

# AM03

## Notice of administrator's proposals



Companies House

THURSDAY



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06/02/2020

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COMPANIES HOUSE

### 1 Company details

Company number 0 7 8 7 0 3 2 1

Company name in full MMP Financial Limited

→ Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Chris M

Surname Laverty

### 3 Administrator's address

Building name/number 30 Finsbury Square

Street

Post town London

County/Region

Postcode E C 2 A 1 A G

Country

### 4 Administrator's name ①

Full forename(s) Trevor P

Surname O'Sullivan

① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number 30 Finsbury Square

Street

Post town London

County/Region

Postcode E C 2 A 1 A G

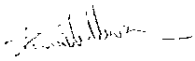
Country

② Other administrator

Use this section to tell us about  
another administrator.

# AM03

## Notice of Administrator's Proposals

6	Statement of proposals		
	<input checked="" type="checkbox"/> I attach a copy of the statement of proposals		
7	Sign and date		
Administrator's Signature	<div>Signature</div> <div><input checked="" type="checkbox"/> </div> <div><input checked="" type="checkbox"/></div>		
Signature date	<div><div><sup>d</sup>3<sup>d</sup>0</div><div><sup>m</sup>0<sup>m</sup>1</div><div><sup>y</sup>2<sup>y</sup>0<sup>y</sup>2<sup>y</sup>0</div></div>		

# AM03

## Notice of Administrator's Proposals



### Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Alexander Ainsworth
Company name	Grant Thornton UK LLP
Address	4 Hardman Square Spinningfields
Post town	Manchester
County/Region	
Postcode	M 3 3 E B
Country	
DX	
Telephone	0161 953 6900



### Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed and dated the form.



### Important information

All information on this form will appear on the public record.



### Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.



### Further information

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

## Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**  
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. <sup>1</sup>  
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**  
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**  
Please complete in typescript or in bold black capitals.  
  
All fields are mandatory unless specified or indicated by \*

### 1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

<sup>1</sup> You can use this continuation page with the following forms:  
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7  
- CVA1, CVA3, CVA4  
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25  
- REC1, REC2, REC3  
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14, WU07, WU15  
- COM1, COM2, COM3, COM4  
- NDISC

### 2 Insolvency practitioner's name

Full forename(s) Helen

Surname Dale

### 3 Insolvency practitioner's address

Building name/number 30 Finsbury Square

Street

Post town London

County/Region

Postcode E C 2 A 1 A G

Country



# **MMP Financial Limited - In Administration (the Company)**

Recovery and Reorganisation  
Grant Thornton UK LLP  
4 Hardman Square  
Spinningfields  
Manchester  
M3 3EB

## **Joint Administrators' Proposals**

Appointed in High Court of Justice, Business and Property Courts  
of England and Wales  
No 008237 of 2019

Prepared by: Trevor P O'Sullivan, Joint Administrator

Contact details: Should you wish to discuss any matters in  
this report, please do not hesitate to  
contact Edward O Brown on 0161 234  
6392

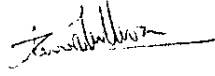
# Definitions

The following definitions are used either within the body of this report, the appendices to it, or both.

Administration	The Administration of the Company
Joint Administrators/Administrators/our/us/we	Chris Lavery, Trevor O'Sullivan and Helen Dale, acting as joint Administrators of the Company
CCFI	Cross Canada Financial Inc, a sister company of MMP Financial Limited registered in Canada
The Company / MMP	MMP Financial Limited – in Administration, incorporated in the UK (07870321) under the Companies Act 2006 and whose registered address is 4 Hardman Square, Spinningfields, Manchester M3 3EB (trading as My Money Partner and Swift Sterling)
CMC	Claims management company, a company or other organisation offering claims management services to Redress Creditors
Court	The Courts of England and Wales
Creditors	Preferential and unsecured creditors (including Redress Creditors)
CVL	Creditors' Voluntary Liquidation
DISP	Dispute Resolution: Complaints sourcebook, part of the FCA Handbook
The Directors	Adrian Martel and Toby Wheeler
FCA	Financial Conduct Authority
FCA Handbook	The handbook published by the FCA which sets out the rules and guidance made by the FCA under the Financial Services and Markets Act 2000
FOS	Financial Ombudsman Service
Grant Thornton	Grant Thornton UK LLP
Gross Loan Book	The value of outstanding loans, before provisions for bad or doubtful debts
HMRC	HM Revenue & Customs
HCST Lending	High Cost, Short Term Credit Lending
Insolvency Rules	The Insolvency (England and Wales) Rules 2016
KKBL	KKBL Ventures Limited, a French registered company and 100% shareholder of MMP Financial Limited
OFT	Office for Fair Trading
Prescribed Part	The part of the proceeds which must be set aside from floating charge assets as described in section [7.3].
Redress Claim	A redress claim that a customer (current or former) has, or may have, against the Company
Redress Creditors	Customers (current and former) of the Company (trading as My Money Partner or Swift Sterling) who were sold an unaffordable loan and are due redress
Renew / The Parent	Renew Finance Holdings Limited, the Canadian registered ultimate parent company of MMP Financial Limited and Cross Canada Financial Inc
The Board	The Board of Directors of MMP Financial Limited
The Firm	Grant Thornton UK LLP
The Portal	The online redress claim portal
VAT	Value added tax

# 1 Executive summary

- I was appointed as Joint Administrator of the Company with Chris Lavery and Helen Dale on 9 December 2019 by the Directors. Consent to our appointment was provided by the FCA on the same day and shortly prior to our appointment.
- Following on from our appointment we are submitting our proposals pursuant to paragraph 49(1) of Schedule B1 to the Insolvency Act 1986 for achieving the objective of the Administration. This report contains the information required by rule 3.35 of the Insolvency Rules.
- The objective of the administration will be 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).
- The Joint Administrators will achieve this by:
  - Preservation of the IT infrastructure to support continued loan collections, continued placements and a loan book sale, should it be deemed appropriate
  - Preservation of the key infrastructure support provided to the Company by CCFI to support the administration
  - Retention of staff in the UK to help facilitate the Joint Administrators' objectives
  - Working with regulators as appropriate to ensure the Joint Administrators' processes benefit from the regulators' input
  - As referred above, the Joint Administrators will be assessing options to implement a procedure that enables borrowers of the Company to submit claims in the event they believe they have a Redress claim. Further details of this procedure will be advised to customers in due course and claims will be assessed by Liquidators as part of a CVL. It is proposed that the Administrators will be appointed liquidators. In any event, any accepted claims will rank as an unsecured claim and, once all assets are realised and post payment of all costs, a dividend will become payable to eligible claimants via a CVL
- The key workstreams for the administration process will be:
  - Maximising the value of the Company's assets, and in particular, its loan book by continuing with business as usual collections potentially exploring the benefit of a sale of the book where appropriate
  - Exploring options surrounding a customer redress programme for the Company's current and historic customers, in consultation with the FCA. Any agreed customer redress programme will likely be instigated and communicated to customers during a liquidation process, which is expected to immediately follow the Administration
  - Undertaking an orderly wind down of the activities of the Company
- It is anticipated the dividend payment to unsecured creditors will be significantly less than the admitted claim value
- There are no secured creditors
- Preferential creditors (i.e. the UK employees) are estimated to recover their debts in full
- Whilst the directors' statement of affairs notes that funds will be available to the Company's unsecured creditors, the likely quantum is unknown at this stage as they have not estimated the liability associated with the Company's Redress Creditors. In addition, the Directors' statement of affairs does not account for the costs of the Administration process
- The Administration is currently due to end on 8 December 2020
- It is proposed that that the administration will end by placing the Company into CVL, which will allow for the liquidators to instigate a claim adjudication process (including the customer redress process referred above) and conclude a distribution to unsecured creditors. In the event that there are insufficient proceeds to allow for such a distribution to commence, the Administration will cease via a dissolution of the Company
- A decision of creditors is being sought within this report. Please see section 10 for further details.



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Trevor O'Sullivan  
Joint Administrator

30 January 2020

Please be aware that fraudsters have been known to masquerade as legitimate Administrators. Fraudsters may contact creditors asking for an upfront fee or tax to release an investment or pay a dividend / to enable release of money payable to the creditor. An Administrator would never ask for such a payment nor instruct a third party to make such a request.



