

Liquidator's Progress Report

Pursuant to Sections 92A, 104A and 192 of the
Insolvency Act 1986

S.192

To the Registrar of Companies

Company Number

04096093

Name of Company

(a) Insert full name of
company

(a) Southern Pacific Personal Loans Limited

(b) Insert full name(s)
and address(es)

We, Ian Christopher Oakley Smith and Julian Guy Parr, of
PricewaterhouseCoopers LLP, 7 More London, Riverside, London,
SE1 2RT, the liquidators of the company, attach a copy of our Progress
Report under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 4 September 2015 to
3 September 2016

Signed:



Date 31/10/2016

Presenter's name,
address and
reference
(if any)

Luke Wolf
PricewaterhouseCoopers LLP
Central Square
29 Wellington Street
Leeds
LS1 4DL

SATURDAY



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COMPANIES HOUSE

Southern Pacific Personal Loans Limited – in Liquidation

Joint Liquidators 4th progress report

For the period from 4 September 2015 to
3 September 2016

1 November 2016





To all known members and creditors

1 November 2016

Dear Sir/Madam

Southern Pacific Personal Loans Limited – in creditors’ voluntary liquidation (the Company)

This is our 4th progress report to members and all known creditors in the above liquidation for the period 4 September 2015 to 3 September 2016

If you have any queries in connection with this report, please contact Luke Wolf on 0113 289 4254

Yours faithfully
For and on behalf of the Company

A handwritten signature in black ink, appearing to read 'Ian Oakley Smith'.

Ian Oakley Smith
Joint Liquidator

Ian Oakley Smith and Juhan Guy Parr are both 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

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>

Definitions used in this report

Definition used	Term
the Company SPPL	Southern Pacific Personal Loans Limited
the Liquidators we our	Ian Christopher Oakley Smith and Julian Guy Parr
the Rules	Insolvency Rules 1986
PPI	Payment Protection Insurance
DSAR	Data Subject Access Request
Acenden	Acenden Limited (the former mortgage administrators)
Data Destruction Agreement	The agreement between Acenden, the Company and the Liquidators dated 22 December 2015 to destroy records held by Acenden belonging to the Company
ICAEW	Institute of Chartered Accountants in England and Wales
DPA	Data Protection Act 1998
CMC	Claims Management Company
FSCS	Financial Services Compensation Scheme

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1. Introduction

1.1. Why we're sending you this report

This is our fourth progress report to members and creditors. It will help if you read this alongside our previous progress reports.

This report provides a summary of

- The steps taken during the fourth year of the liquidation, and
- Outstanding matters

In Section 2 we provide more detailed information on what we've been doing during the period covered by this report and in Section 3 we provide information as to what the outcome for creditors has been.

By law, we have to give you certain statutory information, this is included in Appendix A.

1.2. Dividends

	% Recovery	Date
Unsecured creditors: i.e. all other creditors who are neither secured nor preferential:	100%	Declared - 30 August 2016 Paid – 5 September 2016

Unsecured creditors that have been admitted for dividend purposes have been paid in full. It is anticipated that, if there are any further realisations, statutory interest from the date of appointment will be paid in due course.

2. Progress made during the period

2.1. Assets realisations

During the period we've realised the Company's assets and received other funds as follows:-

	<i>Actual realisations</i> <i>£</i>
Assets not specifically pledged to a creditor(s)	
Book debts	8,791
DSARs	1,050
Gross interest received	19,090
Inter-company debtor	13,000,000
Contribution to Legal Fees (discharge requests)	5,500
	13,034,431

2.2. Assets not specifically pledged to a creditor(s)

2.2.1. Book debts

We have received £8,791 in the period in relation to miscellaneous book debts

2.2.2. DSARs

We have banked £1,050 in relation to £10 cheques received with DSARs

2.2.3. Gross interest

The Company's funds are held in an interest bearing account. Interest of £19,090 has been received in the period

2.2.4. Inter-company debtor

As previously reported, Resetfan Limited owes the Company £55m for unpaid preferential shares. During the period £13m of this debt has been received

It is anticipated that additional amounts will be received in due course however the timing and quantum of any amounts are still unknown

2.2.5. Contribution to Legal Fees (discharge requests)

These contributions relate to requests to the Liquidators for removal of charges from title deeds. As mentioned in the last report we have no legal obligation to deal with these requests, but in the interests of convenience to both parties, on payment of a contribution to costs by the individuals, these requests are dealt with

During the period £5,500 has been received in respect of these contributions

2.3. Other matters

2.3.1 DSARs and data destruction

We have continued to deal with DSAR requests in accordance with the Company's responsibilities under the DPA. A total of 244 DSAR requests were received in the period. Of these many were invalid (ie no cheque and/or authority received) and were returned for re-submission. A total of 207 valid DSARs were received and submitted to Acenden who holds the relevant data. Of the 207 valid DSARs 153 of these were found not to relate to the Company once Acenden had reviewed the records.

