



Guinness Mahon Trust Corporation Limited (in administration)

Joint administrators' Report and Statement of Proposals pursuant
to Paragraph 49 of Schedule B1 Insolvency Act 1986

9 April 2020



Contents

1.	Glossary	3
2.	Introduction	4
3.	Key points	4
4.	Background to the administration	5
5.	Purpose of administration and strategy	5
6.	Joint administrators' receipts and payments	6
7.	Conduct of the administration	6
8.	Financial position at the date of administration	8
9.	Estimated outcome for creditors	9
10.	Proposals for achieving the purpose of administration	9
11.	Exit route from administration	10
12.	Other matters relating to the conduct of the administration	11
13.	Pre-administration costs and expenses	11
14.	Joint administrators' remuneration	13
15.	Administration expenses	14
16.	Creditors decisions	16
17.	Privacy and data protection	16
18.	Next report and creditors' rights	16

Appendices

I	Statutory information	20
II	Prior professional relationship	21
III	Receipts and payments account	22
IV	Directors' Statement of Affairs as at 17 February 2020	23
V	Time analysis for the pre-appointment period	28
VI	Time analysis for the period	30
VII	Staffing, charging, subcontractor and adviser policies and charge out rates	32
VIII	Joint Administrators' Statement in Accordance with Statement of Insolvency Practice 16	34
IX	Notice of a Decision being sought by a Decision Procedure	38
X	Voting Form	400
XI	Proof of Debt form	42

1. Glossary

Abbreviation	Description
the Company/GMTC	Guinness Mahon Trust Corporation Limited
the administrators/joint administrators	Adam Henry Stephens and Nicholas Myers
SIP	Statement of Insolvency Practice (England & Wales)
IA86	Insolvency Act 1986 If preceded by S this denotes a section number
Sch B1	Schedule B1 to the Insolvency Act 1986 If preceded by P this denotes a paragraph number
IR16	Insolvency (England and Wales) Rules 2016 If preceded by R this denotes a rule number
SOA	Statement of Affairs
CVA	Company Voluntary Arrangement
CVL	Creditors' Voluntary Liquidation
HMRC	HM Revenue & Customs
QFCH	Qualifying Floating Charge Holder - a secured creditor who has the power to appoint an administrator
FCA	Financial Conduct Authority
FOS	Financial Ombudsman Service
Hartley	Hartley Pensions Limited
SIPP	Self-Invested Personal Pensions
FURBS	Funded Unapproved Retirement Benefit Schemes
FSCS	Financial Services Compensation Scheme
SSAS	Small Self-Administered Pension Scheme
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006
S&W	Smith & Williamson LLP
GDPR	General Data Protection Regulation

2. Introduction

We, Adam Henry Stephens and Nicholas Myers both of Smith & Williamson LLP, 25 Moorgate, London, EC2R 6AY and licensed insolvency practitioners, were appointed administrators of the Company on 17 February 2020

This report sets out our proposals in respect of the administration of the Company. It should be read in conjunction with our letter to creditors dated 21 February 2020, which set out detailed information in respect of the pre-packaged sale of the Company's business and certain of its assets in accordance with SIP 16.

Appendix I contains information in respect of the Company and the joint administrators that is required under the IR16.

Appendix VIII contains our SIP 16 statement.

We will deliver these proposals to the creditors on 9 April 2020 by making them available to view and download at www.ips-docs.com on that date.

3. Key points

- We were appointed joint administrators of the Company on 17 February 2020 by the directors of the Company.
- The objective of the administration is as in P3(1)(b) Sch B1, namely 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)
- A pre-packaged sale of the Company's business and certain assets to Hartley was completed on 17 February 2020 for £1,170,000 (including £117,000 of deferred consideration). Further details around this sales process can be found in Appendix VIII.
- All staff were transferred to Hartley under TUPE.
- We are not aware of any secured or preferential creditors. It should be noted that there are a number of outstanding charges registered against the Company at Companies House. They relate to fixed charges over property that is the underlying assets in the SIPP's for which the Company is the Trustee and are not registered against the Company's assets. Legal advice has been sought on this point.
- It is anticipated that there may be sufficient funds to allow a distribution to creditors, however the quantum and timing of a dividend is uncertain at present.
- We are seeking approval of our proposals from creditors by a decision by correspondence.
- Creditors with partly or wholly unsecured claims will be invited to form a Creditors' Committee which, if formed, will need to comprise three to five members.
- If 10% or more by value of the Company's creditors wish us to call a meeting to consider the proposals, details of the process are covered in section 16 below.
- Creditors who meet certain thresholds prescribed by the Insolvency Act 1986, namely 10% in value of creditors, 10% in number of creditors or 10 creditors, may request a physical meeting to be held to consider the Proposed Decisions (incorporating the approval of the pre-administration costs and expenses). However, such a request must be made in writing to the Convener within 5 business days from 9 April 2020.
- We are currently seeking approval of the pre-appointment costs and expenses as set out in section 13 from the creditors.
- We will be seeking approval of the basis of our remuneration and any category 2 disbursement as set out in section 14 from the creditors in due course.
- We are also seeking approval of our discharge from liability from creditors.
- Notice of a Decision being sought by correspondence and a voting form for the approval of the administrators proposals, the pre-administration costs and expenses and our discharge from liability are provided at appendices IX and X respectively.

4. Background to the administration

The Company was incorporated in 1927 to operate specialist trusts. It was acquired by Pan Trustee Services Limited in 2002.

The Company is authorised and regulated by the FCA and primarily acted as a SIPP trustee and administrator, providing personal and occupational pension solutions to clients. The Company administered around 3,700 SIPPs. It also acted as security agent or security trustee in financing arrangements and provided professional trusteeship for FURBS that were established under the applicable pension tax regulations prior to the coming into force of the Finance Act 2006.

The wider group, through a different company, Pan Pensioner Trustees Limited (“PPTL”) provided other pension related services including SSAS administration.

The Company traded from rented premises at 3 Castlefield Court, Church Street, Reigate, Surrey, RH2 0AH.

In the year to 31 March 2018, the Company’s turnover was £1.47m and it made a profit of £383k. In the year to 31 March 2019 the Company’s turnover was £1.15m and it made a loss of £6k.

The Company’s directors were aware of contingent liabilities in relation to complaints made to the FOS by members of certain SIPP arrangements in respect of the due diligence undertaken by GMTCC before accepting certain non-standard investments (“NSI”) into the SIPPs. It is estimated that these contingent liabilities could amount to a minimum of c£8.5m if there are adverse adjudications by the FOS and could be significantly greater than this due to the possibility of wider actions (including group claims), which created a solvency issue for the Company going forward.

The director, Andrew Cheeseman, wanted to retire and therefore wished to dispose of his interest in the business. The options available were to sell the business and assets or sell the shares of the Company.

S&W were engaged in August 2019 to provide the Company with a high level review of its current financial position and prospects and to assist with an accelerated sale process of the business and assets of the Company. In addition to this, it was agreed that S&W would assist the Company in the event that it was deemed necessary to undertake the relevant steps to place the Company into an insolvency process. Details of the accelerated sales process are provided in the joint administrators’ SIP16 statement at Appendix VIII that was issued separately to creditors on 20 February 2020.

Adam Henry Stephens and Nicholas Myers are both qualified insolvency practitioners and licensed by the Institute of Chartered Accountants in England & Wales. As proposed joint administrators, statements and consents to act were provided by both on 14 February 2020.

The joint administrators were appointed by the directors of the Company on 17 February 2020 and, in the absence of any qualified floating charge holder, there was no requirement to serve notice of their intention on the Company.

5. Purpose of administration and strategy

The joint 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 case, the second objective above is being pursued.

We do not believe that the first objective can be achieved due to the extent of the Company's contingent liabilities and there was no prospect of sufficient investment to enable the Company to be rescued as a going concern.

The sale of the Company's business and certain assets by way of the pre-packaged sale has resulted in a significantly better result for the Company's creditors as a whole that would be likely if the Company had gone into liquidation. The pre-packaged sale achieved £1,170,000 (including £117,000 deferred consideration) for the client records, client database, goodwill, information technology and intellectual property, whereas in a liquidation these assets were estimated to be of no value.

Our role, prior to appointment as joint administrators, was to advise the Company, not the directors or any party considering acquisition of the business whether by means of a pre-pack or other. Once appointed, administrators are obliged to perform their functions in the interests of the Company's creditors as a whole. Where the objective of the administration is to realise property in order to make a distribution to secured or preferential creditors, we have a duty to avoid harming unnecessarily the interests of the creditors as a whole.

Section 7 provides details of the actions taken to date in pursuit of our strategy for the administration and section 10 details our proposals to achieve the purpose of the administration and to bring it to a conclusion in due course.

6. Joint administrators' receipts and payments

A summary of our receipts and payments for the administration period from the date of our appointment to 31 March 2020 is attached at Appendix III. This shows funds in hand of £1,052,240.

7. Conduct of the administration

7.1 Pre-packaged sale

Following the completion of the pre-packaged sale of the Company's business and certain of its assets on 17 February 2020 to Hartley Pensions, the joint administrators are obliged to provide information on the sale pursuant to the requirements of insolvency regulations called SIP 16, Pre-packaged Sales in Administration. The joint administrators' SIP 16 statement is attached as Appendix VIII.

Following the sale to Hartley the administrators have been continuing to work with Hartley to implement the provisions of the sale agreement. This involves ongoing communications with the FCA, FSCS and FOS to ensure all clients are able to transfer their SIPPs to Hartley or an alternative provider. This will result in an orderly wind-down of the SIPPs.

Details of the assets that were not included in the pre-packaged sale to Hartley are set out below.

SIPP Customer queries should be directed to Hartley Pension in the first instance. They can be contacted by telephone on 0117 316 9991.

7.2 Cash at Bank

The Company operated an office account with Lloyds Bank. We understand that the balance as at the date of administration was c£324k. Following our appointment we wrote to Lloyds and requested that the account be frozen and the credit balance as at the date of administration be transferred to the administrators. These funds have not yet been received.

