

29/10

In accordance with Rule 18.7 of the Insolvency (England & Wales) Rules 2016 and Sections 92A, 104A and 192 of the Insolvency Act 1986.

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

SATURDAY



A22 \*A6JXR7NK\* #377  
25/11/2017  
COMPANIES HOUSE

<b>1</b>	<b>Company details</b>	
Company number	0 0 3 8 2 5 5 3	<b>→ Filing in this form</b> Please complete in typescript or in bold black capitals.
Company name in full	COVT (Realisations) Limited	

<b>2</b>	<b>Liquidator's name</b>	
Full forename(s)	David Matthew	
Surname	Hammond	

<b>3</b>	<b>Liquidator's address</b>	
Building name/number	Cornwall Court	
Street	19 Cornwall Street	
Post town	Birmingham	
County/Region		
Postcode	B 3 2 D T	
Country	England	

<b>4</b>	<b>Liquidator's name ①</b>	
Full forename(s)	Anthony Steven	<b>① Other liquidator</b> Use this section to tell us about another liquidator.
Surname	Barrell	

<b>5</b>	<b>Liquidator's address ②</b>	
Building name/number	Cornwall Court	<b>② Other liquidator</b> Use this section to tell us about another liquidator.
Street	19 Cornwall Street	
Post town	Birmingham	
County/Region		
Postcode	B 3 2 D T	
Country	England	

# LIQ03

## Notice of progress report in voluntary winding up

### 6 Period of progress report

From date	d 3	d 0	m 1	m 0	y 2	y 0	y 1	y 6
To date	d 2	d 9	m 1	m 0	y 2	y 0	y 1	y 7

### 7 Progress report

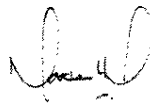
The progress report is attached

### 8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

d 2

d 2

m 1

m 1

y 2

y 0

y 1

y 7

# 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. ①  
 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

① 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  
 - LIQ02, LIQ03, LIQ05, LIQ13, LIQ14,  
 - WU07, WU15  
 - COM1, COM2, COM3, COM4  
 - NDISC

## 2 Insolvency practitioner's name

Full forename(s) Ian David  
 Surname Green

## 3 Insolvency practitioner's address

Building name/number 7 More London Riverside  
 Street  
 Post town London  
 County/Region  
 Postcode S E 1 2 R T  
 Country England

# Continuation page

Name and address of insolvency practitioner

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- Provisional liquidator

① 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
- LIQ02, LIQ03, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

## 2 Insolvency practitioner's name

Full forename(s) Michael John Andrew  
 Surname Jervis

## 3 Insolvency practitioner's address

Building name/number 7 More London Riverside  
 Street  
 Post town London  
 County/Region  
 Postcode S E 1 2 R T  
 Country England

# LIQ03

## Notice of progress report in voluntary winding up

### 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 **Kate Whitham**

Company name **PricewaterhouseCoopers LLP**

Address **8th Floor, Central Square**

**29 Wellington Street**

Post town **Leeds**

County/Region **West Yorkshire**

Postcode **L S 1 4 D L**

Country **England**

DX

Telephone **0113 289 4162**

### 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 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)**

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Joint liquidators' progress report  
from 30 October 2016 to 29 October  
2017

***COVT (Realisations) Limited  
(formerly LTI Limited) and  
Manganese Bronze Holdings  
PLC – both in Creditors'  
Voluntary Liquidation***

22 November 2017

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# Abbreviations and definitions

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

Abbreviation or definition	Meaning
the Companies	COVT (Realisations) Limited (formerly LTI Limited) and Manganese Bronze Holdings PLC – both in liquidation
COVT	COVT (Realisations) Limited - in liquidation
MBH	Manganese Bronze Holdings PLC - in liquidation
COVTS	COVTS (Realisations) Limited (Formerly Manganese Bronze Property Services) - in liquidation
COVTP	COVTP (Realisations) Limited (Formerly Manganese Bronze Properties) - in liquidation
the Group	COVT, COVTS, COVTP, MBH
firm	PricewaterhouseCoopers LLP
IR16	Insolvency (England and Wales) Rules 2016
IA86	Insolvency Act 1986
CVL	Creditors' voluntary liquidation
HMRC	HM Revenue & Customs
HSBC	HSBC Bank PLC
Lloyds	Lloyds UDT Limited
the Liquidators we, our	David Matthew Hammond, Anthony Steven Barrell, Ian David Green and Michael John Andrew Jervis
the Liquidations	Liquidations of the Companies
prescribed part	The amount set aside for unsecured creditors from floating charge funds in accordance with section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003
secured creditors	Creditors with security in respect of their debt, in accordance with Section 248 IA86
preferential creditors	Generally, claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
unsecured creditors	Creditors who are neither secured nor preferential



## Key messages

### Why we've sent you this report

We are writing to update you on the progress of the liquidations of the Companies in the 12 months since our last report dated 19 December 2016.