In the interest of keeping the costs of processing DSARs to a minimum, in the latter part of the period, cheques for the £10 DSAR fee were only banked if DSARs were found to relate to the Company.

A Data Destruction Agreement was entered into on 22 December 2015, between Acenden and SPPL with an intended destruction starting date of 2 February 2016. However due to delays in Acenden supplying the Company with information that had been requested in support of the claims adjudication process, this date was not met.

Subsequently, the Company received a large claim in relation to compensation that had been paid by the FSCS, government backed scheme, to more than 1,500 customers (discussed further below). This claim necessitated us to request large amounts of extra information from Acenden which delayed the data destruction exercise further until the claim had been dealt with.

Once the claims adjudication process had been completed and the first and final dividend declared we instructed Acenden to commence the destruction of the data pursuant to the Data Destruction Agreement. Acenden has confirmed that the data is no longer accessible in its systems, and as such, from 27 September 2016 we are unable to process DSAR and information requests.

We understand that the broker we previously reported to be in negotiations with Acenden for access to client records relating to its customers, resolved its issue directly with Acenden some time ago.

2.3.2. PPI and claims for mis-sold loans

A large amount of correspondence was received from people (many via CMCs) indicating that they wished to make a claim for PPI or other mis-selling of their loans.

The number of PPI claims and complaints relating to mis-sold loans received in the period total 167. Many claimants addressed their claims to multiple parties, who then forwarded the duplicate claim on to us. The 167 therefore does not reflect the number of pieces of correspondence we have had to deal with.

As previously reported, any claimant pursuing a claim relating to PPI, undisclosed commission regarding PPI or other mis-sold loans or products in relation to the Company should have directed their claim to the broker that sold the loan or associated products.

The vast majority of claimants did not specify any exact value and have not been treated as formally submitted claims. All claimants, however, were given the opportunity to submit formal claims for adjudication in the Liquidation if they so chose.

In view of the fact that it would have been the brokers that were responsible for dealing with PPI or mis-selling claims, where claimants formally submitted a claim in relation to PPI and mis-selling, within the relevant timescale, all such claims were rejected.

2.3.3. Other claims

The claims adjudication process has not been straightforward due to the nature of correspondence/claims received from former clients of the Company, many of whom did not specify an exact figure nor substantiate their claim. For the purposes of adjudication and to ensure that all matters were robustly dealt with such claims were given an arbitrary value of £0.01. These claims then proceeded through the normal claims adjudication process and all were eventually rejected due to lack of sufficient supporting evidence.

A total of 73 claims were deemed formally submitted amounting to £16,401,242. Of these, 62 claims, totalling £308,655 were rejected, 2 totalling £5,806,072 were withdrawn, and 9 claims totalling £10,286,517 were admitted for dividend purposes.

Throughout the liquidation, we have scrutinized correspondence received from clients and where they have indicated that they may have a claim against SPPL, we have requested them to submit a formal claim with supporting documentation. Many of them did not respond to our initial correspondence, however, as part of our robust claims process these former clients were treated as potential creditors for the purpose of issuing a notice of intention to declare a dividend ("NOID") which gave a deadline of 30 June 2016 for creditors to submit claims. A substantial amount of time was spent reviewing previous correspondence to ensure that all potential creditors were found and issued with a NOID.

A first and final dividend to unsecured creditors of 100p in the £ was declared on 30 August 2016 and has been paid following the period end.

As mentioned above, a large claim was submitted in relation to compensation payments made to former customers by the FSCS. The initial claim submitted by the FSCS covered more than 1,500 claimants that had been paid a total of around £5,000,000 in compensation by the FSCS and included an amount of more than £750,000 to cover expected future compensation payments.

On initial review it was apparent that a large proportion of the claim related to customers of a number of companies, rather than SPPL. Extensive work was therefore done to identify the accounts relevant to SPPL and to verify whether the claims fell into relevant statutory timelines.

In addition there were many other aspects to the claim that required legal input as the claim had been made based on a recent decision of the Supreme Court, certain implications of which, particularly when considered in conjunction with the relevant legislation, are likely to be the subject of future court hearings. The legal issues are extremely complicated and the FSCS indicated it would make an application to court in the event that the liquidators simply rejected the claim. After lengthy discussions between our legal advisers and those of the FSCS, an agreement was reached for the claim to be withdrawn by the FSCS and settled, without any admission of liability on the part of the Company, outside the claims adjudication process.

This was considered in the best interests of creditors and members as a whole considering the uncertainty in the timing and potential cost of what we considered would be lengthy and expensive court proceedings following an application to court by the FSCS to appeal a rejection.