We have received £7,093 from NatWest bank, however, these may be client monies. We are awaiting statements in order to reconcile the funds and therefore these have not yet been posted on the receipts and payments account at Appendix III.

7.3 Book debts

The Company's debtor ledger at the date of administration shows debtors of c£420k, these predominantly relate to fees owed from individual SIPPs. At present a significant number of these have insufficient liquidity in the SIPP to settle these fees, realisations from these debtors are uncertain at present.

The directors' SOA also included 'other debtors' with a book value of £283k with an estimated to realise value of £202k. These primarily relate to legal fees incurred by the Company in relation to legal action taken in respect of a certain SIPP investment against companies that have entered insolvency proceedings, any realisations are therefore uncertain at present.

7.4 FURBS and Security Trusteeships

We are in the process of investigating whether a suitable alternative Trustee as a replacement for the Company in relation to both of these matters. Until a replacement trustee is appointed to ensure support and continuity on all processes we have been utilising the expertise and experience of Irwin Mitchell Trustees Limited who act as trustee of a wide range of trust arrangements for a large number of businesses.

7.5 Steps taken since appointment

We summarise below the other key matters that we have dealt with since our appointment. We have:

- Sent communications to all SIPP clients to advise them of the administration, the sale of the business to Hartley and what will happen to their SIPPs.
- Set up a variety of mechanisms to communicate with clients, including via email, website and telephone. This has included FAQs.
- Dealt with enquiries from clients and their representatives by post, email and telephone.
- Liaised with Harley to facilitate the transfer of the SIPP clients.
- Isolated and recovered records of the Company where required for the purposes of the administration, including imaging all the server and computer hardware located at the trading premises.
- Communicated with the solicitors acting for the Company's professional indemnity insurers regarding existing and new complaints from clients against the Company.
- Reported to the FCA and the FSCS on the progress of the administration and the provision of information to the FSCS to assist with it dealing with claims from clients.
- Communicated with FURBS and Security Trusteeship clients to advise them of the administration, the sale of the business to Hartley and the effect of the administration on them.
- Liaised with various press, as local, industry and national industry press interest occurred following the appointment of the administrators.
- Undertaken an initial review of the Company's books and records to identify any matters that require further investigation, which could lead to recoveries for the estate.

8. Financial position at the date of administration

8.1 Directors' SOA

Attached at Appendix IV is a copy of the directors' SOA as at the date of our appointment as joint administrators on 17 February 2020. We received the SOA on 16 March 2020 from Andrew Cheeseman, statements of concurrence were received from Graham Robilliard and Jassie Cheeseman on 26 March 2020 and 2 April 2020 respectively. The SOA has since been filed with the Registrar of Companies.

We have the following observations to make:

- The SOA shows a solvent position, based on the numbers stated by the directors. The SOA does not reflect the extent of contingent liabilities as they cannot be fully quantified at this time.
- This is primarily due to the contingent liabilities in respect of complaints made to the FOS by members of certain SIPP arrangements in respect of the due diligence undertaken by GMTC before accepting certain non-standard investments ("NSI") into the SIPPs. It is estimated that these could amount to a minimum of c£8.5m if there are adverse adjudications by the FOS and could be significantly greater than this due to the possibility of wider actions, including group claims.
- Realisations in respect of 'trade debtors' and 'other debtors' are uncertain at present for the reasons set out in section 7.3.
- The SOA shows VAT and PAYE/NI as preferential liabilities, these are unsecured non-preferential liabilities.
- Sundry creditors primarily relate to historic unidentified liabilities where the Company had not been able to identify the creditors.
- The liability of £250k to PTSL relates to a debt due to Pan Trustee Services Ltd, a connected company, for service charges in respect of staff support and office facilities.
- Creditors' claims will be adjudicated on by the administrators or subsequently appointed liquidators in due course.
- As mentioned above, the future quantum of unsecured creditor liabilities is uncertain. There may be substantial future claims made in the administration which will impact on the possible return to the creditors.

8.2 Charges and secured creditors

There are a number of outstanding charges registered against the Company at Companies House. They relate to fixed charges over property that is the underlying assets in the SIPPs for which the Company is the Trustee and are not registered against the Company's assets. Details of these charges are appended to the SIP16 statement at Appendix VIII. Legal advice has been sought on this matter.

8.3 Prescribed Part

Where a company has created a floating charge on or after 15 September 2003 Section 176A of the Insolvency Act 1986 makes provision for a share of the company's net property to be set aside for distribution to unsecured creditors in priority to the floating charge holder. The company's net property is the balance that remains after preferential creditors have been paid and which would then otherwise be available for satisfaction of the claims of any holder of a debenture secured by a floating charge. The funds are referred to as the Prescribed Part.

The Company did not grant any floating charges and the Prescribed Part requirements do not, therefore, apply.

8.4 Preferential creditors

There are no preferential creditors as far as the administrators are aware.

8.5 Unsecured creditors

Unsecured creditors are estimated to be £273,162 in the directors' SOA.

It is anticipated that there may be a significant claim by the FSCS as a result of compensation paid out to clients. The administrators are in regular contact with the FSCS and will provide further details in this regard in due course.

Clients who believe they have a complaint against the Company should contact the FSCS in the first instance, the FSCS has confirmed it is now accepting claims against the Company: <https://www.fscs.org.uk/failed-firms/guinness-mahon/>

9. Estimated outcome for creditors

Our current assessment of the likely outcome for creditors is as follows:

- **Secured creditors.** There are no secured creditors
- **Preferential creditors.** It is anticipated there will not be any preferential creditors
- **Unsecured creditors.** Based on current information it is anticipated that there will be a dividend to unsecured creditors. The quantum and timing of the dividend is uncertain at present and will depend on the amount of asset realisations and quantum of creditor claims, including in particular the FSCS. An update will be provided in our first six monthly progress report.

10. Proposals for achieving the purpose of administration

Our proposals for achieving the purpose of administration for the Company are as follows:

- i. The administrators will continue to manage the affairs of the Company in order to achieve the purpose of the administration, namely with the objective of 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) pursuant to P3(1)(b).
- ii. The administrators will continue to implement the provisions of the sale agreement with Hartley and take the necessary steps to realise the Company's other assets on the terms that they consider to be the most beneficial for the creditors of the Company.
- iii. If having realised the assets of the Company, the joint administrators think that a distribution will be made to unsecured creditors, other than by way of any applicable Prescribed Part distribution, they propose filing a notice with the Registrar of Companies which will have the effect of bringing the appointment of the joint administrators to an end and will move the Company automatically into CVL in order that the distribution can be made.
- iv. If the administrators consider it appropriate and cost effective to do so, they may make an application to court for permission to make any distribution to the unsecured creditors that is not from the Prescribed Part in the administration instead of moving the Company to CVL and then making a distribution. (Note: If permission is granted, subject to the need for further investigations as detailed in the next section, the Company will exit into dissolution once the distribution has been made and the administration concluded).

- v. If the joint administrators think that the Company has no property which might permit a distribution to its creditors, they will file a notice with the court and the Registrar of Companies for the dissolution of the Company.
- vi. The joint administrators shall do all such other things and generally exercise all of their powers as contained in Schedule B1 IA86, as they consider desirable or expedient to achieve the purpose of the administration.
- vii. The administrators propose asking creditors to consider establishing a creditors' committee. If such a committee is formed the creditors who become members of the committee will be responsible for sanctioning the basis of the joint administrators' remuneration and disbursements, any unpaid pre-administration costs and certain proposed acts on the part of the joint administrators. The committee will be able to make these decisions without the need to report back to a further meeting of creditors generally.

11. Exit route from administration

It is proposed that, at the appropriate time, the joint administrators will use their discretion to exit the administration by way of one of the following means:

- (i) If having realised the assets of the Company, the joint administrators think that a distribution will be made to the unsecured creditors other than by virtue of the Prescribed Part, they may file a notice with the Registrar of Companies which will have the effect of bringing the appointment of the joint administrators to an end and will move the Company automatically into CVL in order that the distribution can be made, but only if they consider that the associated incremental costs of a CVL are justified. In these circumstances, it is proposed that the joint administrators, Adam Henry Stephens and Nicholas Myers will become the joint liquidators of the CVL. The acts of the joint liquidators may be undertaken by either or both of them.
- (ii) Creditors have the right to nominate alternative liquidators of their choice. To do this, creditors must make their nomination in writing to the joint administrators prior to these proposals being approved. Where this occurs, the joint administrators will advise creditors and provide the opportunity to vote. In the absence of a nomination, the joint administrators will automatically become the joint liquidators of the Company in the subsequent CVL.

If the joint administrators have, with the permission of the court, made a distribution to unsecured creditors in addition to any Prescribed Part distribution, or they think that the Company otherwise has no property which might permit a distribution to its unsecured creditors, subject to there being a need for further investigations as described below, they will file a notice, together with their final progress report, at court and with the Registrar of Companies for the dissolution of the Company. The joint administrators will send copies of these documents to the Company and its creditors. The joint administrators' appointment will end following the registration of the notice by the Registrar of Companies.

Administrators have the power to bring claims against former officers of the company in respect of transactions that may have caused or exacerbated a company's insolvency. Claims with a good prospect of success may indeed be pursued by administrators but there may be cases where it would be more appropriate if a liquidator brought the claim or where the timeframe would not be long enough, given the maximum extension period available to administrators. The proposed exit route would, in these cases, be liquidation.

If a creditors' committee is established the joint administrators will consult with the members and agree the most appropriate exit route from administration.

12. Other matters relating to the conduct of the administration

The matters detailed below are not considered to be part of the proposals but are intended to provide creditors with information concerning the remaining statutory and other matters that must be dealt with in the administration.