## 2 Background to the appointment of the Administrators

### 2.1 The trade of the Company

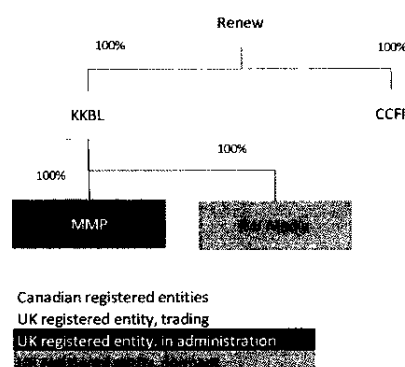
The Company is registered in the UK (as Company No. 07870321) and has been carrying on a consumer credit business in the UK since 2015. It received full authorisation to operate as a HCSTC lender from the FCA on 7 July 2016. Its FCA registration number is 718863.

The Company offered two short-term loan products under the following brands:

1. "Swift Sterling" (at [www.swiftsterling.co.uk](http://www.swiftsterling.co.uk)), and
2. "My Money Partner" (at [www.mymoneypartner.co.uk](http://www.mymoneypartner.co.uk))

Whilst these product lines operated independently of one another, they shared the Company's overall management, governance and were integrated within the same business model.

The Company is a wholly-owned subsidiary of KKBL, which is a wholly owned subsidiary of Renew. Renew is the ultimate parent company of the group of companies that includes CCFI. The group structure is provided below, for ease of reference.



The Company had 27 employees situated at its head office in Slough, UK on appointment, operating a call centre to provide dedicated customer support to the UK customer base. The UK office also dealt with day to day business administration activities. The Company also utilised staff employed by CCFI in Canada for certain operating functions, including complaints Administration, compliance management, debt management activities, financial planning & analysis and fraud monitoring.

Whilst all lending activity ceased prior to the Administration, the Company was previously supported by a fully integrated decision engine that evaluated and made credit and other determinations throughout the customer relationship, including decisions regarding marketing, underwriting, customer contact and collections.

## 2.2 Factors leading to financial distress

### FOS interim determination

Given the relatively recent incorporation of the business in the UK market, claim volumes were modest compared to other major competitors in the market. Claim volumes to November 2019 equated to less than 800 in total. It is, however, anticipated that further claims will arise as a consequence of the administration and it is uncertain what the claim volumes will ultimately equate to.

On 25 June 2019, the Company's Board resolved to cease lending activities whilst the Company worked with the FCA to address concerns around the affordability assessment of customers. Grant Thornton's Financial Services Advisory team was engaged by the Company on 18 July 2019 to carry out a Skilled Person's Report pursuant to Section 166 of the Financial Services and Markets Act. The scope of the work was to review compliance with the FCA's Consumer Credit Sourcebook relating to creditworthiness assessments on new and existing customers when they applied for new credit. The engagement was split into three phases and the Firm completed the first phase. No further work will be carried out under this engagement.

On 2 December 2019, Renew issued a demand letter to the Company in respect of an inter-company balance equating to CDN\$7.41 million (approximately £4.27 million). Whilst this was an unsecured loan owed to Renew by the Company in respect of historical investments, the loan was repayable immediately upon demand and the Company was not in a position to be able to repay this loan. This ultimately impacted upon the Company's ability to trade on a solvent basis.

Consequently, the Company's Board sought advice from its legal advisors and Grant Thornton's Financial Services Insolvency & Restructuring team as to its options following receipt of the above demand and concluded that the only option available was a wind-down of the business and collect-out of the loan book via an administration process.

Accordingly, the FCA was requested to provide consent to the individuals from Grant Thornton acting as Administrators. This consent was subsequently provided and on 9 December 2019 the Board filed a notice of appointment of Administrators in court in accordance with paragraphs 22 and 26 of Schedule B1 to the Insolvency Act 1986 and Rule 3.24 of the Insolvency Rules.

## 3 The Joint Administrators' appointment

### 3.1 Initial introduction to the Company

As previously detailed, on 18 July 2019 the Firm was engaged to carry out a Skilled Person's Report pursuant to Section 166 of the Financial Services and Markets Act. The engagement was split into three phases and the Firm completed the first phase.

No further work will be carried out under this engagement.

On 5 December 2019, the Company engaged the Firm's Financial Services Restructuring & Insolvency team to provide contingency planning advice in preparation for an insolvency of the Company.

The Joint Administrators carefully considered the position prior to accepting the appointment, having regard to their licensing bodies' ethical guidelines, and considered that there were no circumstances preventing them being Administrators of the Company.

### 3.2 Appointment of Administrators

Having considered all the options, the board of directors of the Company concluded that the best option for the Company was for it to be placed into administration and subsequently on 9 December 2019 the directors filed the notice of appointment of Administrators in accordance with paragraph 22 of Schedule B1 to the Insolvency Act 1986.

# 4 Proposals for achieving the objective of the Administration

## 4.1 Objective of the Administration

The Administrators must perform their functions with the objective of:

- Rescuing the Company as a going concern, or
- 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
- Realising property in order to make a distribution to one or more secured or preferential creditors.

In this instance, with an inability to meet the debt demanded by Renew, the Company ceasing to lend prior to the Administrators' appointment, and with an unquantified liability to Redress Creditors, it was not possible to achieve the first objective.

The second objective of achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up will be pursued through the collection of the outstanding loan book and orderly wind down of operations.

of achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up.

The operations and systems of the business will continue to be maintained for as long as the Administrators believe it appropriate in attempting a more advantageous realisation of assets.

For clarification, it is currently uncertain whether any residual book debts will be sold or if a debt collection agent will be engaged to finalise collections. This will form part of the Administrators' considerations following an initial collect-out exercise managed by the retained UK employees. It is not envisaged that any purchaser will assume any of the existing liabilities, except to the extent that by law they are compelled to do so (eg certain employment related liabilities). However, the Administrators will not hereby be restricted in their freedom to structure any sale in such manner as is advantageous to the creditors.

## 4.2 Exit route

It is proposed that the administration will end by the Company going into CVL, or if there are no monies available for unsecured creditors, by the dissolution of the Company. If the Company is placed into CVL, it is proposed that the Administrators in office at that date will be appointed Liquidators, any act in the Liquidation to be done by any one or more of the Liquidators. However, creditors may nominate a different liquidator or liquidators if nomination to that effect is received before the approval of these proposals.

# 5 The assets and liabilities of the Company

## 5.1 Statement of Affairs

On 12 December 2019 the directors of the Company were issued with a notice requiring them to provide a statement of affairs to the Administrators. A Statement of Affairs details the assets and liabilities of the Company as at the date of appointment of the Administrators.

The directors have prepared a Statement of Affairs for the Company and this is attached to Appendix D. *To date the statement has been signed by Toby Wheeler. The Statement of Affairs will be filed at Companies House in due course.*

Corresponding comments between the Statement of Affairs and the assets and liabilities are compared later in the report (see Sections 6 and 7 below).

Creditors should note that the Statement of Affairs does not include costs pertaining to the Administration and subsequent proposed Liquidation.

# 6 Conduct of the Administration

## 6.1 Strategy

Following the Company's decision to cease new lending prior to the Administrators' appointment and the subsequent receipt of the demand from Renew, the business was no longer able to trade as a going concern and the only viable strategy was an orderly wind down of the business. This will be achieved by working with CCFI to retain key systems and staff to support collections of the Company's main asset, the loan book. Given the nature of the loan book, the initial strategy will be to collect loans on a business as usual basis whilst the Administrators investigate the opportunity for other actions such as further placements or, if possible and prudent, sale of all or part of the residual loan book.

To achieve the orderly realisation of the loan book it has been necessary to continue to operate certain aspects of the Company on a 'business as usual' basis. This is necessary to facilitate repayment of loans, protect borrower data and to enable the Company to continue to respond to other queries arising from borrowers, changes to borrowers' details, monitoring collections and dealing with Redress claims.

