

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

LIQ03

Notice of progress report in voluntary winding up



Companies House

SATURDAY



A25 *A7EKAHNU* #62
15/09/2018
COMPANIES HOUSE

1 Company details

Company number	0	5	4	4	3	2	8	4
Company name in full	The Bankruptcy Protection Fund Limited							

→ Filling in this form
Please complete in typescript or in bold black capitals.

2 Liquidator's name

Full forename(s)	David
Surname	Rubin

3 Liquidator's address

Building name/number	Pearl Assurance House
Street	319 Ballards Lane
Post town	London
County/Region	
Postcode	N 1 2 8 L Y
Country	

4 Liquidator's name

Full forename(s)	
Surname	

① Other liquidator
Use this section to tell us about another liquidator.

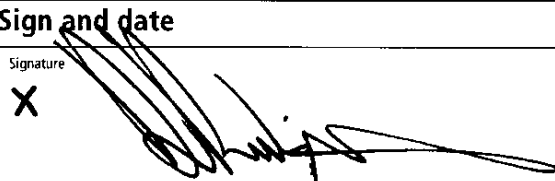
5 Liquidator's address

Building name/number	
Street	
Post town	
County/Region	
Postcode	
Country	

② Other liquidator
Use this section to tell us about another liquidator.

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6 Period of progress report									
From date	^d 1	^d 9	^m 0	^m 8	^y 2	^y 0	^y 1	^y 3	
To date	^d 1	^d 8	^m 0	^m 8	^y 2	^y 0	^y 1	^y 8	
7 Progress report									
<input checked="" type="checkbox"/> The progress report is attached									
8 Sign and date									
Liquidator's signature	<small>Signature</small> 								
Signature date	^d 1	^d 4	^m 0	^m 9	^y 2	^y 0	^y 1	^y 8	

LIQ03

Notice of progress report in voluntary winding up

 **Presenter information**

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

Contact name **Matthew Hull**

Company name **David Rubin & Partners**

Address **Pearl Assurance House**

319 Ballards Lane

Post town **London**

County/Region

Postcode

	N	1	2		8	L	Y
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Country

DX

Telephone **020 8343 5900**

 **Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

 **Important information**

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

 **Where to send**

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

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

 **Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

IN THE MATTER OF
THE BANKRUPTCY PROTECTION FUND LIMITED - IN LIQUIDATION

AND

THE INSOLVENCY ACT 1986

THE LIQUIDATOR'S FIFTH ANNUAL PROGRESS REPORT
PURSUANT TO SECTION 104A OF THE INSOLVENCY ACT 1986
AND
RULE 18.2 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016
FOR THE YEAR ENDED 18 AUGUST 2018

THE BANKRUPTCY PROTECTION FUND LIMITED - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

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- A. Receipts and Payments Account from 19 August 2017 to 18 August 2018
- A. Cumulative Receipts and payments account from 19 August 2013 to 18 August 2018
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- B. Cumulative Time Analysis for the Period from 19 August 2013 to 18 August 2018

THE BANKRUPTCY PROTECTION FUND LIMITED - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

(a) Introduction

The Company was placed into liquidation by a Special Resolution of the members on 19 August 2013. This report provides an update on the progress in the liquidation pursuant to Section 104A of the Insolvency Act 1986 ("the Act") for the year ended 18 August 2018.

Rule 18.3: Progress Report

(b) Statutory information

Company name: The Bankruptcy Protection Fund Limited
Registered office: Pearl Assurance House, 319 Ballards Lane, London, N12 8LY
Company number: 05443284
Trading address: Metropolitan House, 20 Brindley Road, Manchester, M16 9HQ

(c) Liquidator's name and address:

David Rubin, Office Holder Number: 2591, of David Rubin & Partners, and he may be contacted in writing at Pearl Assurance House, 319 Ballards Lane, London, N12 8LY.

(d) Any changes in the Office Holder

I was appointed Liquidator of the Company on 19 August 2013. There has not been a change in the Office Holder since the original appointment date.

(e) Details of progress during the period and summary account of Receipts and Payments under review and cumulatively:

The case has remained open during the period in review as a consequence of the potential for future realisations into the estate resulting from the assignment of the cause of action against the Company's director detailed in full below at (i).

A Receipts and Payments Account is attached at Appendix A, which is further explained below. Also, attached at Appendix A is a cumulative Receipts and Payments Account for the period from 19 August 2013 to 18 August 2018.

1. Receipts

1.1 PAYE Refund

A refund received relating to pre liquidation returns amounted to £4,824.73.

1.2 Debtors

Dividends received from the Bankruptcy estates of two debtors of the Company amount to £1,623.71.

1.3 Sundry Receipt

The sum of £340.49 has been received from Key Retirement Solutions Limited.

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1.4 Cash at Bank

The amount of £72.63 standing in the Company's bank account at the date of liquidation has been received.

1.5 Cash Held on Appointment

The amount of £7,200 was held by my firm, prior to my appointment as Liquidator, specifically for the purposes of meeting the costs of the Statement of Affairs fee as detailed below.

1.6 Third Party Funds

The amount of £184.42 was received from our practice account to enable the refund of £6,000 to Amsol Finance Limited ("Amsol"), further explained at 2.8 below.

1.7 Bank Interest Received

The funds in hand are held in an interest bearing account with a High Street bank in the Office Holder's name as Liquidator of the Company.

Interest earned on the funds in hand amounts to £5.64 none of which was received during the year under review.

2. Payments

2.1 Statement of Affairs Fee

This fee relates to the assistance given to the Directors of the Company in notifying and convening the members and creditors meetings under section 98 of the Insolvency Act 1986, and the preparation of the statement of affairs and Directors' report to creditors. This fee was approved at the first meeting of creditors, however, these funds were refunded as detailed below.