You can still view our earlier reports on our website at [www.pwc.co.uk/mbh](http://www.pwc.co.uk/mbh).

### How much creditors may receive

The following tables summarise the possible outcome for creditors\*, based on what we currently know.

#### COVT

Class of creditor	Current estimate (p in £)	Previous estimate (p in £)
Preferential creditors	100p	100p
Unsecured creditors	5.29p already paid 3p estimated future	7p

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

#### MBH

Class of creditor	Current estimate (p in £)	Previous estimate (p in £)
Preferential creditors	Nil	Nil
Unsecured creditors	16-18p	10p

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

### What you need to do

#### COVT

We wrote to all creditors from whom claims had not been received on 10 November 2017. If you haven't already done so, please submit your unsecured claim so that we can adjudicate it for dividend purposes. As stated in my correspondence of 10 November 2017 claims are required before 6 December 2017. If your claim is not received by this date, you will be excluded for dividend purposes.

#### MBH

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

Claim forms can be downloaded from our website at [www.pwc.co.uk/mbh](http://www.pwc.co.uk/mbh) or you can get one by telephoning Kate Whitham on 0113 289 4162.

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# Overview of what we've done to date

This is our fourth progress report. You may wish to refer to our previous reports which can be found at [www.pwc.co.uk/mbh](http://www.pwc.co.uk/mbh). As explained in our earlier reports, we have completed the following:

## **COVT**

The following assets have been dealt with during the liquidation:

- An initial balance of £3,031,383 was received into the Liquidators' account from the prior administration;
- As previously detailed a balance of £2,000,000 in respect of the sale of the business was received following the expiry of a retention period and certain criteria being met;
- Books debts of £15,814 have been collected;
- Refunds totalling £22,903 relating to pre administration rates, together with utility refunds and monies received from the purchaser of the business in respect of work undertaken in the prior administration for the processing of payments on their behalf; and
- VAT refund from the prior administration in the sum of £61,634.

In addition to the above, the following work was undertaken following our appointment

- Completion of statutory tasks including reporting to creditors;
- Updating the creditors' committee and holding regular committee meetings;
- Adjudication of creditor claims;
- Review computations and submission of tax and VAT returns; and
- Review of secured creditor's claim and contributions made by the Group in order to undertake the marshalling exercise.

## **MBH**

The following assets have been dealt with during the liquidation:

- An initial balance of £11,287 was received into the Liquidators' account from the prior administration; and
- A VAT refund from the prior administration in the sum of £1,231.

In addition to the above, the following work was undertaken following our appointment

- Completion of statutory tasks including reporting to creditors;
- Review computations and submission of tax and VAT returns;
- Reclaiming VAT in respect of pensions invoices for the pensions trustee; and
- Review of secured creditor's claim and contributions made by the Group in order to undertake the marshalling exercise.

Please note that main reasons that we remain in office are the second and final unsecured creditor distribution in respect of COVT, and in respect of MBH receipt of two shareholder distributions from COVTP and COVTS, finalising tax matters and the first and final unsecured creditor distribution from MBH.

When we last reported the key outstanding issues were as follows, which have now largely been completed or are close to completion:

- The Liquidators were awaiting payment in relation to a material asset into COVTS, a Group company. The realisation was received and the liquidators of that company declared and paid a dividend in COVTS which resulted in a cash movements within the Group enabling each individual company to start its distribution process.
- Unsecured creditor distributions were still to be made.
- Final book debt realisations in respect of intercompany loans were still to be received.

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# ***Outcome for creditors***

## ***Secured creditors***

Lloyds provided a stocking loan facility to COVT, which was secured on the vehicles within finished goods. The value of the stocking loan at the date of the former administrators' appointment was £14 million. Lloyds took possession of the finished vehicles subject to the stocking loan and used the proceeds to reduce the loan. It is anticipated that Lloyds will suffer a shortfall on its lending.

At the time of the former administrators' appointment MBH had an overdraft of £2.528 million and COVT had a potential liability of £890k in relation to guarantees with HSBC. HSBC held a debenture dated 20 January 2009 containing fixed and floating charges over the assets of MBH. In addition, the Bank holds a unilateral guarantee from other companies within the Group.

As per my previous reports, HSBC's debt had been repaid in full from the assets of COVTS, COVT and COVTP, whilst the primary debtors were MBH and COVT. A marshalling exercise has been undertaken to ensure that each company bears the appropriate level of debt. These marshalling payments have now been made.