- Submitting confidential information relating to the conduct of the directors to the Department for Business, Energy & Industrial Strategy. This obligation arises under the Company Directors' Disqualification Act 1986. Creditors should note that the content of any submission is strictly confidential and under no circumstances will discussions be entered into regarding this.
- Filing corporation tax returns and obtaining tax clearance in respect of the administration period.
- Paying all costs and expenses of the administration once any required approval has been obtained
- Further statutory reporting as required by IA86 and IR16.
- It is customary to submit this document (being the administrators' proposals) to creditors at a similar time to the SIP16 report (which is contained at Appendix VIII). In this insolvency the administrators' proposals are being submitted several weeks later. This is because considerable work and effort needed to be focussed in the first few weeks dealing with:
 - i. the continuation of service to the Company's c3,700 SIPP clients during the period in which they were transferred from the Company to Hartley or an alternative provider of the client's choice.
 - ii. The continuation of service to the Company's FURBS and Security Trusteeship clients that could not be transferred to Hartley as part of the pre-packaged sale and making arrangements for an alternative Trustee in place of the Company.

The joint administrators concluded for these reasons, plus others, e.g. the fact that it was more cost-beneficial to do so, that it was appropriate to defer finalisation of the administrators' proposals. Key stakeholders (being the FCA and the FSCS) were kept apprised throughout these first few weeks.

The impact of Covid-19. We anticipate that there may be some impact on the expeditious conclusion of this case due to the impact of Covid-19. We anticipate that it may prove more challenging to engage with the many parties in a timely manner.

13. Pre-administration costs and expenses

Pre-administration costs are defined as fees charged and expenses incurred by the joint administrators or another person qualified to act as an insolvency practitioner before the Company entered administration (but with a view to its doing so), and "unpaid pre-administration costs" are pre-administration costs which had not been paid when the Company entered administration.

The basis of our pre-administration costs was set out in our engagement letter with the Company dated 1 August 2019. Our fees were to be charged on a time cost basis.

Our engagement was to provide the Company with a high level review of its financial position and prospects and to assist with an accelerated sales process of the business and assets of the Company. It was also agreed within the scope of the engagement letter that S&W would assist the Company in the event that it was deemed necessary to undertake the relevant steps to place the Company into an insolvency process.

Our total time costs in assisting the Company prior to our appointment as joint administrators are £148,506.50, a breakdown of which is given in Appendix V. As at the date of this report £118,154.00 of these costs have been paid and £30,352.50 remains outstanding.

Pre-appointment fees charged and expenses incurred by us are detailed below:

Charged by/service(s) provided	Total		Who made payment	Amount unpaid
	amount charged	Amount paid		
	£	£		
Smith & Williamson LLP	148,507	118,154	The Company	30,353
Smith & Williamson LLP disbursements	1,599	1,599	The Company	Nil
Irwin Mitchell LLP solicitors	122,729	56,568	The Company	66,161
Irwin Mitchell LLP solicitors Legal disbursements	614	Nil	N/A	614
Sanderson Weatherall valuation agents – assisting with marketing of business and advising on the sale and purchase price	5,000	Nil	N/A	5,000

Smith & Williamson. An explanation of the major work undertaken by Smith & Williamson LLP is provided in Appendix V.

Irwin Mitchell. Irwin Mitchell have advised that their pre-appointment costs incurred in advising the proposed administrators relate to the following matters:

- Drafting, negotiation and amendment of administration appointment documents (including Notice of Appointment, Consents to Act, Board Minutes, letters of service).
- Drafting, negotiation and amendment of transaction documents (including SPA, Transitional Services Agreement, Exclusivity and Non-Disclosure Agreements, Deeds of Variation and Extension, Employee Compromise Agreements, Client Schedules).
- Drafting, negotiation and amendment of suite of pension documents (including Deeds of Amendment x8, Deeds of Removal and Appointment of Trustees x8, Powers of Attorney x8, Notices of Grant of power of Attorney x2).
- Liaising throughout with proposed Administrators, TLT R&I and Pensions teams, Waterfront Law and the Company directors.
- Advice on status of unpaid NIC and PAYE claims.
- Dealing with clarification of whether the Company was subject to any QFCs and whether Notice of Intention to appoint administrators was required as a pre-cursor to filing of the Notice of Appointment (including review of documents at Companies House and the Land Registry, and additional documents made available by the Company - dealing with 50+ potential charges).
- Advice on FCA Decision notices.
- Review and advice on group structure to deal with queries raised by S&W and the Company.
- Incorporation of new Trustee Company to meet Hartley's structure requirement. Liaising with the Company & S&W to ensure correct structure used and advice on exercise of control in event this was required post-administration.
- Review and advice on nature, extent and ensuring fulfilment of "Services" to be provided by Hartley under the Transitional Services Agreement with Hartley and consideration of compliance with requests for information from FOS, FSCS and FCA.
- Dealing with issues over FCA consents and dealing with direct queries on process and transaction documents raised by the FCA.
- Advice on applicability of Special Administration process.
- Advice on due diligence requirement to trigger wind up for transfer without member consent and removal of life-time appointed trustees.
- Dealing with potential conflicting provisions in the Sale & Purchase Agreement & Transitional Services Agreement on Debts and invoicing/apportionment of Fees.
- Dealing with SIPP Attrition Rate calculations.
- Review and advice on inclusion of SSAS book sale within SIPP book sale structure.
- Amends to SPA following exclusion of "Transferring Trusteeships" and lengthy discussions to find a workable solution to deal with the remaining FURBS and discharge of Administrators' duties post administration.
- Dealing with completion logistics, filing of Notice of Appointment and service on required parties.

Sanderson Weatherall. Sanderson Weatherall were engaged to advertise the business for sale on their website, their other social media platforms and issue details to a selected list on their contact and client database. They also advised on the suitability of the offer received from Hartley.

We are not aware of any fees or expenses incurred by any other person qualified to act as an insolvency practitioner with a view to the Company entering administration.

The payment of the unpaid pre-administration costs set out above as an expense of the administration is subject to the approval of creditors, separately from the approval of the joint administrators' proposals. This approval will be the responsibility of the creditors' committee if one is appointed or alternatively by resolution by electronic or postal voting where there is no committee.

14. Joint administrators' remuneration

Insolvency Practitioners are required to provide stakeholders with details of the work they propose to do and the expenses that are likely to be incurred. Prior to drawing any fees, these details must be provided to creditors and approval given. Alternatively, creditors may form a committee and, if so, it is up to the majority of committee members to give consent.

Where it is proposed that fees are drawn from the insolvent estate on a time costs basis, a fees estimate will also need to be provided. Where it is unrealistic to estimate the work to be done at the outset, an estimate may be provided for a designated period or up to a particular milestone.

Creditors should be aware that the fees estimate is based on information available at present and may change due to unforeseen circumstances arising. If any approved fees estimate is exceeded, a revised estimate will need to be provided and approval given before any fees may be drawn in excess of the original approved estimate.

Some of the work required by Insolvency Practitioners is required by law and may not necessarily result in any financial benefit for creditors (or members). Examples of this work would include investigations required under the Company Directors' Disqualification Act 1986 or dealing with former employees' claims through the Redundancy Payments Service.

On some occasions, third parties may be instructed to provide expert advice on tax, legal or property matters to produce a financial benefit to creditors.

Each aspect of the work undertaken will require different levels of expertise and, therefore, cost. To make it clear, we have given the rates for each grade of staff with estimates of the total hours to be spent on each aspect in the table provided.

The basis of the joint administrators' remuneration may be fixed on one or more of the following bases and different bases may be fixed in respect of different things done by them:

- as a percentage of the value of the assets they have to deal with, or
- by reference to time properly spent by the joint administrators and their staff in attending to matters arising in the administration, or
- as a set amount

In this case, the joint administrators are not seeking approval for the basis of their remuneration at this time. However, a summary of the time costs incurred by the joint administrators to 29 March 2020 is included at Appendix VI. Time costs to 29 March 2020 total £56,574.30. This represents 177.40 hours at an average rate of £318.91 per hour.

We intend to seek approval of the basis of the administrators' remuneration from unsecured creditors (if no Creditors' Committee has been formed) at a later date in accordance with the procedure outlined below.

Where no creditors' committee is appointed, approval of the joint administrators' remuneration shall be fixed using the decision making process either at a virtual creditors' meeting or by electronic and/or postal voting.

Where the joint administrators have concluded that the company has insufficient property to enable a distribution to be made to the unsecured creditors (other than via the Prescribed Part), approval will be sought from the secured and (if necessary) the preferential creditors, unless a creditors' committee has been established, in accordance with R18.18 IR16.

A copy of "A Creditor's Guide to Administrator's Fees", as produced by the ICAEW, is available free on request or can be downloaded from their website as follows:

<https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2017/administration-creditor-fee-guide-6-april-2017.ashx?la=en>

Details of Smith & Williamson LLP's charge out rates and policies in relation to the use of staff are provided at Appendix VII.

On a general note, please be aware that the charge out rates are subject to an annual review.

Creditors should also be aware that some of the work is required by statute and may not necessarily provide any financial benefit to creditors. Examples would include dealing with former employees' claims through the Redundancy Payments Service and providing information relating to the company and its former officers as required by the Company Directors' Disqualification Act 1986.

15. Administration expenses

15.1 Subcontractors

We have utilised the services of the following subcontractors. The nature of the work provided and the basis upon which fees were agreed is also set out below. The arrangement with each subcontractor is subject to regular review.

Provider/service(s)	Basis of fee arrangement	Costs incurred in current period £	Costs paid in current period £
J G Collections - collection of Company records from trading premises	Hourly rates & disbursements	258	Nil

15.2 Professional advisors

We have used the professional advisers listed below. We have also indicated alongside the basis of our fee arrangement with them, which is subject to review on a regular basis.

Professional adviser/service	Basis of fee arrangement	Costs incurred £	Costs paid £
Spiderweb Systems.net - assistance with the collection of the Company's electronic records	Fixed fee	760	760
Irwin Mitchell LLP solicitors	Hourly rate & disbursements	25,640	Nil

Irwin Mitchell LLP's time costs relate to:

- Advice following Transitional Services Agreement review regarding PAYE run for pensioners and who is responsible for payment;
- Advice on and drafting trusteeship transfer agreement and addressing GDPR queries;
- Dealing with client queries regarding Deeds of Novation;
- Research and advice on FSCS requests and FSMA obligations ahead of advice on Hartley Transitional Services Agreement analysis;
- Advice on FURBS and transferring trusteeships;
- Advice on FURBS Deed of Appointment/Removal and review of governing papers;
- Drafting Deed of Novation for Delta SIPP Pro licence. Liaising with other parties to agree wording;
- Dealing with post appointment matters and preparation of completion bible;
- Ongoing discussions with Hartley's solicitors on post completion compliance with terms of Sale & Purchase Agreement & Transitional Services Agreement.

