Ongoing maintenance of the Liquidation	Statutory duty to keep proper books and records to demonstrate transactions, assets and liabilities and copy correspondence
	Reconciling post-appointment bank accounts to internal systems		
	Dealing with general accounting enquiries		

Our future work

The following work will be required before the Liquidation can be closed.

Area of work	Work to be undertaken	Estimated cost (£)	Whether or not the work will provide a financial benefit to creditors
Strategy and planning	Allocating tasks between team members and following up on progress	1,250	Overriding duty to realise the assets to the best advantage and distribute the proceeds, net of costs, among creditors and shareholders according to their rights
	Team meetings to review progress of case, agree priorities, discuss key issues and plan for closure	1,250	
Statutory and compliance	Dealing with the various on-going statutory, other regulatory and internal compliance procedures in the Liquidation e.g. providing regular updates on case progress to the Joint Liquidators	3,000	Required by statute

	Preparation and circulation of Liquidators' sixth annual progress report to creditors	6,000	
	Preparation and circulation of Liquidators' final progress report to creditors	6,000	
	Compliance requirements including six monthly and final review process	3,000	
	Closure requirements including holding of final meetings, cancelling bond insurance and review of books and records	2,000	
Other assets	Liaising with the directors of MARL to obtain updates on their progress and understand their strategy	2,500	Overriding duty to realise the assets to the best advantage and distribute the proceeds, net of costs, among creditors and shareholders according to their rights
Creditors	Responding to creditors' enquiries regarding claims positions and reports, by email, post and phone	1,750	Statutory duty to keep proper books and records to demonstrate transactions, assets and liabilities and copy correspondence
	Maintaining database of claims and creditors in preparation of potential dividend	1,250	
	Adjudicate any additional claims received	1,000	
	Preparation and distribution of first and final dividend to unsecured creditors	10,000	
Tax and VAT compliance	Preparation and submission to HMRC of post appointment VAT returns	4,500	In compliance with duties as proper officers for tax
	Obtain clearance from HMRC in order to close the Liquidation	1,000	
Accounting and treasury	Processing of payments, receipts, journals and updating nominal ledger	750	Statutory duty to keep proper books and records to demonstrate transactions, assets and liabilities and copy correspondence
	Reconciling post-appointment bank accounts to internal systems	1,750	
	Final reconciliation and closure of bank accounts	1,500	
Total		48,500	

Disbursements

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

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

The following disbursements arose in the period of this report.

Category	Policy	Costs incurred £
2	Photocopying - at 12 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	Nil
2	Mileage - At a maximum of 55 pence per mile (up to 2,000cc) or 75pence per mile (over 2,000cc)	Nil
1	Fides Charges	198
Total		198

Our relationships

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

Details of subcontracted work

We have not subcontracted any work during the period.

Legal and other professional firms

No professional firms were instructed during the period of this report.

Appendix D: Other information

Company's registered name:	Mint Partners Limited
Registered number:	04795286
Registered address:	7 More London Riverside, London SE1 2RT
Date of the Liquidators' appointment:	17 August 2011
Liquidators' names, addresses and contact details:	David Christian Chubb and Zelf Hussain of PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT Call Thomas Wadey on 0113 289 4322

Appendix E: Creditors' rights to opt out of receiving certain communications

The Insolvency (England and Wales) Rules 2016 (“IR16”)

Information provided to creditors on opting out in accordance with Rule 1.39

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

You have the right to elect to opt out of receiving further documents about these proceedings unless:

- (a) the Insolvency Act 1986 requires a document to be delivered to all creditors without expressly excluding opted-out creditors;
- (b) it is a notice relating to a change in the office-holder or the office-holder's contact details, or;
- (c) it is a notice of a dividend or proposed dividend or a notice which the court orders to be sent to all creditors or all creditors of a particular category to which the creditor belongs.

Any election to opt out will not affect a creditor's entitlement to receive dividends, should any be paid to creditors. Similarly, unless IR16 provide to the contrary, opting-out will not affect any right the creditor may have to vote in a decision procedure or participate in a deemed consent procedure in these proceedings, although the creditor will not receive notice of it.

If a creditor opts out, they will be treated as having opted out in respect of any consecutive insolvency proceedings of a different kind in respect of the same company.

A creditor can opt out at any time by delivering written notice to the office holder at the postal address noted in the covering correspondence or by e-mail to: creditorsenquiries@uk.pwc.com. The notice must be authenticated in accordance with rule 1.5 IR16 and dated by the creditor. A creditor will be treated as an opted-out creditor as soon as reasonably practicable after delivery of the creditor's election to opt out.

An election to opt out can be revoked at any time by delivering a further notice to the office-holder in writing, authenticated and dated by the creditor. A creditor ceases to be an opted-out creditor from the date the notice is received by the office holder.

Should you have any questions on this process, please use the contact details in the covering correspondence.