We have arranged for the continuation of services across all aspects of the Company's activity, including, where necessary, settling arrears or making payments to secure essential services. The Company's loan platforms and a number of suppliers relating to those functions are provided and managed by CCFI. A Service Level Agreement has therefore been agreed between the Administrators and CCFI. The requirement for all services is under frequent review and a plan for the wind down of IT infrastructure services and personnel will be implemented as appropriate.

The Company employed 27 employees based in the UK. Currently, 17 UK based employees have been made redundant and ten employees have been retained.

The Company's cash balance at the time of appointment in the sum of £1.76 million can now be accessed by the Administrators and the majority of this balance has been transferred to the account held by the Administrators. The other assets of the Company identified as potentially realisable by the directors in the statement of affairs, namely office equipment and software, will be realised during the period of the Administration, if commercially viable to do so.

To understand how applicable regulatory requirements (such as DISP) need to be incorporated in to the redress methodology, the Administrators have commenced a dialogue with the FCA in respect of the methodology proposed by the Company prior to our appointment to understand whether the proposed approach would be acceptable. Once a claim adjudication methodology has been created, the Administrators will be seeking to understand the operational aspects of the process, which will likely include technological support being provided by CCFI, if applicable. It is anticipated that any methodology adopted would likely lead to a more efficient and cost effective processing of complaints.

In the meantime, customers who wish to make a complaint should continue to contact the Company as normal via their website and contact number, or can send details of their complaint to the administrators on the details above.

This process is likely to continue into the liquidation whereby the liquidators will have the powers to formally adjudicate claims received and instigate a dividend to all outstanding creditors (customers).

### Approach to interested parties

To date there have been several expressions of interest arising from the insolvency appointment and resulting press coverage. Predominantly the interest is in the Company's loan book, and these interests will be pursued to establish if a sale of the loan book will deliver the best value for creditors as a whole.

## 6.2 Realisation of assets

### Loan book review

The loan book at the date of appointment consisted of 23,502 loans with an outstanding balance of £13.61million. A summary of the loan book at 9 December 2019 is provided below:

#### Loan book as at 11 December 2019

£m	Current	Ageing profile (£)					Total Loan book	
		0-60	61-100	101-365	1-2 Years	2 Years +	(£)	Loans
My Money Partner	0.4	0.7	0.1	0.1	-	-	1.2	2,413
Swift Sterling	0.0	0.3	0.3	3.9	4.0	3.8	12.4	21,089
<b>Gross loan book value</b>	<b>0.4</b>	<b>1.0</b>	<b>0.4</b>	<b>4.0</b>	<b>4.0</b>	<b>3.8</b>	<b>13.6</b>	<b>23,502</b>
<b>% of total debt</b>	<b>3%</b>	<b>8%</b>	<b>3%</b>	<b>29%</b>	<b>29%</b>	<b>31%</b>	<b>100%</b>	

All of the loans at this date are one of the two loan products, Swift Sterling or My Money Partner.

As at 11 December 2019, the loan book was represented by debt which was:

- Current/within terms totalling £425,771, or 3% of the loan book
- In arrears less than two months £1,006,988, or 8% of the loan book
- In arrears more than two months, but less than one year £4,370,566, or 32% of the loan book
- In arrears more than one year £7,803,028, or 57% of the loan book

The director's Statement of Affairs states the gross loan book value as £13.2 million with a provision of £13 million. This is based on the Company's accounting system, whereas the above is based on the Company's loan system and there are some timing differences that result in the variances.

The director has estimated a recovery of £335,000 for the loan book which is largely based on the remaining current debtors and a minimal recovery from the remaining ledger.

### Collections and realisation strategy

Due to the short-term nature of a significant portion of the loan book, the initial strategy has been to maintain existing collection systems whilst we consider all options available for maximising value for the debt.

Collections to 27 December 2019 total £118,667 across both products, with c.801 loans being closed between the appointment and 27 December 2019. The table below provides further details regarding collections and accrual of post-appointment interest/fees:

#### Loan book as at 27 December 2019

£m	Loan books as at 11-Dec-19				Loan book as at 27-Dec-19	
	(£)	Loans	Collections	Accrued Interest/fees	(£)	Loans
My Money Partner	1.3	2,364	(0.1)	0.0	1.3	2,170
Swift Sterling	12.3	21,539	(0.0)	0.0	12.3	20,932
<b>Gross loan book value</b>	<b>13.7</b>	<b>23,903</b>	<b>(0.1)</b>	<b>0.0</b>	<b>13.6</b>	<b>23,102</b>

As noted above, c.97% of the loan book on appointment was considered to be in some form of arrears with a significant portion of the loan book (£7,803,028) in arrears one year or more.

As part of the overall collection and realisation strategy for the MMP loan book, the Administrators are currently considering, amongst other matters, the following:

- Appropriate amendments, in line with regulatory guidelines, to the contact and communications strategy to ensure customers are aware of their obligation to continue to repay loans as usual, despite the Administration. This includes both customers who are currently within terms and those in arrears,
- A placement strategy, including a review of the level of debt and determining at which point in the collection cycle debt should be placed with a DCA to maximise recoveries,
- Potential sale of the residual loan book, in full or in part. This option continues to be investigated, although the viability of this option is still in question.

A further report on the collections and realisation strategy will be provided in our next report.

## Cash

At the date of appointment, the Company had cash balances totalling £1.76 million. These funds are now under the control of the Administrators. This is in line with the director's Statement of Affairs.

## Chattel Assets

These comprise of office equipment and fixtures and fittings located in the Company's UK offices. These will be sold following the end of the wind down of operations, if deemed economically viable to do so.

The director's Statement of Affairs has estimated a recovery of £1,489 and it should be noted that realisation costs are not included.

## Computer equipment and software

*The Company owns computer equipment and software which is situated in the UK office. Following the wind-down of the collection strategy in the UK, we will explore options to sell these assets, if economically viable to do so.*

The director's Statement of Affairs has estimated a recovery of £30,000 and it should be noted that realisation costs are not included.

## Prepayments

The net realisable value of £21,250 identified by the directors in the statement of affairs relates to the rent deposit with the landlord of the leased property in Slough, UK. We will be discussing the recoverability of this deposit following the wind-down of the UK based collection strategy and when the Company has vacated the leased property.

## Trademarks

The Administrators do not envisage any sale of these in the short to medium term; however, we will consider any interests expressed during the Administration.

## Other debtors

We understand these are monies held by various DCAs in respect of collections whereby a timing delay is in place to mitigate the DCAs risks in costs to these collections. It is expected that the value of £83,745 identified by the directors in the statement of affairs will be recovered in full as part of the collection strategy.

## Additional assets

We are not aware of any other potential assets that could be recovered for the benefit of creditors.



## Receipts and Payments account

Our receipts and payments account covering the period 9 December 2019 to 28 January 2020 is enclosed at Appendix A. Please note 28 January 2020 is the latest practicable date for preparation of the receipts and payments account prior to preparation of this proposal document.

Loan book receipts are collected into the Company's pre-appointment accounts hosted by a third-party provider, Modulr. These are then swept over to the Administrators' bank account at regular intervals. The Administrators' treasury team have been given user access to the Modulr accounts, which provides full control over these accounts. As such, the loan book collections noted in this section will not reconcile to the R&P appended to this report.

Creditors should also note that the Company is not VAT registered and therefore any costs incurred during the Administration will be recorded gross of VAT.

# 7 Creditors

## 7.1 Secured creditors

No secured creditors have been identified.

## 7.2 Preferential creditors

Preferential creditor claims consist of employee claims for wages and holiday pay, up to certain statutory limits. A significant element of these claims will be subrogated to the Secretary of State, following payment of claims by the Redundancy Payments Service.

As per the director's Statement of Affairs, preferential creditors have been estimated at £19,000. Based on current information, it is envisaged that there will be sufficient asset realisations to enable preferential creditors to be repaid in full.

## 7.3 Prescribed Part – unsecured creditors

In accordance with section 176A of the Insolvency Act 1986, a prescribed part is to be set aside from the floating charge assets and made available to the unsecured creditors of the Company. The prescribed part calculation is applied to the net property available and is calculated at 50% of the first £10,000 of net realisations and 20% of all further amounts, up to a maximum prescribed part of £600,000.

As there is no qualifying floating charge holder, the prescribed part provisions do not apply.