MBH is a secured creditor of COVT by virtue of a charge over the assets of MBH dated 19 September 1983. However, this charge cannot take effect until Lloyds has been paid in full and therefore it is not anticipated to impact the outcome to the unsecured creditors.

## ***Preferential creditors (mainly employees)***

As per the previous progress reports, we have paid a preferential dividend from COVT of 100% on the 9 October 2014 and no further preferential dividends will be paid.

There are no preferential creditors of MBH.

## ***Unsecured creditors***

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

### **COVT**

In respect of COVT, the prescribed part does not apply because there is no floating charge registered on or after 15 September 2003 against COVT.

An interim dividend of 5.29p in the £ has been paid to the unsecured creditors. Additionally a further dividend is due to be paid, this is expected to be paid within the next 2-3 months and be in the region of 3 p in the £. The amount of the dividend will depend on the final level of submitted claims and future costs.

As previously mentioned we issued our notice of intended dividend to all known unsecured creditors who had not already submitted a claim on 10 November 2017. Creditors who have not yet submitted a claim will need to do so by 6 December 2017 in order to be able to participate in the dividend process.

### **MBH**

In respect of MBH, the provisions of the prescribed part do not apply. The HSBC charge has been paid in full and all other charges are dated prior to 15 September 2003.

At the current time, MBH is still yet to make a distribution to creditors. This distribution can only be calculated and distributed upon the receipt of the second and final creditor distribution from COVT and shareholder dividends from both COVTS and COVTP. Upon receipt of these distributions, we expect the first and final distribution to be paid within the next 5 to 7 months and be in the region of 16-18 p in the £.

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# ***Progress since we last reported***

## ***Realisation of assets***

### **Distributions from group companies**

#### ***COVT***

COVT had a claim in the liquidation of COVTS. COVTS has made first and final a distribution of 100p in the £ plus statutory interest during the period COVT received funds totalling £260,776.

#### ***MBH***

MBH has received funds totalling £2,878,501 from COVTP in respect of its first and final distribution of 100p in the £ plus statutory interest.

Further funds of £337,243 have been received from the first and interim distribution from COVT which was 5.29p in the £. Please note that MBH will benefit from the expected second and final distribution by COVT in the next 2 to 3 months, which is expected to be in the region of 3p in the £.

### **Shareholder Distributions**

#### ***MBH***

MBH is the direct shareholder of both COVTP and COVTS. At the current time shareholder distributions from both COVTP and COVTS are still outstanding, however, we expect this distribution to be made in the next 1-3 months.

Following the receipt of monies due from these final distributions, it is expected that MBH will make a first and final distribution to creditors within 5-7 months. This is expected to be in the region of 16-17 p in the £.

### **Tax losses**

#### ***COVT***

COVT has sold an element of its trading tax losses to COVTS realising a sum of £143,339.

### **Bank interest**

#### ***COVT***

During the period since my last report, COVT has received bank interest of £1,108.

#### ***MBH***

During the period since my last report, MBH has received bank interest of £442.

### **Marshalling Payments**

As explained above, a unilateral agreement was in place at the time of the former administrators' appointment in respect of the charge held by HSBC.

HSBC's debt had been repaid from the assets of COVTS, COVT and COVTP, whilst the primary debtors were MBH and COVT. As such, marshalling exercises have been undertaken to ensure that ultimately each company bears the appropriate amount of debt. This marshalling exercise is now complete and the debt has been split among the Group accordingly.

### **Sundry receipts and refunds**

COVT has received refunds in respect of an intercompany loan made in the prior administration in the sum of £3,154, together with a further sundry refund of £3,720.

MBH received a pre appointment refund totalling £1,650.

## *Statutory and compliance*

During the period of this report, we have prepared and circulated our previous progress report to creditors and carried our routine six monthly reviews to maintain the progression of the Liquidations. We have also prepared and submitted the Companies' corporation tax returns during the period to HMRC and issued a clearance request in respect of COVT. VAT returns have been prepared and submitted on a quarterly basis. Additionally, in respect of MBH we have continued to recover VAT on pensions invoices and transferred these monies to the pension scheme upon receipt.

## *Liquidation committee*

On 19 December 2012, creditors of COVT decided to form a creditors' committee, which subsequently became a liquidation committee consisting of the following members:

1. Lloyds UDT Limited
2. Shanghai Maple Automobile Company Limited
3. The Manganese Bronze Group Pension Scheme

## *Investigations and actions*

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

## *Our receipts and payments account*

We set out in Appendix A accounts of our receipts and payments in the liquidations from 30 October 2016 to 29 October 2017.

## *Our expenses*

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

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

## *Our fees*

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

## *Creditors' rights*

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

<https://www.r3.org.uk/media/documents/publications/professional/Liquidations%20Creditor%20Fee%20Guide%20April%202017.pdf>

You can also get a copy free of charge by telephoning Kate Whitham on 0113 289 4162.