2.3.4. Requests for removal of charges from title deeds

We have continued to deal with removal of charge requests upon receipt of a contribution towards costs.

As previously reported we have been investigating the possibility of carrying out a blanket exercise to discharge all of the remaining charges in the Company's name on properties in Scotland. This has proved a more difficult exercise than anticipated as the process is complicated, but we are currently liaising with the Scottish Registry to try and estimate the maximum cost of such an exercise.

Given that dealing with discharges is not one of a liquidators' duties and that the cost of this exercise will not be recovered from the relevant clients, once the extent of the potential cost is known we shall review this against the benefit of bringing this matter to a satisfactory conclusion for all parties.

2.3.5. Distribution to member

The £55m debt previously discussed, of which £13m has been received, is owed by a member company, holding both preference and ordinary shares. Should there be any further realisations then any residual amounts, following payment of statutory interest to unsecured creditors and settling all liquidation costs, will be distributed to the member in accordance with SPPL's Articles of Association.

2.4. Statutory and compliance

The Company continues to be a member of the larger VAT group and is included in quarterly group VAT submissions

The annual corporation tax return has been completed and submitted in the period.

3. Outcome for creditors

3.1. Unsecured creditors

There are no secured or preferential creditors of the Company

The prescribed part is a fund that has to be made available for unsecured creditors. It's paid out of "net property". Net property is floating charge realisations after costs, and after paying - or setting aside enough to pay - preferential creditors in full. But it only has to be made available where the floating charge was created on or after 15 September 2003.

In this case the prescribed part doesn't apply because there is no floating charge registered against the Company.

A notice of intention to declare a first and final dividend was sent to all known creditors, who had not already submitted a claim, on 13 May 2016. This notice was also widely advertised in various national newspapers on 16 May 2016 to ensure all potential creditors were given every opportunity to submit a claim against the Company.

The last date for proving claims was the 30 June 2016 and subsequently a first and final dividend of 100p in the £ was declared to all admitted creditors on 30 August 2016. This dividend was paid following the period end on 5 September 2016.

Although additional statutory interest may be paid to these unsecured creditors in due course, depending on any possible future realisations, there will be no further dividends to unsecured creditors.

4. Liquidators' fees and other financial information

4.1. Our fees

You may recall that at the first meeting of creditors held on 5 September 2012 a resolution was passed to enable us to draw remuneration by reference to the time properly given us and our staff in attending to the matters arising in the liquidation. Fees have been drawn pursuant to that resolution

In the current period to 3 September 2016, we have incurred time costs of £489,996. This represents 1,348 hours at an average hourly rate of £363.59. This compares with the average hourly rate at the time of our last progress report of £319.29. Total time costs to date are £1,565,108 against which £1,185,128.40 has been drawn and the balance is expected to be drawn in due course. These figures include changes in charge out rates effective from 1 July each year, following the fee resolution, for our staff.

Further details of our fees and a break-down of the activities we have spent our time on is detailed at Appendix C.

4.2. Our disbursements

We've incurred disbursements of £2,563 during the period and we've drawn £244 of these. The remaining balance is due to be drawn imminently. Further details are provided in Appendix C.

4.3. Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 4.49E of the Rules. Any request must be in writing. Creditors can also challenge the liquidators' fees and expenses within eight weeks of receiving this report as set out in Rule 4.131 of the Rules. This information can also be found in the guide to fees at

<http://www.icaew.com/~media/corporate/files/technical/insolvency/creditors%20guides/creditors%20guide%20liquidators%20fees%20final.ashx>

You can ask for a copy free of charge by calling Luke Wolf on 0113 289 4254.

4.4. Receipts and payments account

A receipts and payments account for the period 4 September 2015 to 3 September 2016 is provided in Appendix B.

4.5. Statement of expenses

A statement of expenses for the period is provided in Appendix D.

This statement doesn't include any tax liabilities that may be payable for the period of this report as this will depend on the position at the end of the accounting period.

Appendix A. - Statutory and other information

Name of company:	Southern Pacific Personal Loans Limited
Registered number	04096093
Registered office	Central Square, 29 Wellington Street, Leeds, LS1 4DL
Former company names	N/A
Trading names	London Personal Loans
Trading address	St Johns Place, Easton Street, High Wycombe, HP11 1NL
Names of liquidators	Ian Christopher Oakley Smith (4 September 2012 – present) Julian Guy Parr (22 March 2013 – present) Derek Anthony Howell (4 September 2012 – 22 March 2013)
Date of liquidators appointment:	4 September 2012
Details of change in liquidators	Julian Guy Parr replaced Derek Anthony Howell on 22 March 2013
Estimated dividend for preferential creditors	N/A
Estimated dividend for unsecured creditors	Already paid – 100p in the £
Estimated values of the Company's net property and prescribed part	N/A
Whether and why the Liquidators intend to apply to court under Section 176A(5) IA86	N/A