## 7.4 Non-preferential unsecured creditors

The statement of affairs details unsecured creditors totalling £4.58 million. This balance predominantly relates to the intercompany debt due to Renew of £4.27 million. This sum does not include potential redress liabilities as this is unquantifiable at this stage.

### Redress Creditors

Redress Claims comprise of current and former customers who believe that they were sold an unaffordable loan(s). As a result, these customers may be due a refund of the interest and fees paid on those loans, plus compensatory interest at 8%.

The Company has continued to receive redress complaints following its decision to cease lending in June 2019. In addition to this, the FOS has taken DISP into account in deciding what is fair and reasonable in relation to the circumstances of a particular case. This approach takes into account what is fair and reasonable by considering factors such as the law, guidance and good industry practice.

At the date of the Administrators' appointment, the Company had 1,066 complaints yet to be assessed in relation to redress claims. These claims consist of complaints received directly from customers and CMCs on behalf of customers. Since our appointment, the Company has continued to receive and acknowledge redress complaints. Included in these are 2 complaints that were being handled by the FOS which have subsequently been handed back to the Administrators.

Any redress complaint that is upheld will rank as an unsecured claim in the Administration. The Administrators are unable at this time to forecast the likely volume of Redress Creditors and the total estimated value of these claims, albeit it is expected that Redress Creditors will ultimately contribute a significant number of the unsecured creditors in the estate.

Any redress claim that also have current outstanding loan balances will cease to accrue interest upon receipt of the claim, in accordance with the Company's policy and these claims will be formally adjudicated upon in the subsequent liquidation.

#### **Updates for the Redress claimants**

Although the Company and the Administrators are making good progress in collating the Redress Claims, detailed assessment and distribution relating to these claims will be carried out by the Company's Liquidators (who are envisaged to be the current Administrators) following the end of the Administration, which is anticipated to commence in the next 12 months. Any updates on the redress process will be communicated via the Administration website and the Company's website which are as follows:

<https://mmpfinancialukadministration.grantthornton.co.uk>

[www.swiftsterling.co.uk](http://www.swiftsterling.co.uk)

[www.mymoneypartner.co.uk](http://www.mymoneypartner.co.uk)

#### **Trade and other creditors**

The statement of affairs estimates trade creditor claims totaling approximately £186,000 and other claims including employees (such as net pay, redundancy and payment in lieu of notice), HMRC (in respect of payroll deductions) and an accrual pertaining to potential FOS claims totaling £112,000. This accrual is calculated by the Company and does not represent actual claims received or upheld by FOS.

It is possible that these claims may increase as the Administration may trigger additional claims due to suppliers. Any claims will be dealt with in the subsequent Liquidation and will not be acknowledged at this time.

#### **Intercompany creditors**

As per the director's Statement of Affairs, the principal balance of £4.27 million is due to Renew in respect of unsecured funding provided to the business prior to our appointment. An additional amount of approximately £9,000 is due to KKBL (the Company's immediate parent company) in respect of expenses paid on behalf of the Company prior to our appointment.

#### **Dividend to creditors**

As the level of Redress claims will remain uncertain and asset realisations have yet to be concluded, we are currently unable to estimate the level of dividend available to unsecured creditors at this stage.

As indicated earlier in this report the Directors' statement of affairs does not include the unquantifiable redress liability which is expected to significantly dilute the monies available to distribute to the unsecured creditors.

# 8 Investigations into the affairs of the Company

## 8.1 Statutory investigations

Within three months of our appointment as joint Administrators, as required by the Companies Directors Disqualification Act 1986, we will report to the Secretary of State the required facts about the Company's business and the conduct of its directors (including those acting within the past three years).

We would be pleased to receive from any creditor any useful information concerning the Company, its dealings or conduct which may assist us.

# 9 Joint Administrators' remuneration and disbursements

## 9.1 Overview

The basis of the Administrators' remuneration is to be fixed by the creditors. If a creditors committee is appointed, then this is a matter for the committee. If no committee is appointed, a decision of the creditors will be required. Please see the attached Decision Notice.

The total fees estimate for the Administration is £180,714 (plus VAT). Please see Appendix B for details of our remuneration, expenses and payments made to associates in accordance with Statement of Insolvency Practice 9, which includes details of our proposed fee basis and a breakdown of the fee estimate.

If the Administration is extended beyond twelve months, we will revert to creditors for approval of any additional costs once the scope of activity and period are known.

Pre-Administration costs unpaid at the date of appointment of the Administrators may also be approved as above under Rule 3.52 of the Insolvency (England and Wales) Rules 2016 to rank as an expense of the Administration. Prior to our appointment, payment was received for £20,000 (plus VAT) of the pre-Administration costs totalling £25,155 (plus VAT). It is not intended that the balance of £5,155 will be requested for approval to be paid as an expense of the Administration and this balance will be written off by the Firm.

Approval of the statement of proposals does not constitute approval either of the Administrators' remuneration or of unpaid pre-Administration costs.

# 10 Future strategy

## 10.1 Future conduct of the Administration

We will continue to manage the affairs, business and property of the Company in order to achieve the purpose of the Administration. This will include but not be limited to:

- payment of Administration expenses, including our remuneration
- adhering to the Company's tax filings, including completion of corporation tax returns and settlement of any liabilities as and when they are due, and
- complying with statutory and compliance obligations,
- realising Company assets,
- distribution to the preferential creditors.

## 10.2 Extension of the Administration

The duration of an Administration is restricted to 12 months from the date of commencement, unless it is extended with the permission of the creditors or the court.

If it is identified that an extension is required, the Administrators will seek a resolution from the creditors in our next progress report requesting a 12-month extension.

## 10.3 Resolutions proposed

A decision of the creditors is required to consider the following resolutions:

- Whether to form a creditors committee
- The joint Administrators' proposals be approved
- The basis of the Administrators' remuneration be fixed:
  - According to the time properly spent by the Administrators and their staff on the Administration, with a fee estimate of £180,714 for the Administration only
- The Administrators be permitted to draw mileage at 45p per mile.

## 10.4 Creditors' committee

The Insolvency Rules require that wherever a decision is sought in an Administration the creditors must be invited to decide whether a creditors' committee should be established.

The function of a committee is to:

- assist the office holders in discharging the office holders' functions; and
- act in relation to the office holders in such manner as may from time to time be agreed

Information concerning creditors' committees can be found in Liquidation / Creditors' Committees and Commissioners: A Guide for Creditors published by the Association of Business Recovery Professionals. This can be read at or downloaded from <https://www.grantthornton.co.uk/portal>.

## 10.5 Data protection

Any personal information held by the Company will continue to be processed for the purposes of the Administration of the Company and in accordance with the requirements of data protection law.

## 10.6 Future reporting

Our first progress report will cover the six months from our appointment to 8 June 2020, to be delivered to creditors within one month after that date.

# A Abstract of the Joint Administrators' receipts and payments

MMP Financial Limited - in Administration  
Joint Administrators' receipts and payments  
account from 9 December 2019 to 28 January 2020

Receipts	Statement of Affairs (£)	Total (£)
Bank Interest		249.31
Book Debts		120,931.63
Cash at Bank		1,741,795.50
Bank/ISA InterestGross		249.31
Misc Refunds		345.06
		<hr/>
		1,863,570.81
		<hr/>
<b>Payments</b>		
Professional Fees		550.00
Net Wages		22,925.25
Other Payroll Deductions		1,558.44
Employee Expenses/ Redundancy		587.17
VAT irrecoverable		494.24
Professional Fees		2,810.77
Debt Collection		5,411.44
Data Protection fee		60.00
Rents Payable		7,036.74
Other Property Expenses		210.51
Post Appointment Refunds		459.83
VAT on Purchases		1,955.73
		<hr/>
		44,060.12
<b>Balance - 28 January 2020</b>		<hr/>
		1,819,510.69
		<hr/>
<b>Made up as follows</b>		
Floating Current Account		1,819,510.69
		<hr/>
		1,819,510.69
		<hr/>

Note - VAT is not recoverable.