15.3 Administrators' disbursements

We have paid and/or incurred the following disbursements in the current period:

Description	Incurring in current period £	Paid in current period £	Total costs outstanding at period end £
Statutory advertising	182	Nil	182
Joint Administrators' bonds	140	Nil	140
Travel	55	Nil	55
Data Room fees	43	Nil	43
Category 2 disbursements (see next section)	Nil	Nil	Nil
Total	420	Nil	420

15.4 Category 2 disbursements

Since our appointment we have not incurred any Category 2 disbursements, however in accordance with SIP 9, Remuneration of Insolvency Office Holders, the joint administrators will be seeking approval to draw Category 2 disbursements as and when funds are available in due course, in accordance with Smith & Williamson's disbursement recovery policy.

15.5 Policies regarding use of third parties and disbursement recovery

Details of Smith & Williamson's policies regarding the use of subcontractors and professional advisors and the recovery of disbursements are set out at Appendix VII.

16. Creditors decisions

The joint administrators are seeking approval of these proposals for achieving the purpose of the Administration by correspondence. Additionally, the joint administrators wish to seek approval of third parties' and their pre appointment remuneration and costs by means of voting by correspondence, together with being discharged from liability once their appointment ceases to have effect. Notice to this effect is given in appendix IX along with steps required by creditors.

Creditors who meet certain thresholds prescribed by the Insolvency Act 1986, namely 10% in value of creditors, 10% in number of creditors or 10 creditors, may request a physical meeting to be held to consider the Proposed Decisions (incorporating the approval of our fees). However, such a request must be made in writing to the Convener within 5 business days from 9 April 2020.

17. Privacy and data protection

As part of our role as joint administrators, I would advise you that we may need to access and use data relating to individuals. In doing so, we must abide by data protection requirements. Information about the way that we will use and store personal data in relation to insolvency appointments can be found at <https://smithandwilliamson.com/rsgdpr>

If you are unable to download this, please contact my office and a hard copy will be provided free of charge.

To the extent that you hold any personal data of the Company's data subjects provided to you by the Company or obtained otherwise, you must process such data in accordance with data protection legislation. Please contact us if you believe this applies.

18. Next report and creditors' rights

The joint administrators are required to provide a progress report within one month of the end of the first six months of the administration or earlier if the administration has been finalised.

From receipt of the first progress report, creditors have rights under IR16 to request further information and to challenge the joint administrators' remuneration and/or expenses incurred. In summary:

- Within 21 days of the receipt of a progress report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors or otherwise with the court's permission) may request in writing that the joint administrators provide further information about their remuneration or expenses which have been itemised in the report.
- Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors or otherwise with the court's permission) may within 8 weeks of receipt of a progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the joint administrators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred (including any paid) by the joint administrators, as set out in the report, are excessive.

The above rights apply only to matters which have not been disclosed in previous reports.

On a general note, if you have any comments or concerns in connection with our conduct, please contact Adam Henry Stephens or Nicholas Myers in the first instance. If the matter is not resolved to your satisfaction, you may contact our Head of Legal by writing to 25 Moorgate, London EC2R 6AY or by telephone on 020 7131 4000.

Thereafter, if you wish to take the matter further you may contact the Insolvency Services directly via Insolvency Complaints Gateway. They can be contacted by email, telephone or letter as follows:

i) Email: insolvency.enquiryline@insolvency.gsi.gov.uk

ii) Telephone number: +44 300 678 0015

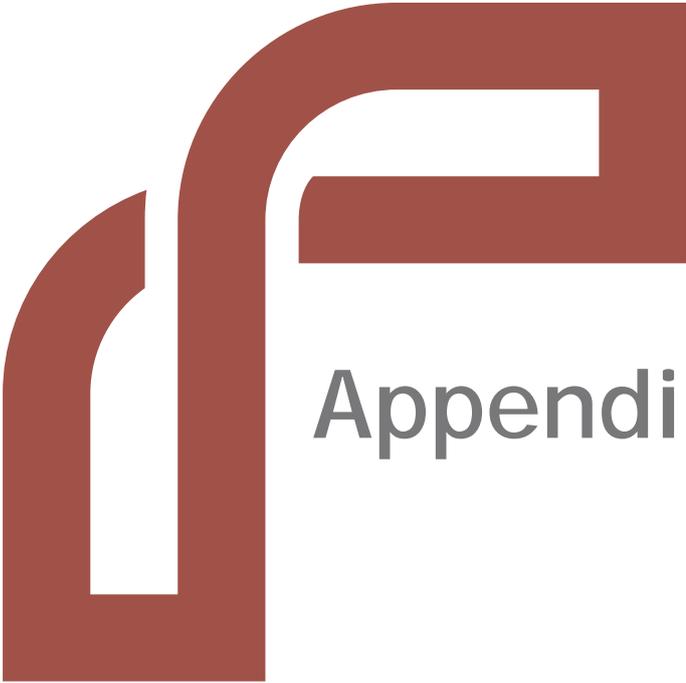
iii) Postal address: The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds LS11 9DA.

A handwritten signature in black ink that reads "Adam Henry Stephens". The signature is written in a cursive, flowing style.

Adam Henry Stephens and Nicholas Myers

Joint Administrators

Date: 9 April 2020



Appendices

I Statutory information

Relevant Court	High Court of Justice Business and Property Courts in Birmingham Insolvency and Companies List
Court Reference	000124 of 2020
Trading Addresses	3 Castlefield Court, Church Street, Reigate, RH2 0AH
Former Name	Guinness Mahon Trustees Limited
Registered Office	25 Moorgate, London, EC2R 6AY (Formerly 3 Castlefield Court, Church Street, Reigate, RH2 0AH)
Registered Number	00224158
Joint Administrators	Adam Henry Stephens and Nicholas Myers both of Smith & Williamson LLP, 25 Moorgate, London, EC2R 6AY (IP No(s) 9748 and 18450) In accordance with P100 (2) Sch B1 1A 86 a statement has been made authorising the Joint Administrators to act jointly and severally.
Date of Appointment	17 February 2020
Appointor	the directors of the Company
Directors	Andrew John Cheeseman Jassie Eleanor Cheeseman Graham Reginald Robilliard
Shareholder	Andrew John Cheeseman
Secretary	Paul Michael Stewart-Gillham
EU Regulations	The EU Regulation on Insolvency Proceedings 2015 applies to the administration. The proceedings are [main proceedings/secondary proceedings/territorial proceedings] [<i>Delete as applicable</i>] as defined by Article 3 of the Regulation. The Company is based in the United Kingdom.

II Prior professional relationship

Statement of prior professional relationship of Adam Henry Stephens and Nicholas Myers in respect of the appointment of joint administrators

Further to an introduction by Irwin Mitchell LLP, lawyers advising the Company, Adam Stephens of Smith & Williamson LLP (S&W) was engaged on 1 August 2019 to provide the Company with a high level review of its current financial position and prospects. In addition it was agreed that S&W would assist the Company in the event that it was deemed necessary to undertake the relevant steps to place the Company into an insolvency process.

Appropriate checks were carried out before accepting a formal engagement with the Company.

S&W were paid a total of £118,154 plus disbursements of £1,599 by the Company in relation to the pre-appointment work detailed in section 13 of this report.

We confirm that we have fully considered the relevant guide to professional conduct and ethics issued by our professional body and are satisfied that the existence of this prior relationship does not create any conflict of interest or threat to independence for us as office holders. We confirm that we have fully considered the relevant guide to professional conduct and ethics issued by our professional body and are satisfied that the existence of this prior relationship does not create any conflict of interest or threat to independence for us as office holders.

IV Directors' Statement of Affairs as at 17 February 2020

R3.30 IR 2016

Statement of affairs

Name of Company
Guinness Mahon Trust Corporation Limited

Company number
00224158

In the
High Court of Justice Business and Property Courts in
Birmingham Insolvency and Companies List
{full name of court}

Court case number
000124 of 2020

(a) Insert name and address of
registered office of the company

Statement as to the affairs of (a) Guinness Mahon Trust Corporation Limited of 3 Castlefield
Court, Church Street, Reigate, RH2 0AH

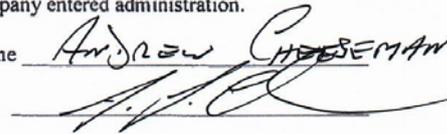
(b) Insert date

on the (b) 17 February 2020, the date that the company entered administration.

Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete
statement of the affairs of the above-named company as at (b) 17 February 2020 the date that
the company entered administration.

Full name Andrew CHASEMAN

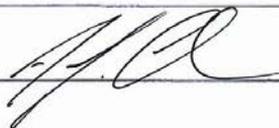
Signed 

Dated 16-3-2020

A1 – Summary of Liabilities

		Estimated to realise £
Estimated total assets available for preferential creditors (carried from page A)		£ 937,536
Liabilities	VAT + PAYE/NI	
Preferential creditors:-	+ WORKPLACE PENSION (PAID 21/2/20)	£ 178,488 (178,488)
Estimated deficiency/surplus as regards preferential creditors		£ 919,688
Estimated prescribed part of net property where applicable (to carry forward)		
Estimated total assets available for floating charge holders		£ 919,688
Debts secured by floating charges		
Estimated deficiency/surplus of assets after floating charges		£ 919,688
Estimated prescribed part of net property where applicable (brought down)		
Total assets available to unsecured creditors		£ 919,688
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		
a. Unsecured non-preferential company creditor claims		
b. Unsecured non-preferential former employee & director claims (claims)		
c. Unsecured non-preferential consumer claims (claims)		
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)		£ 727,304
Shortfall to floating charge holders (brought down)		
Estimated deficiency/surplus as regards creditors		£ 727,304
Issued and called up capital		£ 100,000 (100,000)
Estimated total deficiency/surplus as regards members		£ 627,304

Signature



Date

16-3-2020

B - COMPANY CREDITORS

Note: You must include all creditors and identify all creditors under hire-purchase, chattel leasing or conditional sale agreements *and* customers claiming amounts paid in advance of the supply of goods or services *and* creditors claiming retention of title over property in the company's possession. Please note that consumer creditors and employee / director details must be provided on separate schedules.