Appendix B. - Receipts and payments account for the period

Southern Pacific Personal Loans Limited in Creditors Voluntary Liquidation

Summary of Financial Information (GBP)

Directors Statement of Affairs	Total as at 4 September 2015	Movement in period	Total as at 3 September 2016	Estimated Future Movement (closure within twelve months)	Estimated Final Outcome
£	£	£	£	£	£
Receipts					
Book debt	1 455 98	8 791 19	10 247 17		10 247 17
3 138 644 47 Pre appointment funds	3 139 200 76	-	3 139 200 76		3 139 200 76
101 000 00 Sale of tax losses	91 529 69	-	91 529 69		91 529 69
10 709 60 Release of funds held by third party	10 714 87		10 714 87		10 714 87
21 595 44 Release of funds held by group company	20 946 62		20 946 62		20 946 62
Refund of creditor balance at Land Registry	1 091 00		1 091 00	-	1 091 00
Data subject access requests ("DSARs")	8 030 00	1 050 00	9 080 00	-	9 080 00
Gross interest received	21 124 81	19 089 62	40 214 43	5 000 00	45 214 43
Uncertain Inter-company debtor		13 000 000 00	13 000 000 00	UNKNOWN	UNKNOWN
Contribution to legal fees (discharge requests)	13,500 00	5 500 00	19 000 00	1 000 00	20 000 00
Refunds	273 33		273 33	-	273 33
3,271,949.51	3,307,867 06	13 034,430 81	16,342 297 87	UNKNOWN	UNKNOWN
Payments					
Legal fees	(390,475 08)	(144 175 00)	(534 650 08)	(150 000 00)	(684 650 08)
Legal disbursements	(10 272 94)	(2 347 99)	(12 620 93)	(1 000 00)	(13 620 93)
Professional fees (DSAR related)	(201 525 00)	(7 750 00)	(209 275 00)	UNKNOWN	UNKNOWN
Professional fees (data destruction)		(6 280 20)	(6 280 20)	(268 289 00)	(274 569 20)
Statement of affairs fee	(20 000 00)		(20 000 00)		(20 000 00)
Office holder's fees (time cost basis)	(762,509 10)	(422 619 30)	(1 185 128 40)	(629 979 65)	(1 815 108 05)
Office holder's disbursements	(8 529 50)	(4 484 31)	(13 013 81)	(3 000 00)	(16 013 81)
Statutory and other advertising	(730 84)	(2,488 62)	(3 219 46)	(1 080 40)	(4 299 86)
Data Protection Act fees	(105 00)	(35 00)	(140 00)		(140 00)
Bank charges	(335 24)	(102 40)	(437 64)	(150 00)	(587 64)
Unclaimed dividend fee	-	-		(25 75)	(25 75)
Settlement agreement		(1 300 000 00)	(1 300 000 00)		(1 300 000 00)
Batch discharge of historic charges		-		(45 000 00)	(45 000 00)
	(1,394,482 70)	(1,890,282 82)	(3,284,765 52)	UNKNOWN	UNKNOWN
VAT (irrecoverable)	(252 602 69)	(118 577 83)	(371 180 52)	(227 262 01)	(598 442 53)
VAT payable		150 00	150 00	(150 00)	
	1,640,781 67	11 025 720 16	12 666,501 83	UNKNOWN	UNKNOWN
Balance					
	1,660,781 67	11 025 720 16	12,686,501 83	UNKNOWN	UNKNOWN
Distributions*					
First and final distribution to unsecured creditors of 100p in the £		-		(10 286 517 29)	(10 286 517 29)
Statutory interest accrued on first and final distribution		-		UNKNOWN	UNKNOWN
Cash at bank	1 660 781 67		12,686,501 83		-

Notes

Funds are held on an interest bearing account

All figures are net of VAT

VAT is irrecoverable due to the VAT status of the Company's former business

The Prescribed Part provisions do not apply in this matter

The distribution was declared on 30 August 2016 however was paid after the period end

Appendix C. - Details of our remuneration and disbursements and other professional costs

Background

This section sets out the process that was established for setting and monitoring the Liquidators' remuneration

The basis of our fees and certain disbursements was agreed at the meeting of creditors on 5 September 2012

The basis of our fees is by reference to time properly given Details of the amount we have drawn can be found in Section 4

Liquidators' charging policy

The time charged to the liquidation is by reference to the time properly given by our staff and us in attending to matters arising

It is our policy to delegate tasks in the Liquidation to appropriate members of staff, considering their level of experience and any requisite specialist knowledge needed and they are supervised accordingly to maximise the cost effectiveness of the work performed

Our junior people have done the routine work in the liquidation to keep the costs down But we and our senior staff have supervised them and we have dealt with any complex or significant matters ourselves.