## **B Statement of Insolvency Practice 9 disclosure: payments, remuneration and expenses to the Administrators or their associates**

# Payments, remuneration and expenses to the Joint Administrators or their associates

## Statement of Insolvency Practice 9 disclosure

This appendix has been prepared in conjunction with the requirements of the Insolvency Act 1986, the Rules and SIP9. In summary, it covers:

- pre-appointment costs
- fee basis
- work done by the Joint Administrators and their team during the period
- hourly charge out rates
- disbursements and expenses
- sub-contracted out work
- payments to associates
- relationships requiring disclosure
- information for creditors (rights, fees, committees)

## Pre-appointment costs

Pre-appointment Administration costs are fees charged and expenses incurred by Administrators or other qualified insolvency practitioners, before the company entered administration but with a view to it doing so. To the extent they remain unpaid when the company enters administration and payment is sought, approval is required from the appropriate body of creditors as to whether they should be paid from the estate.

Prior to appointment the Administrators were engaged by the Company through an engagement letter (the Agreement) dated 4 December 2019, under which the fee basis was time costs and out-of-pocket expenses. A sum of £20,000 (plus VAT) was received from the Company in relation to these costs prior to appointment. It is not intended that the balance of £5,155 will be requested for approval to be paid as an expense of the Administration and will be written off by the Firm.

Details of the pre-appointment costs are provided below:

Cost	Work done	Why the work was necessary pre-appointment and how it furthered the achievement of an objective of Administration	Incurred			Paid	Unpaid
			Grade	Hrs	£	Name of payer and relationship to estate	£
Grant Thornton UK LLP fees	• Liaising with company legal advisers on appointment documents	• To assess, with senior management, the options, and associated risks to the business	Partner	22.5	16,988		
	• Preparing input into company documents	• To understand the processes necessary to continue following the appointment of administrators	Manager	11	5,445		
	• Assess timing of appointment	• To confirm that an objective of administration could be achieved and that administration, therefore, was an option for the company	Executive	0	0		
	• Preparation of appointment communications	• To ensure that management were kept aware of all the risks and impacts of an administration	Administrator	16.5	2,723		
	• Any necessary communications with the FCA on appointment	• To assist management in liaising with key stakeholders; and to advise directors (as a board) of their general responsibilities with regard to insolvency	Total	50	25,155	MMP Financial Limited	5,155
		• To ensure that the team could review all appointment documents					
		• To understand the business as a whole and the assets and liabilities					

Notes:

- Partner includes director
- Manager includes associate directors and managers
- Executive includes assistant managers and executives

## Post-appointment costs

### Fee basis of the joint Administrators

#### Proposed fee basis

We propose that the remuneration of the joint Administrators be fixed on the basis of time properly spent by the Administrators and their staff in dealing with the Administration costs and out-of-pocket expenses.

As time costs form the proposed fee basis we provide, below, a fee estimate and details of the expenses that will be, or are likely to be, incurred.

#### Likely return to creditors

We are currently uncertain as to the estimated dividend that will be available to unsecured creditors and any distribution will be dealt with by a subsequent Liquidator.

#### Fee estimate

The fee estimate is based on all of the information available to us as at the time of preparing this report. We have considered and accounted for the different levels of expertise that we anticipate will be required to do the work necessary to progress the first twelve months of the administration to 8 December 2020, in calculating the time and cost included in the fees estimate table provided below, which also includes a narrative of the work done and anticipated work. A numerical analysis of the work is provided in the 'Work done' section below. We anticipate that if there is either an extension to the Administration or conversion to a CVL that there will be further costs but at this time the nature and extent of continuing work streams, and related costs, cannot be readily identified. If appropriate to do so, a further fee estimate will be provided for any workstreams that are unresolved in our next report.

The fee estimate assumes that the Company's UK call centre will remain open until the end of February 2020.

The fee estimate is net of VAT.

We also include details of time incurred to date on those work streams that have already commenced.

Please see the 'Hourly charge out rates' section for the rates applied to the fee estimate.

## Fee estimate for the period 9 December 2019 to 8 December 2020

Area of work	Anticipated work	Why the work is necessary	Financial benefit to creditors	Fees and expense estimate		
				149 hrs	£69,441	£/hr 465
<b>Assets</b>						
<b>Insurance</b>	<ul style="list-style-type: none"> <li>To continue ensuring appropriate ongoing insurance arrangements</li> </ul>	<ul style="list-style-type: none"> <li>To ensure statutory compliance and to preserve the value of the Company's assets</li> <li>Necessary to ensure the safety of the assets of the business as well as the safety of the working environment for the employees</li> </ul>	<ul style="list-style-type: none"> <li>This work is necessary to help realise financial value for the benefit of the estate and for a distribution to creditors should sufficient funds become available</li> </ul>	149 hrs	£69,441	£/hr 465
			<ul style="list-style-type: none"> <li>CMS Legal Fees £40,000</li> <li>Insurance £2,000</li> <li>Debt Collection Fees £10,000</li> <li>Rent Payable £2,000</li> </ul>			
<b>Property</b>	<ul style="list-style-type: none"> <li>Liaising with the landlord to notify of intention to remain in situ temporarily and to ensure ongoing settlement of costs during the administration, where appropriate</li> </ul>	<ul style="list-style-type: none"> <li>Use of the property in Slough allows for initial collection exercise using retained staff whilst further collection options are explored</li> </ul>	<ul style="list-style-type: none"> <li>This work is necessary to realise financial value for the estate and for a distribution to creditors should sufficient funds become available</li> </ul>			
<b>Debt collection</b>	<ul style="list-style-type: none"> <li>To review and understand loan portfolio</li> <li>To monitor collection of the debtor book</li> <li>To assist with any issues relating to debt collection</li> <li>To assess ongoing viable collection options and to initiate necessary collection arrangements</li> <li>Contacting relevant banks to gain control of pre-appointment cash</li> </ul>	<ul style="list-style-type: none"> <li>The debtor book of c.£13.6million is a major asset in the Administration to be realised</li> </ul>	<ul style="list-style-type: none"> <li>This work is necessary to realise financial value for the estate and for a distribution to creditors should sufficient funds become available</li> </ul>			
<b>Cash at bank</b>	<ul style="list-style-type: none"> <li>To monitor pre-appointment bank account sweeps to administrators' accounts</li> <li>To monitor and reconcile cash balances in administration accounts</li> </ul>	<ul style="list-style-type: none"> <li>To ensure statutory compliance and to preserve the value of the Company's assets</li> <li>Necessary to ensure the safety of the assets of the business as well as the safety of the working environment for the employees</li> </ul>	<ul style="list-style-type: none"> <li>This work is necessary to help realise financial value for the benefit of the estate and for a distribution to creditors should sufficient funds become available</li> </ul>			
<b>Other assets</b>	<ul style="list-style-type: none"> <li>To consider options, via third-party agents, in selling residual assets including fixtures, fittings, office and computer equipment if appropriate</li> </ul>	<ul style="list-style-type: none"> <li>Additional value may be realised from these assets, if viable, that may enhance returns to creditors</li> </ul>	<ul style="list-style-type: none"> <li>This work is necessary to help realise financial value for the benefit of the estate and for a distribution to creditors should sufficient funds become available</li> </ul>			
<b>General</b>	<ul style="list-style-type: none"> <li>Any ad hoc asset realisation related matters</li> </ul>	<ul style="list-style-type: none"> <li>Necessary to ensure the cost-efficient management of the Company's assets</li> </ul>	<ul style="list-style-type: none"> <li>This work is necessary to help realise financial value for the benefit of the estate and for a distribution to creditors</li> </ul>			