Name of creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security
HMRC - VAT		11321			
HMRC - PATE/NI		5328			
B L C E HOLDINGS		1199			
SUNDRY CREDITORS		5717			
PTSL ACCRUAL		250,000			
UNTRACEABLE BENEFICIARIES		16246			

Signature  Date 17-3-2020

V Time analysis for the pre-appointment period

From 1 August 2019 to 17 February 2020

Classification of work function	Hours					Total hours	Time cost	Average hourly rate
	Partner / Director	Associate director	Manager/ Assistant Manager	Other professional staff	Assistants & support staff			
AML, Conflict & ethics checks, engagement letters	0.00	0.40	0.35	0.00	0.00	0.75	£222.50	296.67
General advisory work insolvent	75.40	0.00	54.20	2.25	0.00	131.85	£60,971.50	462.43
Appointment formalities	0.00	2.30	0.00	0.00	0.30	2.60	£778.00	299.23
Preparation of pre-appointment documents	0.00	0.25	0.00	0.00	0.00	0.25	£80.00	320.00
Pre-pack sale of business	17.55	60.70	24.35	0.25	1.00	103.85	£37,981.25	365.73
Creditors' (inc EE's) queries	0.00	1.20	0.00	0.50	0.00	1.70	£489.00	287.65
Interested parties	0.25	33.10	29.80	0.00	0.00	63.15	£21,604.00	342.11
Job planning	0.40	41.45	25.05	0.00	0.00	66.90	£22,609.25	337.96
File and information management	0.00	6.70	0.10	0.00	0.00	6.80	£2,180.50	320.66
Other	0.00	1.15	0.00	4.10	0.00	5.25	£1,590.50	302.95
Total	93.60	147.25	133.85	7.10	1.30	383.10	148,506.50	387.64

Explanation of major work activities undertaken

The following activities were undertaken in the pre-appointment period:

- Initial take-on procedures.
- High level review of the Company's financial position and prospects, and production of a report.
- undertaking an accelerated sales process of the Company's business and assets including but not limited to:
 - drafting a 'teaser' document for circulating on an anonymised basis to the potential interested parties to give brief details of the Company and allow potential purchasers to decide whether to progress;
 - circulating the teaser document within S&W's own client database and network and facilitate an equivalent exercise with any of the Company's other professional advisers such as solicitors;
 - undertaking an appropriate marketing campaign;
 - preparing a Non-Disclosure Agreement to be signed by interested parties, prior to them being provided with confidential information pertaining to the Company;
 - set up a data room containing information for potential interested parties;
 - receive and review bids, in conjunction with the Company for the whole or part of the business/assets;
 - liaising with the Company regarding any bids received and how best to progress them (including in respect of regulatory matters);
 - negotiating with a number of interested parties and providing information necessary for them to bid;
 - engaging with agents to assess going concern values for the assets against which to compare any bids received; and
 - providing formal recommendations on the bids and strategy for bringing them to conclusion;
- Protracted negotiations and discussions with Hartley regarding the terms of the sale of the Company's business and assets.
- Working with the Company's solicitors to prepare the Sale and Purchase Agreement, Transitional Services Agreement and other documents for the business and assets.
- Providing regular updates to the FCA on the sales process.
- Preparation of the administration appointment documentation.
- Drafting the administrators' SIP16 report.

- Preparing communication documents to clients and other stakeholders for issue once the administrators had been appointed.
- Liaising with the FCA, FSCS and FOS in relation to the communications to clients.

VI Time analysis for the period 17.02.20 - 29.03.20

Classification of work function	Hours					Total hours	Time cost	Average hourly rate
	Partner / Director	Associate director	Manager/ Assistant Manager	Other professional staff	Assistants & support staff			
Administration and planning								
Statutory returns, reports & meetings	0.00	13.50	0.00	14.65	0.00	28.15	£9,045.80	321.34
Initial post-appointment notification letters, including creditors	4.00	3.15	0.00	13.50	0.45	21.10	£7,015.50	332.49
Cashiering general, including bonding	0.15	0.00	0.00	1.10	0.00	1.25	£531.70	425.36
Job planning, reviews and progression (inc 6 month reviews and planning meetings, checklist & diary)	1.75	0.00	0.95	2.75	0.25	5.70	£2,253.00	395.26
Post-appointment taxation (VAT, PAYE/NIC, Corp Tax that are not trading related)	0.00	0.85	0.00	0.00	0.00	0.85	£374.00	440.00
Protection of company records (incl electronic)	0.00	3.95	0.65	0.00	0.00	4.60	£1,939.50	421.63
Agents and advisers, general	0.00	0.00	0.00	0.00	0.10	0.10	£15.00	150.00
Other	0.00	0.00	0.00	1.50	0.00	1.50	£318.00	212.00
Investigations								
Directors' correspondence & conduct questionnaires	0.25	1.55	0.00	0.00	0.00	1.80	£850.75	472.64
Investigation of legal claims	0.15	0.00	0.00	0.00	0.00	0.15	£101.25	675.00
SIP2 and SIP4 obligations (inc CDDA86 forms)	0.00	0.75	0.00	8.55	0.00	9.30	£2,142.60	230.39
Realisation of assets								
Debtors not financed (includes reassigned debtors)	0.00	2.20	0.00	0.00	0.00	2.20	£968.00	440.00
Cash at Bank	0.00	0.25	0.00	0.40	0.00	0.65	£194.80	299.69
Sale of business-post completion matters	0.00	0.85	0.00	0.00	0.00	0.85	£374.00	440.00
Other	0.00	6.45	0.00	0.00	0.00	6.45	£2,838.00	440.00
Creditors								
Employees & pension (other) (incl Jobcentre/CSA etc)	0.40	0.90	0.00	0.00	0.00	1.30	£666.00	512.31
Unsecured creditors	0.00	1.40	0.30	0.25	0.00	1.95	£811.50	416.15
Other	0.00	1.25	0.00	0.00	0.00	1.25	£550.00	440.00
Case-Specific Matters								
Institutions - FCA/FSCS/FOS	0.00	6.90	0.00	0.00	0.00	6.90	£3,036.00	440.00
Client Communications	0.00	19.25	1.10	50.95	0.00	71.30	£19,793.90	277.61
Client Statements	0.00	2.10	0.00	0.00	0.00	2.10	£924.00	440.00
Trading Matters	0.00	1.10	0.00	0.00	0.00	1.10	£484.00	440.00
Data protection/Subject Access Requests	0.00	0.35	0.00	1.50	0.00	1.85	£472.00	255.14
Forensics								
Forensics	0.00	0.00	0.00	5.00	0.00	5.00	£875.00	175.00
Total	6.70	66.75	3.00	100.15	0.80	177.40	£6,574.30	318.91

Explanation of major work activities undertaken

Administration and planning

This section of the analysis encompasses the cost of the office holders and their staff I am complying with their statutory obligations, internal compliance requirements and all tax matters.

This work includes the following:

- Statutory initial notification of the administrators' appointment to creditors
- Statutory duties associated with filing notice of the administrators' appointment at Companies House and statutory advertising
- Finalising and issuing the administrators' SIP16 report
- Preparing the administrators' proposals
- Protection of the Company's assets and collecting in the records (including electronic)
- Dealing with routine correspondence
- All cashiering functions, including trading receipts & payments and managing the administrators' cash book and bank accounts
- General case planning, administration and general case progression, including adjustments in appointment strategy

- Maintaining physical case files and electronic case details on IPS (electronic case management software)

Investigations

Investigations include work carried out as a consequence of the obligations placed upon us to investigate the Company's affairs.

This work includes the following:

- Issuing directors conduct questionnaires to all directors and reviewing the same on receipt of the completed forms
- Undertaking an initial review of the Company's books and records for any potential matters that might lead to recoveries for the estate

Realisation of assets

Please refer to Section 7 of the report for details of the work undertaken.

- The time recorded under the sub-heading 'other' relates to work undertaken with our solicitors in relation to the FURBS and Security Trusteeships (see section 7.4) which may result in realisations for the estate. Further details will be provided in our next report.

Creditors

Work under this section includes correspondence and other contact with the creditors of the Company. The work includes:

- Corresponding with the Pension Ombudsman
- Dealing with creditor correspondence via email, letter and telephone
- Maintaining creditor information on our insolvency database

Case Specific matters

Work under this section includes relates to matters that are specific to this assignment, primarily the work undertaken to date is as follows:

- Issuing notification of the administration and pre-packaged sale to Hartley to all the Company's c3,700 SIPP clients and informing the clients of the implications for their SIPP
- Dealing with enquiries by email, telephone and letter from the SIPP clients and/or their representatives
- Liaising with Hartley to ensure the continuation of services to the clients during the transitional period in which their SIPPs are dealt with
- Keeping the FCA updated on the initial communications with the SIPP clients and the transition of their SIPPs to Hartley or another provider
- Communicating with the FSCS and the solicitors acting for the Company's professional indemnity insurers regarding existing and new complaints from clients against the Company and the provision of information from the Company's records to the FSCS and the Company's insurers to assist them in considering client complaints
- Liaising with our solicitors in relation to the above with regards to any GDPR considerations
- Providing periodic updates to the FCA, FSCS and FOS
- Working with IMTL to arrange a replacement Trustee for the FURBS and security trusteeship positions held by the Company
- Dealing with Data Subject Access Requests

VII Staffing, charging, subcontractor and adviser policies and charge out rates

Introduction

Detailed below are:

- Smith & Williamson LLP's policies in relation to:
 - Staff allocation and the use of subcontractors
 - Professional advisers
 - Disbursement recovery
- Smith & Williamson LLP's current charge out rates

Staff allocation and the use of subcontractors

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a partner and a partner or director or associate director as joint office holders, a manager, and an administrator or assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. The charge out rate schedule below provides details of all grades of staff and their experience level.