Matters of particular complexity or significance requiring more exceptional responsibility are undertaken by senior staff or ourselves

Narrative of key areas of work carried out for the period 4 September 2015 to 3 September 2016

There remain a number of distinct work streams within the work we have done It should be noted that individuals will have worked in more than one area The activities of these work streams are summarised below:

Area of work	Activities completed	Purpose/benefit to creditors
Strategy and planning	<ul style="list-style-type: none"> Internal reviews, Case progression meetings, Preparation of estimated outcome statement; and Strategy meetings concerning resolution of outstanding issues including seeking legal advice 	<ul style="list-style-type: none"> To ensure the Liquidation strategy is appropriate and leads to the best outcome for creditors
Assets	<ul style="list-style-type: none"> Dealing with correspondence relating to Resetfan debt, Producing outcome statements and communicating required receipts in relation to Resetfan debt, Dealing with correspondence relating to other debtors, and 	<ul style="list-style-type: none"> To increase realisations and ensure best outcome to creditors

Area of work	Activities completed	Purpose/benefit to creditors
Creditor claims and distribution	<ul style="list-style-type: none"> Submitting claim against another company in insolvency proceedings Dealing with claims received, including PPI and client related claims; Dealing with queries and questions from potential creditors, Review of all previous correspondence to ensure all potential creditors captured to be able to issue NOID, Drafting, issuing and advertising NOID, Setting strategy for dealing with claims received from former customers; Adjudicating upon claims; Detailed comparison of information supplied by claimant with the Companies information and records, Negotiations of settlement agreement, Drafting settlement agreement, Declaring and preparing first and final dividend; Detailed review of Company data and doing numerous analyses of data to deal with large compensation claim, and Multiple meetings and calls with lawyers and the FSCS 	<ul style="list-style-type: none"> Work is required by statute, To ensure creditors claims are adjudicated correctly; and To provide best outcome to admitted creditors
Accounting and treasury	<ul style="list-style-type: none"> Regular bank reconciliations, Processing payment requests and banking of receipts; Receiving, coding, and banking £10 cheques in respect of the DSARs; and Raising payments for distribution/dividend 	<ul style="list-style-type: none"> Fundamental to proper management of the Liquidation and stewardship of the estate funds.
Inter company reporting	<ul style="list-style-type: none"> Strategy meetings concerning other companies within the group regarding timings of distributions and receipts and tax consequences. 	<ul style="list-style-type: none"> Following the distribution of 100p in the £ to unsecured creditors, the remaining group members hold significant financial interest in any further distributions to members
Statutory and compliance	<ul style="list-style-type: none"> Internal compliance procedures, Statutory issues surrounding data protection and DSARs, and 	<ul style="list-style-type: none"> Work is required by statute, and Work is essential for case administration

Area of work	Activities completed	Purpose/benefit to creditors
	<ul style="list-style-type: none"> Preparing and sending out the statutory progress report for year ended 3 September 2015 	
Tax & VAT	<ul style="list-style-type: none"> Preparation and submission of tax return to 3 September 2015, and Preparation and submission of regular VAT returns. 	<ul style="list-style-type: none"> Work is required by statute. Work is necessary for general case progression
Data Subject Access Requests ("DSARs")	<ul style="list-style-type: none"> Dealing with daily correspondence received from former SPPL customers submitting DSARs – both valid and invalid requests, Requesting data from Acenden to comply with DSARs; Copying and sending received information to legal agents to redact and send on to former customers, Correspondence in respect of invalid DSAR submissions, Responding to those valid DSAR submissions which are found to not relate to the Company, and Keeping a record of all requests and progress 	<ul style="list-style-type: none"> Incidental to proper management of the Liquidation, and Work is required by statute
Payment Protection Insurance ("PPI") - complaints and claims	<ul style="list-style-type: none"> Dealing with correspondence received from former SPPL customers in respect of PPI and other claims relating to point of sale, Responding to all correspondence received in relation to PPI claims; and Responding to all correspondence in relation to undisclosed commission on PPI claims 	<ul style="list-style-type: none"> Incidental to proper management of the Liquidation, and To ensure all creditors are investigated and provided the opportunity to claim in the Liquidation
Removal of historic charges from Land Registry	<ul style="list-style-type: none"> Dealing with requests from former SPPL customers to remove redeemed secured charges from Land Registry; Phone calls from former SPPL customers regarding their redeemed secured charges; Investigations into potential costs and requirements removal of satisfied Scottish charges, Liaising with solicitors regarding blanket removal of satisfied charges from Scottish registers, and 	<ul style="list-style-type: none"> Incidental to proper management of the Liquidation; and To facilitate a practical solution to outstanding charges on former customer properties