## *What we still need to do*

The main reason that we remain in office for COVT is to declare and pay the second and final creditor distribution.

The main reasons we stay in office for MBH is to await receipt of the final distributions and to declare and pay the first and final distribution to unsecured creditors of MBH.

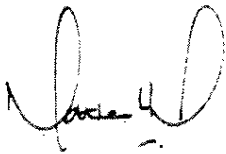
Please note that over the remaining period of the Liquidations we will continue to carry out our routine six monthly reviews to maintain the progression of the Liquidations and prepare and submit both the Companies' VAT reclaims.

### *Next report*

We expect to send our next report to creditors at the end of the Liquidations or in about 12 months, whichever is the sooner. Please note the Liquidations may conclude at different times and as such separate reports may be prepared going forward.

If you've got any questions, please get in touch with Kate Whitham, on 0113 289 4162.

Yours faithfully  
For and on behalf of the Companies



Matthew Hammond  
Joint liquidator

*Matthew Hammond, Anthony Steven Barrell, Michael John Andrew Jervis and Ian David Green have been appointed as joint liquidators of the Companies. Matthew Hammond, Anthony Steven Barrell, Michael John Andrew Jervis and Ian David Green are all licensed in the United Kingdom to act as an Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales. The joint liquidators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>.*

*The joint liquidators are Data Controllers of personal data as defined by the Data Protection Act 1998. PricewaterhouseCoopers LLP will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the liquidations.*

# Appendix A: Receipts and payments

COVT (Realisations) Limited - in creditors' voluntary liquidation  
 Receipts and payments account for the period 30 October 2016 to 29 October 2017

	30 October 2013 to 29 October 2016 £	30 October 2016 to 29 October 2017 £	30 October 2013 to 29 October 2017 £
<b>Receipts</b>			
Book debts	15,813.96	260,776.20	276,590.16
Funds from previous Administration	3,031,382.94	3,154.12	3,034,537.06
Sale of tax losses	-	143,339.00	143,339.00
Funds held by lawyers	1,486.38	-	1,486.38
Interest	36,788.70	1,107.61	37,896.31
Monies received in respect of loan made to a group company in prior Administration	540.24	-	540.24
Post appointment trading receipts from prior Administration	3,396.07	-	3,396.07
Release of retention monies from sale of business	2,000,000.00	-	2,000,000.00
VAT refund from prior Administration period	61,634.18	-	61,634.18
Sundry debts and refunds	22,903.02	566.22	23,469.24
	<b>5,173,945.49</b>	<b>408,943.15</b>	<b>5,582,888.64</b>
<b>Payments</b>			
Bank charges	(102.16)	(92.50)	(194.66)
Corporation tax	(6,659.79)	(2,128.82)	(8,788.61)
Legal fees	(31,477.97)	(878.30)	(32,356.27)
Marshalling payments	(859,135.81)	900,942.19	41,806
Motor and travel	(90.00)	-	(90.00)
Preferential creditors	(114,843.51)	-	(114,843.51)
Tax and national insurance on employee claims	-	(15.45)	(15.45)
Prior appointee expenses	(5,909.66)	-	(5,909.66)
Prior appointee fees	(236,675.35)	(14,684.00)	(251,359.35)
Employee tracing costs	-	(34.08)	(34.08)
Payroll services	(395.00)	-	(395.00)
Statutory advertising	(110.42)	-	(110.42)
Storage costs	(3,142.23)	(1,071.66)	(4,213.89)
Sale of business adjustment	(46,456.65)	-	(46,456.65)
Third party funds	(9,344.16)	-	(9,344.16)
Office Holders expenses	(447.73)	-	(447.73)
Office Holders Fees on a time costs basis	(129,439.59)	(197,225.00)	(326,664.59)
	<b>(1,444,230.03)</b>	<b>684,812.38</b>	<b>(759,417.65)</b>
Dividend to unsecured creditors in the sum of 5.29p in the £	-	(2,821,094.91)	(2,821,094.91)
<b>VAT control account</b>	<b>(323.13)</b>	<b>(39,245.35)</b>	<b>(39,568.48)</b>
<b>Balance held in interest bearing account at Barclays plc</b>	<b>3,729,392.33</b>	<b>(1,766,584.73)</b>	<b>1,962,807.60</b>

**Manganese Bronze Holdings Plc - in creditors' voluntary liquidation**  
**Receipts and payments account for the period 30 October 2016 to 29 October 2017**