should sufficient funds become available

		11 hrs	£3,965	£/hr 367
<b>Investigations</b>				
<b>Debtor/directors/ senior employees</b>	<ul style="list-style-type: none"> <li>Complete statutory investigation into the Directors' conduct</li> </ul>	<ul style="list-style-type: none"> <li>Statutory requirement</li> </ul>		
		<ul style="list-style-type: none"> <li>This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate</li> </ul>		
<b>Books &amp; records</b>		<ul style="list-style-type: none"> <li>Maintain books and records</li> </ul>	<ul style="list-style-type: none"> <li>Statutory requirement to maintain records</li> </ul>	<ul style="list-style-type: none"> <li>This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate</li> </ul>
<b>General</b>		<ul style="list-style-type: none"> <li>Review of books and records of the Company</li> <li>Rationalising books and records held in storage</li> <li>Securely destroying records as appropriate</li> </ul>	<ul style="list-style-type: none"> <li>Statutory requirement of the Administrators, as well as an exercise to ensure that all assets have been secured</li> </ul>	<ul style="list-style-type: none"> <li>This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate</li> </ul>
<b>Creditors</b>			66 hrs	£22,671
<b>Employees &amp; pensions</b>		<ul style="list-style-type: none"> <li>Continue to monitor the utilisation of staff</li> <li>Dealing with making staff redundancies and assisting with claims to the Redundancy Payments Service</li> </ul>	<ul style="list-style-type: none"> <li>To enable settlement of any preferential claims</li> <li>Establishment of any unsecured claims from employees arising from termination of their employment</li> <li>The Administrators ensured the retention of key employees in order to assist with the execution of post appointment workstreams</li> </ul>	<ul style="list-style-type: none"> <li>This work is necessary to help realise financial value for the benefit of the estate and for a distribution to creditors should sufficient funds become available</li> </ul>
<b>Unsecured</b>		<ul style="list-style-type: none"> <li>Quantification and agreement of the claims of trade creditors and suppliers</li> <li>Adjudication of claims and notifying creditors of their claim</li> <li>Responding to queries in relation to adjudication of claims</li> <li>Issuing statutory notices</li> </ul>	<ul style="list-style-type: none"> <li>To establish the quantum of creditor claims</li> </ul>	<ul style="list-style-type: none"> <li>This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate</li> </ul>
<b>Special (ransom) creditors</b>		<ul style="list-style-type: none"> <li>Negotiating with ransom creditors to secure commercial agreement in order to stabilise primary collections strategy</li> </ul>	<ul style="list-style-type: none"> <li>Required as part of the duties of the Administrators</li> </ul>	<ul style="list-style-type: none"> <li>This work is necessary to discharge the office holders' duties. As explained under 'Why the work is necessary', although it will not add financial value to the estate it will add value to the insolvency process</li> </ul>

Administration			229 hrs	£84,637	£/hr 370
<b>Appointment formalities</b>	<ul style="list-style-type: none"> <li>Our work in relation to take on is complete</li> <li>Required to ensure that the appointment complies with the statutory requirements</li> </ul>	<ul style="list-style-type: none"> <li>This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate</li> </ul>	•	Bordereaux costs £500	Statutory advertising costs £114
<b>Case management</b>	<ul style="list-style-type: none"> <li>Regular review of cases</li> <li>Necessary to ensure compliance with SIP requirements, insolvency rules and other regulations</li> </ul>	<ul style="list-style-type: none"> <li>This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate</li> </ul>	•		
<b>Reports, circulars notices &amp; decisions</b>	<ul style="list-style-type: none"> <li>Preparation of future progress reports to creditors</li> <li>Finalising creditor decision procedure in respect of resolutions contained in Administrators' proposals</li> </ul>	<ul style="list-style-type: none"> <li>Statutory requirement</li> <li>This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate</li> </ul>	•		
<b>Shareholders / debtor / director communications</b>	<ul style="list-style-type: none"> <li>Continue to respond to press enquiries arising from the appointment of Joint Administrators</li> <li>Monitor web pages on both MMP and Grant Thornton websites</li> </ul>	<ul style="list-style-type: none"> <li>To address public interest in the administration</li> <li>To make information available to potential creditors</li> <li>This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate</li> </ul>	•		
<b>Statement of affairs</b>	<ul style="list-style-type: none"> <li>Guidance to directors on completion of statement of affairs form</li> <li>Review and filing of statement of affairs at Companies House</li> </ul>	<ul style="list-style-type: none"> <li>Statutory requirement</li> <li>This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate</li> </ul>	•		
<b>Treasury, billing &amp; funding</b>	<ul style="list-style-type: none"> <li>Processing and recording transactions arising during the period of the administration</li> <li>Arranging and accounting for the various receipts and payments of the Company</li> </ul>	<ul style="list-style-type: none"> <li>Required as part of the duties of the Administrators and their staff</li> <li>This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate</li> </ul>	•		
<b>Tax</b>	<ul style="list-style-type: none"> <li>Review of historical tax position of the Company</li> <li>This work is necessary to ensure compliance with tax legislation</li> <li>To meet all post administration tax liabilities</li> </ul>	<ul style="list-style-type: none"> <li>This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate</li> </ul>	•		
<b>Pensions</b>	<ul style="list-style-type: none"> <li>The Grant Thornton Pension Advisory team is engaged to deal with various matters including: <ul style="list-style-type: none"> <li>Discussions with the Company and Administrators to discuss the pre</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Necessary for the running of the Administration</li> <li>This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate</li> </ul>	•		



- Administration policy and benefits as well as areas and cover to be maintained post administration
  - Pre-Administration pension and benefit data gathering and assessment of cover
  - Relevant updates in relation to pension cover and benefits

Closure	<ul style="list-style-type: none"> <li>• Finalisation of the Administration process</li> <li>• Statutory requirement</li> <li>• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to the estate</li> </ul>	184 hrs	£89,313	£/hr 485
Fees incurred to 6 January 2020				
Estimated future fees to 8 December 2020		271 hrs	£91,393	£/hr 337
<b>Total Fee Estimate</b>		<b>455 hrs</b>	<b>£180,714</b>	<b>£/hr 397</b>

## Work done by the joint Administrators and their team during the Period

We are required to detail costs of actual work done in the Period, including any expenses incurred in connection with it. We are also required to provide narrative explanation of the work done. The following tables (narrative followed by numerical) set out this information for the joint administrators' fees incurred. Details of the respective expenses are provided in the 'Disbursements and expenses' section below.

### Detailed SPI9 time cost analysis for the period

Period from 09/12/2019 to 6/01/2020

Area of work	Partner		Manager		Administrator		Executive		Period total		Cumulative total as at period end	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£
Trading:	25.00	18,525.00	-	-	-	-	-	-	25.00	18,525.00	25.00	18,525.00
Trading (general)	-	-	-	-	-	-	-	-	25.00	18,525.00	25.00	18,525.00
Realisation of Assets:	-	-	-	-	-	-	-	-	35.40	21,363.00	35.40	21,363.00
Insurance	-	-	0.50	247.50	-	-	-	-	0.50	247.50	0.50	247.50
Property	-	-	-	-	-	-	-	-	-	-	-	-
Debtors	12.50	9,127.50	4.40	2,178.00	-	-	-	-	16.90	11,305.50	16.90	11,305.50
Plant & machinery, fixtures & fittings, equipment	0.50	397.50	-	-	-	-	-	-	0.50	397.50	0.50	397.50
Cash at bank	2.50	1,987.50	15.00	7,425.00	-	-	-	-	17.50	9,412.50	17.50	9,412.50
Investigations:	-	-	-	-	-	-	-	-	0.80	396.00	0.80	396.00
Books & records	-	-	0.80	396.00	-	-	-	-	0.80	396.00	0.80	396.00
Creditors:	-	-	-	-	-	-	-	-	6.20	3,819.00	6.20	3,819.00
Secured	-	-	-	-	-	-	-	-	-	-	-	-
Employees & pensions	2.50	1,987.50	3.70	1,831.50	-	-	-	-	6.20	3,819.00	6.20	3,819.00
Administration:	-	-	-	-	-	-	-	-	116.58	45,209.85	116.58	45,209.85
Take on	1.00	795.00	-	-	-	-	-	-	1.00	795.00	1.00	795.00
Appointment formalities	0.50	397.50	11.70	5,791.50	-	-	3.40	1,020.00	15.60	7,209.00	15.60	7,209.00
Case set-up	-	-	1.00	495.00	12.00	1,980.00	-	-	13.00	2,475.00	13.00	2,475.00
Other IPs, OR, AIB	-	-	-	-	-	-	-	-	-	-	-	-
Case management	-	-	26.00	12,823.50	9.00	1,485.00	-	-	35.00	14,308.50	35.00	14,308.50
Reports to creditors, notices & decisions	-	-	10.25	5,073.75	2.40	432.00	-	-	12.65	5,505.75	12.65	5,505.75
Shareholders / debtor / director	5.50	4,012.50	0.80	396.00	14.80	2,442.00	-	-	21.10	6,850.50	21.10	6,850.50
communications	-	-	-	-	-	-	-	-	-	-	-	-
Committee / commissioners	-	-	-	-	-	-	-	-	-	-	-	-
Statement of affairs	-	-	-	-	-	-	-	-	-	-	-	-
Treasury, billing & funding	2.10	1,489.50	-	-	1.25	225.00	3.75	756.25	7.10	2,470.75	7.10	2,470.75
Tax	-	-	0.30	148.50	1.00	165.00	-	-	1.30	313.50	1.30	313.50
Pensions	-	-	3.50	1,748.50	1.00	165.00	0.58	142.10	5.08	2,055.60	5.08	2,055.60
Closure	-	-	-	-	-	-	-	-	-	-	-	-
General	1.50	1,192.50	2.75	1,636.25	-	-	-	-	4.25	2,828.75	4.25	2,828.75
Other IPs & OR	0.50	397.50	-	-	-	-	-	-	0.50	397.50	0.50	397.50
Shareholders	-	-	-	-	-	-	-	-	-	-	-	-
Appointment documents	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>54.10</b>	<b>40,309.50</b>	<b>80.70</b>	<b>40,191.00</b>	<b>41.45</b>	<b>6,894.00</b>	<b>7.73</b>	<b>1,918.35</b>	<b>183.98</b>	<b>89,312.85</b>	<b>183.98</b>	<b>89,312.85</b>
												<b>485.45</b>