We may use subcontractors to perform work which might ordinarily be carried out by us and our staff where it is cost effective to do so and/or where the specific expertise offered by the subcontractor is required.

Details of any subcontractors' services utilised in the period covered by this report are set out in the body of this report.

Use of professional advisers

We select professional advisers such as agents and solicitors on the basis of balancing a number of factors including:

- The industry and/or practice area expertise required to perform the required work.
- The complexity and nature of the assignment.
- The availability of resources to meet the critical deadlines in the case.
- The charge out rates or fee structures that would be applicable to the assignment.
- The extent to which we believe that the advisers in question can add value to the assignment.

Disbursements

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may

include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage.

Since 7 July 2012 Smith & Williamson LLP's policy is to recover only one type of Category 2 disbursement, namely business mileage at HMRC's approved mileage rates at the relevant time. Current mileage rates are 45p per mile plus 5p per passenger per mile. Prior to 7 July 2012 approval may have been obtained to recover other types of Category 2 disbursements.

Details of any Category 2 disbursements incurred and/or recovered in the period covered by this report are set out in the body of this report.

Charge out rates

A schedule of Smith & Williamson LLP's charge out rates was issued to creditors at the time the basis of the joint administrators' remuneration was approved.

The rates applicable to this appointment are set out below. There have been no changes to the charge out rates during the period of this report.

Smith & Williamson LLP Restructuring & Recovery Services Charge out rates as at 1 July 2019	London office £/hr	Regional offices £/hr
Partner / Director	590-675	472-540
Associate Director	550	440
Managers	340-475	272-380
Other professional staff	225-475	180-240
Support & secretarial staff	125	100

Notes

1. Time is recorded in units representing 3 minutes or multiples thereof.
2. It may be necessary to utilise staff from both regional and London offices, subject to the requirements of individual cases.
3. The firm's cashiering function is centralised and London rates apply. The cashiering function time is incorporated within "Other professional staff" rates.

VIII Joint Administrators' Statement in Accordance with Statement of Insolvency Practice 16

Where a sale of all or part of a firm's business or assets is negotiated with a purchaser prior to the appointment of joint administrators and they effect the sale immediately on or shortly after appointment, this is known as a pre-packaged sale.

The statutory purpose of administration is for the joint administrators to perform their functions with the objective of either rescuing the firm as a going concern or achieving a better result for the firm's creditors as a whole than would be likely if the firm were wound up rather than being placed into administration first. If neither of these objectives is reasonably practicable, the third objective of realising property in order to make a distribution to one or more secured or preferential creditors of the firm may be pursued providing the joint administrators avoid unnecessarily harming the interests of the creditors as a whole.

In this case, the joint administrators considered a pre-packaged sale of Guinness Mahon Trust Corporation Limited ("GMTC" or the "Company") to be necessary because it would preserve value for creditors by ensuring provision of continuity of services to clients, safeguard jobs and enable the business to continue uninterrupted as a going concern. An intensive marketing campaign was undertaken (which is described in more detail below), following which a number of offers were received for the Company's business and assets.

Set out below is further information containing a summary of the circumstances relevant to the pre-packaged sale of the Company's business and assets to Hartley Pensions Limited ("Hartley"), in accordance with the provisions of Statement of Insolvency Practice 16 ("SIP 16"). In agreeing to the pre-packaged sale, we can confirm that the joint administrators have considered the purpose of the administration and the fulfilment of our statutory obligations to creditors under paragraphs 3(2) and 3(4) of Schedule B1 to the Insolvency Act 1986.

2. Background

The Company was incorporated in 1927. It was acquired by its current owner, Pan Trustee Services Limited, in 2002.

GMTC is authorised and regulated by the Financial Conduct Authority ("FCA") and primarily acted as a Self-Invested Personal Pensions ("SIPP") trustee and administrator, providing personal and occupational pension solutions to clients. The Company administered around 3,700 SIPPs. It also acted as security agent or security trustee in financing arrangements and provided professional trusteeship for Funded Unapproved Retirement Benefit Schemes ("FURBS") that were established under the applicable pension tax regulations prior to the coming into force of the Finance Act 2006.

The wider group, through a different company, Pan Pensioner Trustees Limited ("PPTL") provided other pension related services including Small Self-Administered Scheme ("SSAS") administration.

The Company traded from rented premises in Reigate and employed around 10 staff.

In the year to 31 March 2018, the Company's turnover was £1.47m and it made a profit of £383k. In the year to 31 March 2019 the Company's turnover was £1.15m and it made a loss of £6k.

GMTC's directors were aware of contingent liabilities in relation to complaints made to the Financial Ombudsman Service ("FOS") by members of certain SIPP arrangements in respect of the due diligence undertaken by GMTC before accepting certain non-standard investments ("NSI") into the SIPPs. It is estimated that these contingent liabilities could amount to a minimum of c£8.5m if there are adverse adjudications by the FOS and could be significantly greater than this due to the possibility of wider actions (including group claims), which created a solvency issue for the Company going forward.

Andrew Cheeseman is a director and the ultimately beneficiary of GMTC. Mr Cheeseman wanted to retire and therefore wished to dispose of his interest in the business. The options available were to sell the business and assets of GMTC or sell the shares of GMTC.

3. Initial introduction

Further to an introduction by Irwin Mitchell LLP, lawyers advising GMTC, Smith & Williamson LLP (“S&W”) was engaged on 1 August 2019 to provide GMTC with a high level review of its current financial position and prospects, and then to undertake with an accelerated sale process of the business and assets of GMTC. In addition, S&W would assist the Company in the event that it was deemed necessary to undertake the relevant steps to place the Company into an insolvency process.

We confirm that neither the joint administrators nor Smith & Williamson Holdings Limited nor any of its subsidiaries have had a prior significant personal or professional relationship with the Company or its directors, other than under the terms of the engagements noted above. We do not consider this work carried out under this engagement to be a threat to our objectivity, independence or integrity.

Appropriate checks were carried out before accepting a formal engagement with GMTC.

Creditors are advised that our role, prior to appointment as joint administrators, was to advise the Company, not the directors or any party considering acquisition of the business by means of a pre-pack. Once appointed, administrators are obliged to perform their functions in the interests of the Company’s creditors as a whole.

4. Pre-appointment considerations

During the marketing process, the options of a share purchase or purchase of the business and assets of the Company were put to interested parties. No interested parties expressed an interest in purchasing the shares in the Company. It should also be noted that another company in the group administered a small portfolio of circa 50 small self-administered pension schemes (“SSAS”). These were also marketed at the same time but do not form part of the Company’s assets.

Consideration was therefore given to the appropriate strategy for achieving an orderly wind down whilst maximising the value that remained in the business. Given that GMTC is insolvent by virtue of the contingent liabilities, the following insolvency options were considered:

- Continue to trade outside a formal insolvency process

At the point that the Company’s contingent liabilities crystallise the Company would become insolvent and would not have sufficient funds to continue to trade.

- Liquidation

This would result in an immediate shutdown of the business and would have eroded the value in the business completely. Furthermore a closure of the business would result in there being no party to administer the SIPPs, which would not be acceptable to the Financial Conduct Authority (“FCA”) which wanted to achieve an orderly wind-down of the business and transfer of the client portfolio to another authorised provider to ensure continuity of service to the clients.

- Company Voluntary Arrangement (“CVA”)

A CVA was not considered appropriate because of the level of the Company’s contingent liabilities, the Company’s ability to continue to trade once these have crystallised, and the uncertainty around the actual and contingent creditors of the Company that would be required to approve a CVA. Furthermore, no interested parties expressed a desire to structure their interest in this way (and it is not customary to do it in this way).

- Trading administration

A trading administration would allow an administrator to market the business for sale as a going concern whilst continuing to trade the Company. This would have been an appropriate route if the Company needed the protection of administration whilst a buyer was sought. However, a full marketing process has been run (details of which are provided in section 5 below) without the Company being in administration that has

resulted in a suitable purchaser being found for the business as a going concern and has maximised the value obtained for the business, provided a transfer option for all SIPP (and other) clients and also saved significant costs in professional fees. It was therefore not necessary to trade the business in administration.

- Potential funders

Seeking funding can, in some instances, help a company to continue to trade out of its financial difficulties without the need to enter an insolvency process. However, given the quantum of contingent liabilities it was not considered likely that the Company would be able to continue to trade profitably in the medium to long term. Other than the Financial Services Compensation Scheme ("FSCS") (see below) no requests were made to potential funders to fund working capital requirements.

Consultation with major creditors

The only significant creditor of the Company is a contingent creditor, the Financial Services Compensation Scheme ("FSCS") by virtue of the compensation that it may have to pay to clients in relation to the contingent claims against the Company referred to in section 2 above.

The FSCS was consulted regarding the proposed pre-package sale of the business and assets of GMTC and it advised that it does not wish to comment on the sale but did state that it would not be prepared to provide funding to GMTC to allow it to continue to trade.

GMTC is regulated by the FCA. The Administrators have been in regular contact with the FCA prior to their appointment to discuss progress with the marketing and sales process. The FCA has provided the relevant consent to allow the sale to take place.

Registered charges

Attached at Appendix A is a schedule of charges registered against the Company at the date of appointment. These charges were in relation to investments held by the Company for the benefit of the SIPPs which it administered.

Prior acquisition from an insolvency process

The business and assets of GMTC have not been acquired from an insolvency process in the last 24 months.

5. Marketing of the business and assets

Broadcast

S&W marketed the business for sale using the following methods:

- Direct approaches

A list of known contacts was constructed from those who have either expressed an interest in similar businesses in the past, or who operate in this sector. The Company directors also included contact details for a number of other businesses who might be interested in such an opportunity. An anonymous 'teaser' document outlining the opportunity was initially circulated to some 45 parties, with follow up phone calls and emails.

- Other S&W business lines

The teaser was circulated to all S&W partners and directors to determine whether clients or contacts of the other S&W business lines may be interested in the opportunity.