Area of work	Activities completed	Purpose/benefit to creditors
	<ul style="list-style-type: none"> • Liaising with solicitors regarding the residual titles in England and Wales and the transfer of these to the relevant SPVs. 	
Destruction of the Company's client data	<ul style="list-style-type: none"> • Various meetings with solicitors and Acenden to plan for destruction of client data and associated planning for those meetings, • Various consultation with solicitors and internal specialist staff regarding DPA requirements of data destruction, • Correspondence with Acenden regarding the costs and planning for destruction and finalisation of the outstanding issues, • Concluding the data destruction agreement with solicitors, and • Continuous monitoring of position and ensuring outstanding requests are satisfied 	<ul style="list-style-type: none"> • Incidental to proper management of the Liquidation, and • To reduce unnecessary additional cost to process DSARs; and • To comply with DPA requirements.

Our future work

We have assumed for the purposes of this report that all matters will be completed in the next twelve months. The estimated cost is £250,000 as calculated in the table below.

Area of work	Activities to complete	Purpose/benefit to creditors	Estimated future
Strategy and planning	<ul style="list-style-type: none"> • Internal reviews, • Case progression meetings, • Updates of estimated outcome statement, and • Strategy meetings concerning resolution of outstanding issues including seeking legal advice. 	<ul style="list-style-type: none"> • To ensure the Liquidation strategy is appropriate and leads to the best outcome for creditors 	£5,000
Creditor claims and distribution	<ul style="list-style-type: none"> • Dealing with queries and questions from existing creditors; • Further work into collecting final realisations and paying statutory interest, and • Final distributions of remaining balance to members. 	<ul style="list-style-type: none"> • Work is required by statute, • To ensure creditors claims are adjudicated correctly, and • To provide best outcome to 	£20,000

Area of work	Activities to complete	Purpose/benefit to creditors	Estimated future
		admitted creditors	
Accounting and treasury	<ul style="list-style-type: none"> Regular bank reconciliations, Processing payment requests and banking of receipts, Receiving, coding, and banking £10 cheques in respect of the DSARs, and Raising payments for distributions 	<ul style="list-style-type: none"> Incidental to proper management of the Liquidation. 	£10,000
Inter company reporting	<ul style="list-style-type: none"> Strategy meetings concerning other companies within the group regarding timings of distributions/receipts and tax consequences 	<ul style="list-style-type: none"> Following the distribution of 100p in the £ to unsecured creditors, the remaining group members hold significant financial interest in any further distributions to members 	£25,000
Statutory and compliance	<ul style="list-style-type: none"> Internal compliance procedures, Statutory issues surrounding data protection, and Preparing and sending out the statutory progress report for year ended 3 September 2016 	<ul style="list-style-type: none"> Work is required by statute, and Work is essential for case administration 	£50,000
Tax & VAT	<ul style="list-style-type: none"> Preparation and submission of tax return to 3 September 2016, and Preparation and submission of regular VAT returns 	<ul style="list-style-type: none"> Work is required by statute Work is necessary for general case progression 	£25,000
Closure procedures	<ul style="list-style-type: none"> Obtaining clearance from agents, Obtaining tax and pensions clearance, Drafting and issuing final progress report, Convening final creditors meeting, and Case file archiving and database closure 	<ul style="list-style-type: none"> Statutory requirement 	£35,000
Data Subject Access Requests ("DSARs")	<ul style="list-style-type: none"> Dealing with daily correspondence received from former SPPL customers submitting DSARs – both valid and invalid requests, 	<ul style="list-style-type: none"> Incidental to proper management of the Liquidation; and 	£15,000

Area of work	Activities to complete	Purpose/benefit to creditors	Estimated future
	<ul style="list-style-type: none"> • Requesting data from Acenden to comply with DSARs*, • Copying and sending received information to legal agents to redact and send on to former customers*, • Correspondence in respect of invalid DSAR submissions*; • Responding to those valid DSAR submissions which are found to not relate to the Company*, and • Keeping a record of all requests and progress * <p>*Please note that from 27 September 2016 (the date the data relating to former customer accounts was put beyond use) DSAR and information requests will be responded to advising that the customer information is no longer available.</p>	<ul style="list-style-type: none"> • Work is required by statute 	
Payment Protection Insurance ("PPI") - complaints and claims	<ul style="list-style-type: none"> • Dealing with correspondence received from former SPPL customers in respect of PPI and other claims; • Responding to all correspondence received in relation to PPI creditor claims, and • Responding to all correspondence in relation to undisclosed commission on PPI claims 	<ul style="list-style-type: none"> • Incidental to proper management of the Liquidation. 	£15,000
Removal of historic charges from Land Registry	<ul style="list-style-type: none"> • Dealing with requests from former SPPL customers to remove redeemed secured charges from Land Registry, • Phone calls from former SPPL customers regarding their redeemed secured charges, • Investigations into potential costs and requirements removal of satisfied Scottish charges; • Liaising with solicitors regarding blanket removal of satisfied charges from Scottish registers; and • Liaising with solicitors regarding the residual titles in England and Wales and the transfer of these to the relevant SPVs where possible 	<ul style="list-style-type: none"> • Incidental to proper management of the Liquidation; and • To facilitate a practical solution to outstanding charges on former customer properties 	£25,000
Destruction of the Company's client data	<ul style="list-style-type: none"> • Various meetings with Acenden to monitor destruction of client data and 	<ul style="list-style-type: none"> • Incidental to proper management of the 	£25,000