	30 October 2013 to 29 October 2016	30 October 2016 to 29 October 2017	30 October 2013 to 29 October 2017
	£	£	£
<b>Receipts</b>			
Funds from previous Administrators	11,287.04	-	11,287.04
Distributions from creditors	-	3,215,743.82	3,215,743.82
Interest	175.84	442.08	617.92
Loans and Advances	32,384.40	-	32,384.40
Pre appointment refunds	-	1,649.67	1,649.67
Third Party Funds	27,717.52	-	27,717.52
VAT refund for previous Administration period	1,231.20	-	1,231.20
	<u>72,796.00</u>	<u>3,217,835.57</u>	<u>3,290,631.57</u>
<b>Payments</b>			
Loans and advances	-	(32,384.40)	(32,384.40)
Legal Fees	(1,424.70)	-	(1,424.70)
Marshalling payments	-	(2,538,803.29)	(2,538,803.29)
Office holders' fees on a time costs basis	(38,315.00)	(123,921.00)	(162,236.00)
Prior administrators' fees	-	(196,259.93)	(196,259.93)
Wages and salaries*	-	(3,682.47)	(3,682.47)
PAYE/NIC deductions*	-	(3,318.84)	(3,318.84)
Payroll services*	-	(45.00)	(45.00)
Return of third party monies paid over by the Administrators	(540.24)	-	(540.24)
Statutory advertising	(50.25)	-	(50.25)
Third party funds	(27,717.52)	-	(27,717.52)
	<u>(68,047.71)</u>	<u>(2,898,414.93)</u>	<u>(2,966,462.64)</u>
VAT control account	<u>4,701.49</u>	<u>(29,485.69)</u>	<u>(24,784.20)</u>
Balance held in interest bearing account at Barclays Bank plc	<u>9,449.78</u>	<u>289,934.95</u>	<u>299,384.73</u>

\* These payments relate to pensions contributions for two former employees of MBH



## Appendix B: Expenses

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

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

### COVT

	Brought forward from preceding period £	Incurred in the period under review £	Cumulative £	Estimated future £	Anticipated total £
Office holders' fees	456,776.58	78,473.30	535,249.88	33,621.00	568,870.88
Office holders' expenses	1,226.31	1,760.74	2,987.05	2,800.00	5,787.05
Legal fees	31,447.97	878.30	32,326.27	-	32,326.27
Statutory advertising	110.42	-	110.42	-	110.42
Employee tracing fee	-	34.08	34.08	-	34.08
Storage costs	3,142.43	1,071.66	4,214.09	3,057.00	7,271.09
<b>Total</b>	<b>492,703.71</b>	<b>82,218.08</b>	<b>574,996.49</b>	<b>39,478.00</b>	<b>614,399.79</b>

### MBH

	Brought forward from preceding period £	Incurred in the period under review £	Cumulative £	Estimated future £	Anticipated total £
Office holders' fees	164,128.02	35,609.75	199,737.77	31,582.00	231,319.77
Office holders' expenses	779.00	-	779.00	1,400.00	2,179.00
Wages and salaries	-	3,682.47	3,682.47	-	3,682.47
Payroll services	-	45.00	45.00	-	45.00
PAYE/NIC deductions	-	3,318.84	3,318.84	-	3,318.84
Statutory advertising	-	-	-	73.00	73.00
Storage costs	-	-	-	45.00	45.00
<b>Total</b>	<b>164,907.02</b>	<b>42,656.06</b>	<b>207,563.08</b>	<b>33,100.00</b>	<b>240,663.08</b>

## Appendix C: Remuneration update

During the prior administration the administrators' fees were fixed by reference to time properly given by the administrators and their staff in dealing with the administration. In relation to MBH this resolution was passed by the creditors and in COVT it was passed by the creditors' committee.

The fee basis agreed in the administration continues to apply in the Liquidations. This means that our fees as Liquidators will be calculated by reference to time properly given by the Liquidators and their staff in dealing with the Liquidations.

From the 30 October 2016 to 29 October 2017, we have incurred time costs of £78,473 in respect of COVT and £35,610 in respect of MBH. This represents 321 and 138 hours work respectively, which works out at an average hourly rate of £245 and £258. The average hourly rates in our last progress report were £256 and £278 respectively.

We set out later in this Appendix details of our work to date, anticipated future work, disbursements, subcontracted work and payments to associates.