Creditors should note that due to an internal system update, the Joint Administrators have only been able to provide details of their time costs incurred to 6 January 2020. Time incurred since this date will be detailed in their future progress report and has already been included in the fee estimate provided above.

Hourly charge out rates

Time is charged in units of 6 minutes for each grade of staff used. The hourly charge out rates applied take into consideration the nature and complexity of the case and are as follows:

Grade	From 9 December 2019 to current	
	Insolvency £/hr	Pensions & Tax £/hr
Partner	510 – 795	510 – 745
Director	485 – 705	485 - 595
Associate director	445 – 595	445 – 485
Manager	340 – 495	340 – 410
Assistant manager	300 – 405	300 – 340
Executive	245 – 350	260 – 315
Administrator	165 – 225	200 – 235
Treasury	180	
Support	150 – 155	165 – 170

The charge out rates have applied since 9 December 2019. We reserve the right to amend our charge out rates in the future. Any amendments will be detailed within the next report following such an amendment.

## Statement of expenses and disbursements incurred in the Period

This table provides details of expenses and disbursements incurred in the Period in connection with the work done by the joint administrators, description of which is provided in the 'Work done' section above.

Category	Incurred in the Period (£)	Of which paid by the estate as at Period end (£)
<b>Professional fees</b>		
William Brady Accountancy Services Limited	550	550
<b>Net Wages</b>	22,925	22,925
<b>Employee Expenses</b>	587.17	587
<b>Other Payroll deductions</b>	1,558	1,558
<b>VAT Irrecoverable</b>	2,250	2,490
<b>Professional Fees</b>	2,811	2,811
<b>Debt Collection</b>	5,411	5,411
<b>Data Protection Fee</b>	60	60
<b>Rents Payable</b>	7,037	7,037
<b>Other Property Expenses</b>	211	211
<b>Post appointment refunds</b>	460	460
Pulleyn Cleaning Services Limited	105	-
<b>Payroll Services</b>	1,162	-
<b>Statutory advertising</b>	114	-
<b>Bonding</b>	500	-
<b>Telephone</b>	3,967	-
<b>IT Services</b>	74,430	-
<b>Travel and subsistence</b>	927	-
<b>Mileage</b>	130	-
<b>Total expenses and disbursements</b>	<b>104,615</b>	<b>44,100</b>

Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment and fall into two categories:

### Category 1 disbursements

These are also known as 'out of pocket expenses' and are payments to independent third parties where there is specific expenditure directly referable to the insolvent estate; they can be drawn without prior approval and consist of the following categories:

- Travel and subsistence – these costs, which exclude mileage, are incurred by staff in attending trading premises or meetings, for example
- Office costs – these are costs such as postage or courier charges which are incurred in managing the case
- Statutory costs – these are costs such as bonding and advertising relating specifically to the case, which are required by statute

#### Category 2 disbursements

These are expenses that are directly referable to the insolvent estate but not a payment to an independent third party. They may include shared or allocated costs that may be incurred by an office holder or their firm, and that can be allocated to the appointment on a proper and reasonable basis. Category 2 disbursements require approval in the same manner as an office holder's remuneration.

To the extent that recovery of category 2 disbursements is sought, this will be for mileage only. Accordingly, creditor approval is sought for the permission of the administrators to recover category 2 disbursements. Notice of the respective decision procedure is attached as Appendix F.

Total mileage of £130 to be approved as an expense of the administration.

Mileage is charged at 45p a mile. VAT is added as appropriate. Details of these costs are also provided in the table above.

#### Sub-contracted out work

During the Period we have sub-contracted out the following work that could otherwise have been carried out by us or our team:

Sub-contractor	Work sub-contracted out	Reason(s) for sub-contracting out	Cost incurred (£)
ERA Solutions	• Employee claims management	• Employee claims specialists	1,495
External consultant – William Brady Accountancy Services Limited	• Cash management	• Experienced in cash management and strong relationships with banks	550

#### Payments to associates

Where we have enlisted the services of others we have sought to obtain the best value and service. In the interest of transparency, we disclose below services we have sought from within our firm or from a party with whom (to the best of our knowledge) our firm, or an individual within our firm, has a business or personal relationship:

Service provider	Services enlisted	Cost of service
Grant Thornton UK LLP	<ul style="list-style-type: none"> <li>• Tax work/advice (narrative is included within the above narrative of work done)</li> <li>• Pensions work/advice (narrative is included within the above narrative of work done)</li> </ul>	<ul style="list-style-type: none"> <li>• Costs are included within the above SIP9 time cost analysis</li> </ul>

## Relationships requiring disclosure

We confirm that we are not aware of any business or personal relationships with any parties responsible for approving the joint administrators' fee basis, or who provide services to us as joint administrators, which may give rise to a potential conflict.

## Information for creditors

Information to help creditors and members to understand their rights in insolvency and regarding officeholders' (ie administrators or liquidators) fees, and the roles and functions of committees is available via Grant Thornton's website:

<https://www.granthornton.co.uk/portal>

Alternatively, we will supply this information by post, free of charge, on request.

## C Statutory information

### Company information

Company name	MMP Financial Limited
Date of incorporation	5 December 2011
Company registration number	07870321
Former trading address	Beechwood House 2 -10 Windsor Road Slough Berkshire SL1 2EJ
Former registered office	Beechwood House 2 -10 Windsor Road Slough Berkshire SL1 2EJ
Present registered office	4 Hardman Square Spinningfields Manchester M3 3EB
Authorised share capital	1,000
Issued share capital	1,000
Directors and Officers shareholding	100% owned by the ultimate parent company, Renew Finance Holdings Limited

### Administration information

Administration appointment	The Administration appointment granted in the High Court of Justice, Business and Property Courts of England and Wales, 008237 of 2019
Appointor	the Directors
Date of appointment	9 December 2019
Joint Administrators' names	Chris M Lavery Trevor P O'Sullivan Helen Dale
Joint Administrators' address	30 Finsbury Square, London, EC2A 1AG
Purpose of the Administration	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)
Prescribed part distribution	The Prescribed Part does not apply in the case
Functions	In accordance with paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the functions of the Administrators are to be exercised by any or all of them
Current Administration expiry date	8 December 2020

# Statement of Affairs

Statement as to affairs of MMP Financial Limited

Company number 07870321

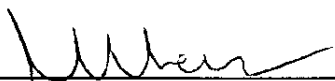
On the 9 December 2019

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Statement of Truth

I believe that the facts stated in this statement of the affairs are true

Full name Toby Wheeler

Signed 

Dated 28/01/2020



## A – Summary of Assets

### Assets

#### Uncharged assets:

	Book Value £	Estimated to Realise £
Trade debtors (before provision for write off and doubtful accounts)	13,240,874	
Trade debtors (provision for write off and doubtful accounts)	(13,030,457)	334,857
Furniture, fixtures and fittings	1,489	1,489
Computer Equipment	7,716	5000
Computer Software	281,081	25,000
Prepayments	51,586	21,250
Employee Advance, deducted Jan 2020	84	84
Cash at bank	1760,703	1760,703
Other debtors	83810	83745