Area of work	Activities to complete	Purpose/benefit to creditors	Estimated future
	<ul style="list-style-type: none"> associated planning for those meetings; Various consultation with solicitors and internal specialist staff regarding DPA requirements of data destruction, Correspondence with Acenden regarding the costs and planning for destruction and finalisation of the outstanding issues, Continuous monitoring of position and ensuring outstanding requests are satisfied 	<ul style="list-style-type: none"> Liquidation, and To reduce unnecessary additional cost to process DSARs, and To comply with DPA requirements. 	
Total			£250,000

The expected future time costs are estimates only. Due to the nature of the outstanding tasks and the uncertainty in the work required for their progression, accurate estimates are very difficult to ascertain.

Hourly rates

In common with all professional firms, scale rates increase from time to time over the period of the administration of each insolvency case. PricewaterhouseCoopers LLP, or any successor firm, reserves the right to change the rates and grade structures. During the period covered by this report the charge out rates were increased on 1 July 2016.

Set out below are the relevant maximum charge-out rates per hour worked for the grades of staff actually involved on this assignment. All staff who work on this assignment (including cashiers, support and secretarial staff) charge time directly to the assignment and are included within any analysis of time charged. Time is charged by reference to actual work carried out on the assignment in six minute units. The minimum time charged is three minutes (i.e. 0.5 units). There was no allocation of any general costs or overhead costs.

The figures below provide an indication of the maximum rate per hour.

Grade	Maximum rate per hour (Effective from 1 July 2015) (£)	Maximum rate per hour (Effective from 1 July 2016) (£)
Partner	825	840
Director	725	740
Senior Manager	550	560
Manager	470	480
Senior Associate	390	400
Associate	245	250
Support staff	123	125

Our relationships

We have had 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

Disbursements for services provided by our firm (Category 2 disbursements)

Our firm's expenses policy allows for all properly incurred expenses to be recharged to the case. Disbursements were charged to the assignment as follows

Photocopying	At 5 pence per sheet copied, only charged for circulars to creditors and other bulk copying
Mileage	At a maximum of 67 pence per mile (up to 2,000cc) or 80 pence per mile (over 2,000cc)

Our disbursements in the period

We have incurred the following disbursements (excluding VAT) in the period

Category 1:	£	Category 2:	£
Archiving Costs	26 14	Mileage	-
Car Parking	27 07	Printing	1,581.42
Postage	68 10	Total:	1,581.42
Hotels/Accommodation	79.17		
Rail Fares	714		
Subsistence	66 84		
Total:	981.32		

The statement of expenses at Section 6 show what we have drawn in total in relation to our disbursements.

Other professional advisors we've used

A summary of legal and other professional firms and subcontractors instructed in the period is below

Name of firm / organisation	Service provided	Reason selected	Basis of fees	Amount paid in period (£)
Reed Smith LLP	Legal Advice	Expertise	Time-cost basis	144,175
Solex Legal Services Limited	Redaction of information	Expertise	Fixed fee	7,750
Acenden Limited	Data storage and supply of information for DSARs and other matters relating to client accounts	Former mortgage administrators, and Holder of client records	Fixed fee (for DSAR's and destruction) and time-cost basis for other work	-

Our choice was based on the advisers' experience, the complexity and type of work and the basis of the fee arrangement. We're satisfied that the fees charged are reasonable.