### *Our time charging policy and hourly rates*

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

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

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

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

<b>Grade</b>	<b>Maximum rate per hour from 1 July 2016 to 30 June 2017 £</b>	<b>Maximum rate per hour from 1 July 2017 £</b>	<b>Specialist rates maximum £</b>
Partner	600	620	1,315
Director	500	525	1,210
Senior manager	435	450	1,230
Manager	345	355	735
Senior associate – qualified	260	268	545
Associate	170	175	270
Support staff	89	92	160

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

# Our hours and average rates

COVT (Realisations) Limited

Analysis of our time costs by grade and work area from 30 October 2016 to 29 October 2017

Aspect of assignment	Partner	Senior Manager			Manager	Senior Associate		Associate	Secretarial	Total hours	Time cost £	Average hourly rate £	Cumulative time £
		Director	Manager	Associate		Associate							
Trading	-	-	-	-	-	-	-	-	-	-	-	472.50	
Assets	-	1.00	-	-	-	4.20	-	-	5.20	1,309.40	251.81	10,070.40	
Investigations	-	-	-	-	-	-	-	-	-	-	-	942.30	
Creditors	-	-	2.50	12.80	1.80	61.50	6.35	3.50	86.65	18,791.40	216.87	261,828.99	
Accounting and treasury	-	-	1.00	1.80	30.55	30.35	-	-	63.70	12,711.65	199.55	38,689.55	
Statutory and compliance	0.75	14.50	1.30	2.45	54.05	15.25	5.35	-	93.65	23,517.35	251.12	102,352.14	
Tax & VAT	0.60	1.10	2.75	16.45	31.15	16.35	-	-	68.40	21,475.90	313.98	83,104.90	
Employees & pensions	-	-	-	0.50	2.45	-	-	-	2.95	641.60	217.49	36,531.85	
Closure procedures	-	-	-	-	0.10	-	-	-	0.10	26.00	260.00	1,357.25	
<b>Total for the period</b>	<b>1.35</b>	<b>16.60</b>	<b>7.55</b>	<b>34.00</b>	<b>184.00</b>	<b>68.30</b>	<b>8.85</b>		<b>320.65</b>	<b>78,473.30</b>	<b>244.73</b>	<b>535,249.88</b>	
<b>Brought forward at 29 October 2016</b>									<b>1,814.90</b>	<b>456,776.58</b>			
<b>Total</b>									<b>2,135.55</b>	<b>535,249.88</b>			

Case name Manganese Bronze Holdings plc  
 Analysis of our time costs by grade and work area from 30 October 2016 to 29 October 2017

Aspect of assignment	Partner	Director	Senior Manager		Senior Associate		Manager	Associate	Secretarial	Total hours	Time cost £	Average hourly rate £	Cumulative total £
			0.05	0.05	2.65	1.15							
Assets	-	-	-	-	-	-	-	-	1.15	218.50	190.00	7,765.75	
Investigations	-	-	-	-	-	-	-	-	-	-	-	618.40	
Creditors	-	-	0.05	0.70	2.65	0.45	-	-	3.85	869.65	225.88	40,913.49	
Accounting and treasury	-	-	-	0.90	10.40	5.35	-	-	16.65	3,490.85	209.66	13,060.20	
Statutory and compliance	0.75	0.50	0.25	1.95	32.25	5.20	3.60	-	44.50	9,111.85	204.76	38,886.53	
Tax & VAT	-	1.00	4.00	9.90	43.00	9.60	-	-	67.50	20,849.00	308.87	86,188.50	
Employees & pensions	-	-	-	0.40	3.45	0.70	-	-	4.55	1,043.90	229.43	11,107.40	
Closure procedures	-	-	-	-	0.10	-	-	-	0.10	26.00	260.00	1,197.50	
<b>Total for the period</b>	<b>0.75</b>	<b>1.50</b>	<b>4.30</b>	<b>13.85</b>	<b>93.00</b>	<b>21.30</b>	<b>3.60</b>		<b>138.30</b>	<b>35,609.75</b>	<b>257.48</b>	<b>199,737.77</b>	
<b>Brought forward at 29 Oct 2016</b>									<b>658.83</b>	<b>164,128.02</b>			
<b>Total</b>									<b>797.13</b>	<b>199,737.77</b>			

## Our work in the period

Earlier in this section we have included an analysis of the time spent by the various grades of staff for both COVT and MBH.

Whilst this is not an exhaustive list, in the following tables we provide more detail on the key areas of work:-