- Other professional services firms

Professional services firms, such as solicitors, who were known to operate in the pensions area who might have clients who would be interested in such an acquisition. The teaser document was circulated to these parties with follow up phone calls and emails.

- Marketing through sales agents, Sanderson Weatherall which included an online advert

Sanderson Weatherall are agents who specialise in, amongst other things, the marketing and sale of businesses. They placed an advert on their website, emailed the teaser document to a selected list of contacts and clients and placed details on their LinkedIn, Twitter and Facebook feeds.

- Advertisement in the business for sale section in the Financial Times

The Financial Times advert provided an opportunity to market the business for sale to a wider audience.

Reason for the marketing strategy

A mixed marketing approach was undertaken including both specific and wider marketing. This meant that known contacts were approached and other business looking to acquire such a business would be made aware of the opportunity.

The wider marketing was conducted online and through the Financial Times in order to reach as wide an audience as possible.

Marketing commenced on 27 August 2019, with indicative offers to be received by 20 September 2019. This allowed interested parties sufficient time to review information in a data room set up by S&W containing detailed information about the business and raise further queries, but also meant that interest and momentum was not lost.

The marketing strategy meant that as wide an audience as possible was made aware of the business for sale but without excessive costs being incurred. The level of marketing meant that appropriate and relevant companies were contacted in order to maximise the potential for competition between interested parties. This resulted in the best outcome for creditors by realising not only the best price, but also the most deliverable offer.

Outcome of marketing

The teaser document, follow up calls and emails generated a significant amount of interest from potential interested parties, with around 50% of them initially requesting further information.

Following an expression of interest, parties were requested to sign a non-disclosure agreement ("NDA") as a prerequisite of accessing the GMTC data room. 18 parties signed NDAs and were granted access to the data room.

S&W progressed this sales negotiation process by:

- Maintaining regular contact with interested parties;
- Arranging conference calls with interested parties, the managing director of GMTC and representatives of S&W;
- Providing further information to interested parties and adding additional information to the data room as required; and
- Liaising with GMTC in order to obtain further information on the Company and its business and assets requested by interested parties whilst maintaining this information in the data room

At 20 September 2019, being the deadline for indicative offers, five offers had been received and discussions were continuing with three other parties. The offers ranged from £37k to £1.25m for the business and assets of GMTC and PPTL. Negotiations in relation to PPTL have been handled exclusively by the vendor, namely Andrew Cheeseman.

6. Valuation of the business and assets

David Fawcett FRICS, (IRRV Hons), RICS Registered Valuer of Sanderson Weatherall LLP, The Chancery, 58 Spring Gardens, Manchester, M2 1EW has provided valuation advice to S&W and GMTC.

Sanderson Weatherall LLP has confirmed that it is independent of S&W and GMTC and that it has adequate professional indemnity insurance in place.

The Company had no tangible assets so there was no requirement to instruct valuers in this regard.

Hartley made an initial offer of £1,250k for the business and assets of GMTC and the SSAS book held within PPTL. The offer for GMTC's business and assets was subsequently reduced by £80k to £1,17k with £60k being apportioned to the value of the SSAS book and a deduction of £20k agreed with the purchaser during the negotiation period. Sanderson Weatherall has provided advice that the allocation of £60k for the SSAS book is reasonable based on the assets and associated risks of each of the companies.

David Fawcett of Sanderson Weatherall has advised that in his view the offer accepted represents the best price achievable in the circumstances.

Any transaction relating to PPTL or its assets is being handled exclusively by the vendor.

7. Details of the assets sold and the nature of the transaction

Purchaser and any related parties

- The transaction completed on 17 February 2020.
- The purchaser is Hartley Pensions Limited.
- The Purchaser was independently advised.
- To the best of the joint administrators' knowledge, there is no connection between Hartley and the directors, shareholders or secured creditors of the Company or their associates.
- None of the directors or former directors of the Company are involved in the management, financing or ownership of Hartley.
- There is no financier of the Company and the directors have therefore not provided any guarantees in this regard.

Assets

The following assets were sold:

- the Client Records and the Client Database
- the Goodwill
- Information Technology
- Intellectual Property

The Company's book debts and certain other receivables were not sold. These remain assets of the Company and the joint administrators will seek to realise these assets for the benefit of creditors.

Sale consideration

- The consideration was £1,170,000 with £1,053,000 payable on completion. The full amount of the consideration has been received by the administrators' solicitors.
- Deferred consideration totalling £117,000 is being held in an escrow account operated by the administrators' solicitors for six months and may be reduced based on the client attrition rate, to reflect reduced income as a result of clients moving their SIPP to an alternative provider rather than Hartley.
- The consideration has been allocated as follows:
 - Client Database and Records - £1,169,997
 - Goodwill - £1
 - Information Technology - £1
 - Intellectual Property - £1
- Whilst there are various charges registered at Companies House which appear to be against the Company, these are charges against the underlying assets in SIPPs which GMTC holds as trustee. The Company does not have security over any of its assets and therefore there is no apportionment of asset realisations between fixed and floating charges.
- Security has not been provided over the deferred consideration element by the purchaser.
- The joint administrators were satisfied to proceed with the sale without security over the deferred element on the basis that:
 - a significant proportion of the consideration has been paid on completion
 - management have stated that they do not anticipate there to be material client losses following the sale, therefore, the percentage deductible in accordance with the attrition rate is not expected to be significant.

- There are no other options or buy-back agreements, or other considerations associated with the sale.
- A services agreement between GMTCC, the administrators and Hartley has been entered into under which Hartley will provide certain management and administrative services required to transfer the assets of the GMTCC SIPPs to alternative SIPPs administered by Hartley or a third party SIPP operator and to wind up the GMTCC SIPPs. The agreement will remain in place until the GMTCC SIPPs have been wound up in accordance with their Rules and all post-wind up obligations have been discharged to the satisfaction of the administrators and the FCA. This agreement has provided a significant cost saving to the administration estate by reducing the amount of work the administrators would have to undertake to transfer and wind up the GMTCC SIPPs.
- Details of a potentially wider transaction with regards to the SSAS book held within PPTL are set out in Section 6. S&W are not instructed in relation to the potential sale of the SSAS book.
- It should be noted that we have liaised with the FCA regarding the sale and the Company entering administration.

8. Comparative outcome

The joint administrators are satisfied that the sale of GMTCC's assets under the terms of the pre-packaged sale has resulted in the best outcome reasonably obtainable for creditors in the circumstances. The following table provides an estimated comparative outcome with a sale of the Company's assets in liquidation or in a shutdown of the business post administration as against the outcome obtained via the pre-packaged sale:

Details of Assets	Immediate Shut down £	Pre-packaged sale in Administration £
Book Debts	137,000*	244,000*
Client Records, Client Database, Goodwill, Information Technology & Intellectual Property	Nil	1,170,000
Total	137,000	1,414,000

*This is management's best estimate for the maximum recovery of book debts. We have not undertaken in depth analysis to verify this figure.

NB: The costs of the administration (which are not included above) in a shutdown scenario would be higher than with a pre-pack, due to dealing with staff redundancies, premises matters, disposal of chattel assets amongst other issues. Furthermore, GMTCC's liabilities would have been higher, because employees would have been made redundant and have claims for wages, notice pay etc.

It is our view that in the circumstances, there would be no value obtainable for the business in a shutdown scenario, due to the inability to trade post-appointment and the resultant loss of staff and inability to maintain service levels for clients.

9. The Statutory Purpose

The joint administrators confirm that that the pre-packaged sale of the Company's assets enables the statutory purpose to be achieved and that the sale price achieved was the best obtainable in all the circumstances.



Adam Henry Stephens and Nick Myers

Joint Administrators

Date: 20 February 2020

Appendix A – Schedule of registered charges

The following charges are registered against the company at Companies House. They are in relation to fixed charges over property which are the underlying assets in the SIPPs and not registered against GMTC's assets.

Date of creation	Date of registration	Person(s) entitled
23-Jul-18	23-Jul-18	Lloyds Bank PLC
06-Jul-18	12-Jul-18	Lloyds Bank PLC (Co. No. 00002065)
06-Jul-18	12-Jul-18	Lloyds Bank PLC (Co. No. 00002065)
17-Nov-17	20-Nov-17	National Westminster Bank PLC
07-Jul-17	14-Jul-17	Yorkshire Building Society (Trading as Norwich & Peterborough Building Society)
07-Jul-17	14-Jul-17	Yorkshire Building Society (Trading as Norwich & Peterborough Building Society)
20-Jul-15	24-Jul-15	Lloyds Bank PLC
20-May-15	10-Jun-15	Lloyds Bank PLC
14-Nov-14	25-Nov-14	The Royal Bank of Scotland PLC
23-Sep-11	30-Sep-11	National Westminster Bank PLC
22-Nov-09	08-Dec-09	Lloyds Tsb Bank PLC
16-Jul-08	24-Jul-08	Lloyds Tsb Bank PLC
26-Apr-06	29-Apr-06	Nationwide Building Society
05-Apr-06	13-Apr-06	National Westminster Bank PLC
31-Jan-06	01-Feb-06	The Royal Bank of Scotland PLC
31-Jan-06	01-Feb-06	The Royal Bank of Scotland PLC
01-Jun-05	08-Jun-05	Investec Bank (UK) Limited
23-Mar-05	05-Apr-05	Lloyds Tsb Bank PLC
31-Jan-05	01-Feb-05	The Royal Bank of Scotland PLC
01-Dec-04	09-Dec-04	National Westminster Bank PLC
24-Nov-04	30-Nov-04	Aib Group (UK) P.L.C.
08-Mar-04	12-Mar-04	Allied Dunbar Assurance PLC
23-Dec-03	06-Jan-04	Allied Dunbar Assurance PLC
09-Dec-03	30-Dec-03	Nationwide Building Society
27-Feb-03	13-Mar-03	Investec Bank (UK) Limited
31-Jan-03	04-Feb-03	National Westminster Bank PLC
07-Jan-03	28-Jan-03	Lloyds Tsb Bank PLC
07-Jan-03	28-Jan-03	Lloyds Tsb Bank PLC