Southern Pacific Personal Loans Limited - in CVL

Analysis of time costs for the period from 4 September 2015 to 3 September 2016

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours	Time cost £	Cumulative time cost £	Average hourly rate £
1 Strategy & Planning	-	8 60	0 80	19 05	4 10	19 75	0 70	53 00	22,206 35	128,427 50	418 99
2 Administration	-	-	-	-	-	-	-	-	-	2,563 25	-
3 Assets	-	-	-	45 35	-	2 75	-	48 10	22,015 25	25,102 75	457 70
4 Investigations	-	-	-	-	-	-	-	-	-	544 50	-
5 Creditors and distributions	-	18 70	1 10	263 30	91 65	174 40	-	549 15	218,689 25	273,102 65	398 23
6 Accounting and treasury	-	0 10	0 30	3 45	8 80	59 41	-	72 06	19,907 25	93,456 90	276 26
7 Inter company reporting	-	-	-	11 95	1 00	-	-	12 95	6,052 50	28,332 50	467 37
8 Statutory and compliance	1 60	6 20	0 75	19 00	2 70	49 45	-	79 70	28,396 75	95,204 65	356 30
9 Tax & VAT	0 10	-	0 80	4 10	23 75	6 00	0 10	34 85	13,219 30	31,174 45	379 32
10 Closure procedures	-	-	-	2 70	-	-	-	2 70	1,269 00	2,487 00	470 00
11 Data Subject Access Requests ("DSARs")	-	-	0 35	19 00	6 15	152 15	-	177 65	49,095 50	460,300 90	276 36
12 Payment Protection Insurance ("PPI") - complaints and claims	-	-	0 20	20 75	4 55	121 10	-	146 60	41,450 00	250,917 05	282 74
13 Removal of historic charges from Land Registry	-	0 10	-	2 95	3 40	12 75	-	19 20	5,930 75	32,309 25	308 89
14 Destruction of the Company's client data	-	-	12 50	84 35	11 65	43 20	-	151 70	61,764 50	141,184 70	407 15
Total for the period	1 7	33 7	16 8	496 0	157 8	641 0	0 8	1,347 66	489,996 40	1,565,108 05	363 59

Brought forward at 4 September 2015*

1,075,111 65

Total

5,018 50

Maximum charge out rates per hour	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support Staff
- Liquidators' staff (effective from 1 July 2015)	825	725	550	470	390	245	123
- Liquidators' staff (effective from 1 July 2016)	840	740	560	480	400	250	125

* Please note, the previously reported figure was incorrectly understated by £1,040 25 - This was due to a formula error

Appendix D. - Statement of expenses for the period

The Rules requires this progress report to include a statement of expenses incurred by the Liquidators during the period of the report, irrespective of whether payment has been made or not. This relates to all costs incurred, and not just the Liquidators' disbursements. Such a summary of expenses is found below

Category	Unpaid expenses brought forward at 4 September 2015	Amount incurred in period	Amount paid in period	Amount outstanding
	£	£	£	£
Legal fees	15,593	218,742	144,175	90,160
Legal disbursements	45	19,403	2,348	17,100
Professional fees - Solex	1,250	8,000	7,750	1,500
Professional fees - Acenden (1)	60,105	Uncertain	-	Uncertain
Professional fees - data destruction	-	6,280	6,280	-
Office holder's fees	311,562	491,037	422,619	379,980
Office holders disbursements (2)	4,241	2,563	4,484	2,319
Statutory and other advertising	-	2,489	2,489	-
Data Protection Act fees	-	35	35	-
Bank charges	-	102	102	-
Settlement Agreement	-	1,300,000	1,300,000	-
Total	392,796	Uncertain	1,890,283	Uncertain

Notes

Figures are shown net of VAT. Where expenses are subject to VAT, the VAT will be irrecoverable.

1. We have not received an invoice from Acenden since 2015 although this has been requested. Invoices received up to early 2015 are also awaiting clarification. In addition, a large amount of necessary information has been requested in relation to creditors' claims, the cost of which is currently to be agreed - awaiting necessary invoices from Acenden.

2. The previous unpaid disbursements figure was understated and has now been corrected following a detailed reconciliation.

Future expenses

The following table shows an estimate of further expenses we consider will be (or are likely to be) incurred.

Category	Amount outstanding	Amount expected to be incurred
	£	£
Legal fees	90,160	59,840
Legal disbursements	17,100	1,000
Professional fees - Solex	1,500	2,000
Professional fees - Acenden - DSA Rs (1)	Uncertain	-
Professional fees - Acenden - data destruction	-	268,289
Office holder's fees	379,980	250,000
Office holders disbursements	2,319	681
Bank charges	-	150
Statutory and other advertising	-	1,080
Batch discharge of historic charges	-	45,000
Unclaimed dividend fee	-	26
Total	Uncertain	628,066

Notes

Figures are shown net of VAT. Where expenses are subject to VAT, the VAT will be irrecoverable.

1. We have not received an invoice from Acenden since 2015 although this has been requested. Invoices received up to early 2015 are also awaiting clarification. In addition, a large amount of necessary information has been requested in relation to creditors' claims, the cost of which is currently to be agreed - awaiting necessary invoices from Acenden.