### COVT

Area of work	Work undertaken	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
<ul style="list-style-type: none"> <li>• Creditors</li> </ul>	<ul style="list-style-type: none"> <li>• Dealing with creditor queries</li> <li>• Adjudication of creditor claims</li> <li>• Dealing with general creditor correspondence</li> <li>• Liaising with the creditors' committee and preparing for creditors committee meetings</li> <li>• Issuing notice of intended dividend to creditors</li> <li>• Calculating interim dividend to unsecured creditors</li> <li>• Declaring and paying an interim dividend</li> </ul>	<ul style="list-style-type: none"> <li>• To enable to interim distribution to be paid</li> </ul>	<ul style="list-style-type: none"> <li>• The work enabled the first and interim dividend paid at 5.29p in the £</li> </ul>
<ul style="list-style-type: none"> <li>• Assets</li> </ul>	<ul style="list-style-type: none"> <li>• Dealing with receipt of distributions from creditors</li> </ul>	<ul style="list-style-type: none"> <li>• To maximise realisations</li> </ul>	<ul style="list-style-type: none"> <li>• To enable a dividend to creditors</li> </ul>
<ul style="list-style-type: none"> <li>• Accounting and Treasury</li> </ul>	<ul style="list-style-type: none"> <li>• Arranging payments of received invoices</li> <li>• Completing reconciliation of bank account</li> <li>• Calculation, administration and distribution in respect of marshalling exercise</li> <li>• Dealing with returned or uncashed cheques from dividend</li> </ul>	<ul style="list-style-type: none"> <li>• To distribute funds and attribute the debt appropriately between the different entities</li> </ul>	<ul style="list-style-type: none"> <li>• Required by statute</li> </ul>
<ul style="list-style-type: none"> <li>• Statutory and compliance</li> </ul>	<ul style="list-style-type: none"> <li>• Drafting, finalising and circulating annual report</li> <li>• Arranging payment of books and records storage, including final storage and destruction</li> <li>• Carrying out routine six month reviews</li> <li>• Completing estimated outcome statements</li> </ul>	<ul style="list-style-type: none"> <li>• Required by statute</li> </ul>	<ul style="list-style-type: none"> <li>• Required by statute</li> </ul>

<ul style="list-style-type: none"> <li>• Tax and VAT</li> </ul>	<ul style="list-style-type: none"> <li>• Preparing, completing and submitting company VAT returns</li> <li>• Preparing, completing and submitting corporation tax returns</li> <li>• Dealing with tax related queries</li> <li>• General correspondence with HMRC</li> <li>• Liaising with HMRC in regard to tax clearance</li> <li>• VAT reconciliations</li> <li>• Liaising with HMRC in respect of VAT deregistration</li> </ul>	<ul style="list-style-type: none"> <li>• To satisfy requirements of HMRC</li> </ul>	<ul style="list-style-type: none"> <li>• Required by statute</li> <li>• Ensures VAT recovered for the benefit of creditors</li> </ul>
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## Our future work

We still need to do the following work in the liquidations.

### COVT

Area of work	Work we need to do	Estimated cost £	Whether or not the work will provide a financial benefit to creditors
Creditors	<ul style="list-style-type: none"> <li>• Dealing with creditor queries</li> <li>• Liaising with the creditors committee</li> <li>• General creditor correspondence</li> <li>• Making a second and final distribution to creditors</li> </ul>	<ul style="list-style-type: none"> <li>• 13,675</li> </ul>	<ul style="list-style-type: none"> <li>• Financial benefit will be received directly from the second and final distribution in COVT</li> </ul>
Accounting and treasury	<ul style="list-style-type: none"> <li>• Arranging payment of second and final distribution to creditors</li> <li>• Dealing with uncashed and returned dividend cheques</li> <li>• Arranging payments of received invoices</li> <li>• Completing reconciliation of bank account</li> </ul>	<ul style="list-style-type: none"> <li>• 5,800</li> </ul>	<ul style="list-style-type: none"> <li>• Will allow a distribution to be paid to creditors</li> </ul>
Statutory and compliance	<ul style="list-style-type: none"> <li>• Drafting, finalising and circulating annual report</li> <li>• Carrying out routinely six month reviews</li> <li>• Completing estimated outcome statements</li> </ul>	<ul style="list-style-type: none"> <li>• 7,965</li> </ul>	<ul style="list-style-type: none"> <li>• Required by statute</li> </ul>

Tax & VAT	<ul style="list-style-type: none"> <li>• Completing Company VAT returns</li> <li>• Completing quarterly corporation tax returns</li> <li>• General correspondence with HMRC</li> </ul>	• 1,917	• Required by statute
Closure	<ul style="list-style-type: none"> <li>• Ensuring clearances are obtained prior to closure</li> <li>• Drafting, finalising and circulating final report</li> </ul>	• 4,264	• Required by statute

## MBH

Area of work	Work undertaken	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
• Creditors	<ul style="list-style-type: none"> <li>• Dealing with creditor queries</li> <li>• General creditor correspondence</li> </ul>	• To enable to receive funds from which a dividend will be paid	• Financial benefit will be received once the distribution in MBH is paid
• Accounting and Treasury	<ul style="list-style-type: none"> <li>• Dealing with incoming receipts and payments</li> <li>• Calculating, administering and distribution for marshalling exercise</li> </ul>	• To distribute funds and attribute the debt appropriately between the different entities	• Required by statute
• Statutory and compliance	<ul style="list-style-type: none"> <li>• Drafting, finalising and circulating annual report</li> <li>• Carrying out routinely six month reviews</li> <li>• Completing estimated outcome statements</li> </ul>	• Required by statute	• Required by statute
• Tax and VAT	<ul style="list-style-type: none"> <li>• Preparing, completing and submitting company VAT returns</li> <li>• Preparing, completing and submitting corporation tax returns</li> <li>• Dealing with tax related queries</li> <li>• General correspondence with HMRC in respect of VAT deregistration</li> <li>• VAT reconciliations</li> </ul>	• To satisfy requirements of HMRC	• Required by statute

## Our future work

We still need to do the following work in the liquidations.