**2,396,886**

**2,232,128**

Estimated total assets available for preferential creditors

Signature  Date 28/1/20



## A1 – Summary of Liabilities

		Estimated to Realise
		£
<b>Estimated total assets available for preferential creditors (carried from page A)</b>	£	2,232,128
<b>Liabilities</b>	£18,723	(18,723)
Preferential creditors:- Employees Net Pay & Holiday		
<b>Estimated deficiency/surplus as regards preferential creditors</b>	£	2,213,405
Estimated prescribed part of net property where applicable (to carry forward)	£ -	-
<b>Estimated total assets available for floating charge holders</b>	£	2,213,405
Debts secured by floating charges	£ -	-
<b>Estimated deficiency/surplus of assets after floating charges</b>	£	2,213,405
Estimated prescribed part of net property where applicable (brought down)	£0	0
<b>Total assets available to unsecured creditors</b>	£	2,213,405
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	£4,579,432	(4,579,432)
<b>Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)</b>	£	(2,366,027)
Shortfall to floating charge holders (brought down)	£0	0
<b>Estimated deficiency/surplus as regards creditors</b>	£	(2,366,027)
Issued and called up capital	£1,000	£(1,000)
<b>Estimated total deficiency/surplus as regards members</b>	£	(2,367,027)

Signature



Date

25 / 1 / 2020

## E Notice about this report

This report has been prepared by Trevor P O'Sullivan, the joint Administrator of MMP Financial Limited – in Administration, solely to comply with the joint Administrators' statutory duty to report to creditors under the Insolvency (England and Wales) Rules 2016 on the progress of the Administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purposes, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any persons choosing to rely on this report for any purpose or in any context other than under the Insolvency Rules 2016 do so at their own risk. To the fullest extent permitted by law, the joint Administrators do not assume any liability in respect of this report to any such person.

Please note that we are all authorised by the Insolvency Practitioners Association to act as insolvency practitioners.

The joint Administrators are bound by the Insolvency Code of Ethics.

The joint Administrators act as agents for the Company and contract without personal liability. The appointment of the joint Administrators is personal to them and to the fullest extent permitted by law, Grant Thornton UK LLP does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the Administration.

Please note you should read this progress report in conjunction with the joint Administrators' previous progress reports and proposals issued to the Company's creditors, which can be found on the Grant Thornton portal. Unless stated otherwise, all amounts in this statement of proposals and appendices are stated net of VAT. For definitions of abbreviations please refer to the 'Definitions' table at the start of this progress report.

**MMP Financial Limited - In Administration**

**Notice of vote by correspondence**

Company name	MMP Financial Limited
Company number	07870321
Court name and number	High Court of Justice, Business and Property Courts of England and Wales 008237 of 2019
Decision date	14 February 2020

**NOTICE IS HEREBY GIVEN** that under rule 3.39 and 18.18 of the Insolvency (England and Wales) Rules 2016, decisions of the creditors are sought as follows:

1. Whether to form a creditors committee
2. The Joint Administrators' proposals be approved
3. The basis of the Joint Administrators' remuneration be fixed, according to the time properly spent by the Administrators and their staff on the Administration, with a fee estimate of £180,714 for the Administration only
4. The Administrators be permitted to draw mileage at 45p per mile.

A creditor who is entitled to vote should return the voting form provided with this notice to Chris M Lavery at Grant Thornton UK LLP, 4 Hardman Square, Spinningfields, Manchester, M3 3BE or as an attachment to an email to alexander.j.ainsworth@uk.gt.com. no later than 23:59 on the decision date.

In order for a creditor's vote to be valid a proof of debt must be received no later than the decision date, failing which the creditor's vote will be disregarded. A proof of debt should be delivered to Chris M Lavery at Grant Thornton UK LLP, 4 Hardman Square, Spinningfields, Manchester, M3 3BE or as an attachment to an email to alexander.j.ainsworth@uk.gt.com. A new proof of debt is not required if you have previously submitted one in the proceedings. A proof of debt form is enclosed for completion if required.

A creditor whose debt is treated as a small debt in accordance with rule 14.31(1) of the Insolvency (England and Wales) Rules 2016 must deliver a proof of debt if they wish to vote, unless a proof of debt has previously been submitted, failing which the vote will be disregarded.

A creditor who has opted out from receiving notices may nevertheless vote if a proof of debt is delivered, unless a proof of debt has previously been submitted, failing which the vote will be disregarded.

A vote cast in a decision procedure which is not a meeting may not be changed.

A decision of the convenor is subject to appeal to the court by any creditor in accordance with rule 15.35 of the Insolvency (England and Wales) Rules 2016. An appeal under this rule may not be made later than 21 days after the decision date.

A physical meeting will be held to replace this vote by correspondence if requested not later than five business days after the date of delivery of this notice by not less than one of the following:

- 10% in value of the creditors
- 10% in number of the creditors
- 10 creditors.

## VOTING FORM

**Company name**

**MMP Financial Limited**

Please delete as appropriate if you are for or against the resolutions below.

This form must be received at Grant Thornton UK LLP, 4 Hardman Square, Spinningfields, Manchester, M3 3BE or as an attachment to an email to [alexander.j.ainsworth@uk.gt.com](mailto:alexander.j.ainsworth@uk.gt.com), by 23.59 on 14 February 2020 in order to be counted. It must be accompanied by a proof of debt, unless you have previously submitted a proof of debt, failing which your vote will be disregarded.

### Resolution(s)

- |   |                    |
|---|--------------------|
| 1. Whether to form a creditors committee  | <b>Yes/No</b>      |
| 2. The Joint Administrators' proposals be approved  | <b>For/Against</b> |
| 3. The basis of the Joint Administrators' remuneration be fixed   | <b>For/Against</b> |
| ○ according to the time properly spent by the Administrators and their staff on the Administration, with a fee estimate of £180,714 for the Administration only |                    |
| 4. The Administrators be permitted to draw mileage at 45p per mile.   | <b>For/Against</b> |

A creditor is eligible to be a member of such a committee if, the person has proved for a debt; the debt is not fully secured; and neither of the following apply: the proof has been wholly disallowed for voting purposes, or the proof has been wholly rejected for the purpose of distribution or dividend. No person can be a member as both a creditor and a contributory. A body corporate may be a member of a creditors' committee, but it cannot act otherwise than by a representative appointed under rule 17.17 of the Insolvency (England and Wales) Rules 2016.

### TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:

Name of creditor

Signature

Date (DD/MM/YYYY)

(If signing on behalf of the creditor, state capacity e.g. director/solicitor)

If you require any further details or clarification prior to returning your vote, please contact Jenna Carr at the address above. Please note that once cast, a vote cannot be changed or withdrawn

Office use only:

Date Completed form received  
(DD/MM/YYYY)

Initial

Rule 14.4 of the Insolvency (England and Wales) Rules 2016

**Proof of debt**

Our ref: M40300143/CML/JXC/EOB/EZF/gen2002

**MMP Financial Limited - In Administration**

Date of administration 9 December 2019.		
1	Name of creditor (If a company please also give company registration number)	
2	Address of creditor for correspondence:	
3	Email address:	
4	Telephone number:	
5	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date of insolvency.	£
6	If amount in 5 above includes outstanding uncapitalised interest please state amount	£
7	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form).	
8	Particulars of any security held, the value of the security, and the date it was given.	
9	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates.	
10	Details of any documents by reference to which the debt can be substantiated.	
11	Signature of creditor or person authorised to act on his behalf	
12	Name in BLOCK LETTERS	
13	Position with or in relation to creditor	
14	Address of person signing (if different from 2 above)	

Please provide any two pieces of documentation from the list below to verify the bank details provided.

- Account Name

\_\_\_\_\_

\_\_\_\_\_

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[illegible][illegible]

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