28-Jun-02	06-Jul-02	Svenska Handelsbanken Ab (Publ) ('the Bank')
23-May-02	12-Jun-02	Investec Bank (UK) Limited
01-Feb-02	05-Feb-02	The Royal Bank of Scotland PLC
20-Dec-01	09-Jan-02	Investec Bank (UK) Limited
17-Dec-01	03-Jan-02	The Royal Bank of Scotland PLC
17-Dec-01	03-Jan-02	The Royal Bank of Scotland PLC
23-Nov-01	08-Dec-01	Barclays Bank PLC
11-Oct-01	23-Oct-01	National Westminster Bank PLC
01-Oct-01	09-Oct-01	Investec Bank (UK) Limited
21-Sep-01	05-Oct-01	Investec Bank (UK) Limited
12-Sep-01	20-Sep-01	Lloyds Tsb Bank PLC
03-Sep-01	13-Sep-01	Investec Bank (UK) Limited
26-Jan-01	27-Jan-01	Investec Bank (UK) Limited
06-Sep-00	08-Sep-00	Investec Bank (UK) Limited
15-Jun-00	21-Jun-00	Investec Bank (UK) Limited
02-Mar-00	10-Mar-00	The Royal Bank of Scotland PLC
02-Mar-00	10-Mar-00	The Royal Bank of Scotland PLC
20-Aug-90	10-Sep-90	Guinness Mahon & Co Limited.
10-Mar-87	11-Mar-87	Gibson, D.A., Smith, R.M., W.A.J. Reardon, Cook and R.M.H. Reed
31-Jan-85	04-Feb-85	Guinness Mahon & Co Limited
21-Sep-81	23-Sep-81	Nationwide Building Society
28-Aug-80	02-Sep-80	David Alistair Cook, Henry Wight Gibson, John Reardon Smith, William Antony, Rita Mary Gibson

www.smithandwilliamson.com

Principal offices: London, Belfast, Birmingham, Bristol, Cheltenham, Dublin, Glasgow, Guildford, Jersey, Salisbury and Southampton.

Smith & Williamson LLP is regulated by the Institute of Chartered Accountants in England and Wales for a range of investment business activities. A member of Nexia International. Registered in England at 25 Moorgate, London EC2R 6AY No OC369871.

Nexia Smith & Williamson Audit Limited is registered to carry on audit work and regulated by the Institute of Chartered Accountants in England and Wales for a range of Investment business activities. A member of Nexia International.



Smith & Williamson is a member of Nexia International, a worldwide network of independent accounting and consulting firms.

© Smith & Williamson Holdings Limited 2013

IX Notice of a Decision being sought by a Decision Procedure

Guinness Mahon Trust Corporation Limited- In Administration (the 'Company')

Registered Number - 00224158

This notice is given pursuant to Rule 15.8 of the Insolvency (England and Wales) Rules 2016 (the Rules).

Court details	
Court Name	High Court of Justice Business and Property Courts in Birmingham Insolvency and Companies List
Court Number	000124 of 2020

Office Holders' details	
Joint Administrators	Adam Henry Stephens and Nicholas Myers
Administrators' Firm Name	Smith & Williamson LLP
Date of Appointment of Joint Administrators	17 February 2020

THE PROPOSED DECISIONS

The joint administrators (the Convener) are seeking that the following decisions be made under Rule 15.8 by the Company's creditors by correspondence:

- 1 That a creditors' committee NOT be established unless a sufficient number of creditors are willing to act.
- 2 That the Joint Administrators' proposals for achieving the purpose of the Administration, as set out in the Joint Administrators' Report and Statement of Proposals, be approved.
- 3 Under Rule 3.52 of the Insolvency (England and Wales) Rules 2016 and in the absence of a Creditors' Committee, the unpaid pre-administration costs as detailed in the Joint Administrators' Report and Statement of Proposals be approved.
- 4 In the event that a creditors' committee is not established, the Joint Administrators will be discharged from liability under Paragraph 98(2) of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Joint Administrators ceasing to have effect.

ENSURING YOUR VOTES ON THE PROPOSED DECISIONS ARE COUNTED

In order for votes on the Proposed Decisions to be counted, a creditor must have delivered the Voting Form accompanying this notice, together with a proof of debt in respect of their claim (unless a proof has already been submitted) to the Convener, whose contact details are below, on or before 24 April 2020 (the Decision Date), failing which their votes will be disregarded.

Appeal of Convener's decision

Pursuant to Rule 15.35 of the Rules, any creditor may apply to the court to appeal a decision of the Convener. However, an appeal must be made within 21 days of the Decision Date.

Creditors' committee - nominations

In relation to the proposed decision set out above concerning the formation of a committee, in the event that creditors do wish to establish a committee, any nominations for membership of the committee must be received by the Convener by no later than the Decision Date and will only be accepted if the joint administrators are satisfied as to the nominee's eligibility to be a member of such committee under Rule 17.4 of the Rules. Please note that nominations for membership can be made on the Voting Form accompanying this notice.

Creditors with a small debt

Any creditor whose debt is treated as a small debt (less than £1,000 inclusive of VAT) must still deliver a proof of debt in respect of their claim by no later than the Decision Date if they wish to vote on the Proposed Decisions.

Creditors who have opted out of receiving notices

Any creditor who has opted out of receiving notices but still wishes to vote on the Proposed Decisions is entitled to do so. However, they must have delivered a completed Voting Form, together with a proof of debt in respect of their claim (unless a proof has already been submitted) to the Convener, whose contact details are below, by no later than the Decision Date, failing which their votes will be disregarded.

Request for a physical meeting

Creditors who meet certain thresholds prescribed by the Insolvency (England & Wales) Rules 2016, namely 10% in value of creditors, 10% in number of creditors or 10 creditors, may request a physical meeting to be held to consider the Proposed Decisions. However, such a request must be made in writing to the Convener within 5 business days from 9 April 2020 and be accompanied by a proof in respect of their claim (unless one has already been submitted).

Contact details

The Convener's postal address is at Smith & Williamson LLP, 25 Moorgate, London, EC2R 6AY. Any person who requires further information may contact the Convener by telephone on 0121 710 5245 or alternatively by e-mail at gmtc@smithandwilliamson.com.

Dated: 9 April 2020



Signed:

Convener

X Voting Form

Name of Company
Guinness Mahon Trust Corporation Limited

Company number
00224158

In the
High Court of Justice Business and Property Courts in Birmingham Insolvency and Companies List

Court case number
000124 of 2020

Please indicate whether you are in favour or against each of the decisions set out below and return this form with a proof of debt to Smith & Williamson LLP, 3rd Floor, 9 Colmore Row, Birmingham, B3 2BJ, on or before 24 April 2020 (the **Decision Date**) in order that approval may be determined.

	Decision	In Favour (√)	Against (√)
1	Under Rule 3.39, that a creditors' committee should NOT be established unless sufficient, eligible creditors are willing to be members of a committee.		
2	That the Joint Administrators' proposals for achieving the purpose of the Administration, as set out in the Joint Administrators' Report and Statement of Proposals, be approved.		
3	Under Rule 3.52 of the Insolvency (England and Wales) Rules 2016 and in the absence of a creditors' committee, the unpaid pre-administration costs as detailed in the Joint Administrators' Report and Statement of Proposals be approved.		
4	In the event that a creditors' committee is not established the Joint Administrators will be discharged from liability under Paragraph 98(2) of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Joint Administrators ceasing to have effect.		

Creditors' Committee

The Insolvency Rules require that where a decision is sought from creditors, it is necessary to invite creditors to decide on whether a creditors' committee should be established. The Insolvency Rules also state that where the creditors decide that a creditors' committee should be established, it cannot be established unless it has at least three (and no more than five) members. **Therefore, if you have voted against the first decision above,**

please nominate below a creditor who is prepared to represent you as a member of the committee, if not yourself.

I wish to nominate _____ (insert name)

Representing _____ (insert name of creditor)

to be a member of the committee

Please ensure you sign and date this form before returning it (see overleaf)

Please complete the section below before returning the form

Name of Creditor	
Signature on behalf of creditor	
Position with creditor or relationship to creditor or other authority for signature - please indicate	
Is the signatory the sole member of a body corporate?	YES / NO
Date of signing	

XI Proof of Debt form

Guinness Mahon Trust Corporation Limited - In Administration		
1	Creditor Name <i>(If a company, please also state company registration number)</i>	
2	Address of creditor for correspondence	
3	Email address for creditor	
4	Total amount of claim, including VAT and outstanding uncapitalised interest <i>Note: Any trade or other discounts (except discount for immediate or early settlement) which would have been available to the company but for the insolvency proceedings should be deducted from the above claim where relevant. Where any payment is made in relation to the claim or set-off applied after date of winding-up, this should be deducted</i>	£
5	If the amount in 4 above includes outstanding uncapitalised interest, please state the amount	£
6	Details of any documents by reference to which the debt can be substantiated (please attach copies)	
7	Particulars of how and when the debt was incurred by the Company	
8	Particulars of any security held, the value of the security, and the date it was given	Value = £ Date given / /
9	Particulars of any reservation of title claimed, in respect of goods supplied to which the claim relates	
10	Signature of creditor or person authorised to act on his behalf	
11	Name in BLOCK CAPITALS	
12	Date	
13	Position with or in relation to creditor Address of person signing (if different from 2 above)	
14	Are you the sole member of the (corporate) creditor?	Yes/No

www.smithandwilliamson.com

Principal offices: London, Belfast, Birmingham, Bristol, Cheltenham, Dublin, Glasgow, Guildford, Jersey, Salisbury and Southampton.

Smith & Williamson LLP is regulated by the Institute of Chartered Accountants in England and Wales for a range of investment business activities. A member of Nexia International. Registered in England at 25 Moorgate, London EC2R 6AY No OC369871.

Nexia Smith & Williamson Audit Limited is registered to carry on audit work and regulated by the Institute of Chartered Accountants in England and Wales for a range of Investment business activities. A member of Nexia International.



Smith & Williamson is a member of Nexia International, a worldwide network of independent accounting and consulting firms.

© Smith & Williamson Holdings Limited 2013