### MBH

Area of work	Work we need to do	Estimated cost £	Whether or not the work will provide a financial benefit to creditors
Creditors	<ul style="list-style-type: none"> <li>Dealing with creditor queries</li> <li>General creditor correspondence</li> <li>Making a first and final distribution to creditors</li> <li>Work surrounding the receipt of funds from the second and final distribution from COVT</li> <li>Work on the receipt of funds from the direct shareholder dividends from COVTP and COVTS</li> </ul>	<ul style="list-style-type: none"> <li>9,605</li> </ul>	<ul style="list-style-type: none"> <li>Financial benefit will be provided to creditors directly from the distribution from MBH. Work on the receipt of funds is required before the final distribution amount can be determined.</li> </ul>
Accounting and treasury	<ul style="list-style-type: none"> <li>Dealing with receipts from shareholder dividend of COVTP and COVTS</li> <li>Arranging payment of second and final distribution to creditors</li> <li>Dealing with uncashed and returned dividend cheques</li> </ul>	<ul style="list-style-type: none"> <li>3,492</li> </ul>	<ul style="list-style-type: none"> <li>Required by statute</li> </ul>
Statutory & compliance	<ul style="list-style-type: none"> <li>Drafting and issuing annual report</li> <li>Carrying out routine six month reviews</li> </ul>	<ul style="list-style-type: none"> <li>7,790</li> </ul>	<ul style="list-style-type: none"> <li>Required by statute</li> </ul>
Tax and VAT	<ul style="list-style-type: none"> <li>Completing Company VAT returns</li> <li>Completing quarterly corporation tax returns</li> <li>General correspondence with HMRC</li> <li>Liaising with HMRC in regard to tax clearance for shareholder distributions from COVTP and COVTS</li> </ul>	<ul style="list-style-type: none"> <li>7,142</li> </ul>	<ul style="list-style-type: none"> <li>Required by statute</li> </ul>
Closure	<ul style="list-style-type: none"> <li>Ensuring clearances are obtained prior to closure</li> <li>Drafting, finalising and circulating final report</li> </ul>	<ul style="list-style-type: none"> <li>3,553</li> </ul>	<ul style="list-style-type: none"> <li>Required by statute</li> </ul>



## Disbursements

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

Our expenses policy allows for all properly incurred expenses to be recharged to the Liquidations and has been approved by the general body of creditors in respect of MBH and the creditors' committee in respect of COVT.

The following disbursements arose in the period of this report.

Category	Policy	Costs incurred COVT £	Costs incurred MBH £
2	<b>Photocopying</b> - at 5 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	1,446.74	Nil
2	<b>Mileage</b> - At a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	Nil	Nil
1	<b>Storage costs</b>	6.07	Nil
1	<b>Other costs</b>	307.93	Nil
	<b>Total</b>	1,760.74	Nil

## Legal and other professional firms

We've instructed the following professionals on this case:

Company	Service provided	Name of firm / organisation	Reason selected	Basis of fees
COVT	Legal services	Gowling WLG (UK) LLP	<ul style="list-style-type: none"><li>• Claims advice</li><li>• Trademark advice</li></ul>	Time costs

## Our relationships

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

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## Appendix D: Other information

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	<b>COVT</b>	<b>MBH</b>
Company's registered name:	COVT (Realisations) Limited	Manganese Bronze Holdings PLC
Trading name:	London Taxi Company LTI Limited	None
Registered number:	00382553	00061050
Registered address:	8 <sup>th</sup> Central Square, 8 <sup>th</sup> floor, 29 Wellington Street, Leeds, West Yorkshire, LS1 4DL	
Date of the Liquidators' appointment:	30 October 2013	
Liquidators' names, addresses and contact details:	David Matthew Hammond PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT  Anthony Steven Barrell PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT  Michael John Andrew Jervis PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT  Ian David Green PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT	
Contact	If you have any queries please contact Kate Whitham c/o 8 <sup>th</sup> Central Square, 8 <sup>th</sup> floor, 29 Wellington Street, Leeds, West Yorkshire, LS1 4DL.  Kate.whitham@pwc.co.uk	

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