2.2 Statutory Costs

The amount of £2 was paid in respect of fees for various searches and information obtained from Companies House.

2.3 Statutory Advertising

This represents the costs for the publishing of statutory advertising in the London Gazette in respect of the first meetings of the members and creditors, the notice of the appointment of the Liquidator and to creditors to submit their claims in the liquidation.

2.4 Specific Bond

The specific bond is the cost of insurance, based on the level of realisations by the Liquidator, as required by the Insolvency Practitioners Regulations 2005.

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2.5 Meeting Costs

The first meetings of members and creditors were held at my offices for which my firm charged a nominal rental of £150 plus VAT for the provisions of the boardroom and ancillary facilities.

2.6 Carriage and Archiving

My firm uses its own personnel and vehicle for collection of books and records for which we charge £30 per hour. My firm has been paid £360 for 12 hours in respect of collection of records from the Company's premises in Manchester and £210 for 7 hours in respect of sorting and indexing of said records.

2.7 Legal fees

Solicitors SGH Martineau (now Shakespeare Martineau) ("SM") were instructed jointly with a sister company, Consolidated Finance Limited ("CFL"), to assist and advise with investigations into the levels of remuneration drawn by the Company's director, as well as on several matters relating to a potentially significant debtor of the Company and CFL, Amsol Finance Limited. SM agreed a consent order with the respondent of the remuneration action, whereby he be paid the sum of £1,600 in order to facilitate the consensual withdrawal of the proceedings. Accordingly, £800 was paid by CFL, and the remaining £800 was paid by the Company.

2.8 Amsol Refund

Prior to commencement of the liquidation, funds were advanced to our client account by a third party, Amsol Finance Limited ("Amsol"), on behalf of the Company in order to contribute towards the Statement of Affairs Fee. Following Amsol's entry into administration Amsol's administrator sought restoration of this payment under Section 238 of the Act. Although these funds were received in good faith, the decision was made to return the relevant sum to Amsol.

2.9 Server Backup

Mailsure Telecom were paid the sum of £410 for their services in providing a full backup of the electronic records held on the Company's server, which was owned by a third party.

2.10 Liquidator's Remuneration

No remuneration has been drawn to date.

(f) Liquidator's Remuneration and Expenses

1. *Basis of remuneration*

At the first meeting of creditors a resolution was passed approving that the basis of my remuneration as Liquidator be fixed by reference to the time properly spent by my staff and myself in attending to matters arising in the winding-up.

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), a schedule of my firm's charge-out rates was issued to creditors at the time the basis of

THE BANKRUPTCY PROTECTION FUND LIMITED - IN LIQUIDATION
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the Liquidator's remuneration was approved. There has not been any material increase in the rates during this appointment. Our current hourly chargeout rates exclusive of VAT, which are charged in units of 6 minutes, are as follows:-

	£
Senior / Managing Partners	450
Partners/Office holders	300 - 395
Managers / Senior Managers	250 - 295
Senior Administrators	180 - 220
Administrators	130 - 160
Cashiers and Assistants	120 - 160
Supports	110 - 120

Chargeout rates are normally reviewed annually in November, when rates are adjusted to reflect such matters as inflation, increases in direct wage costs, and changes to indirect costs such as Professional Indemnity Insurance.

2. *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, Manager, Senior Administrator and two Administrators. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and additional staff may be allocated to meet the demands of the case.

We have not utilised the services of any subcontractors in this case.

3. *Liquidator's remuneration*

My time costs for the year under review are £6,260. This represents 20 hours and 24 minutes at an average rate of £306.86 per hour. I attach as Appendix B a Time Analysis which provides details of the activity during the year, analysed by staff grade.

I have also reviewed my cumulative time costs for the period from 19 August 2013 to 18 August 2018 and would report that my total time costs are £97,470 for 429 hours and 12 minutes, which equates to an average cost of £227.10 per hour. A breakdown of my time charges is also set out in Appendix B.

To view an explanatory note concerning Liquidators' remuneration issued by the Joint Insolvency Committee, please visit the Publications folder on our website at www.drpartners.com/cases, using the following log-on details:

USERNAME: T392@drco.co.uk

PASSWORD: 293Ttc*!

Alternatively, please contact this office to arrange for a copy to be sent to you.

Included in the work undertaken by me and my staff is the following:-

THE BANKRUPTCY PROTECTION FUND LIMITED - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

- i.) Dealing with creditors' enquiries both by correspondence and by telephone and noting their claims.
- ii.) Carrying out all necessary investigations, including the examination of the Company's statutory books and books of accounts and records in order to enable me to prepare and submit a Liquidator's report on the conduct of the directors pursuant to the requirements of the Company Directors Disqualification Act 1986.
- iii.) Performing further investigations into the remuneration drawn by the Company's sole director and liaising with solicitors in this regard.
- iv.) Performing further investigations into payments made by the Company to Synergy Leads Limited, and liaising with solicitors in this regard.
- v.) Correspondence and discussions with the FCA regarding their ongoing investigation into the Company's activities.
- vi.) Collecting, sorting and archiving the Company's books and records and securing a backup of electronic records.
- vii.) Filing the appropriate documents relating to the liquidation at Companies House.
- viii.) Applying for Liquidator's bond, as required by Section 390 of the Insolvency Act 1986.
- ix.) Publishing the necessary statutory advertisements in respect of the liquidation proceedings.
- x.) Opening a designated bank account and dealing with the movement of funds.
- xi.) Correspondence with HM Revenue & Customs both as regards PAYE/NIC and VAT.
- xii.) Preparing the relevant VAT returns for the claiming of VAT inputs.
- xiii.) Periodic case and file reviews to ensure compliance with regulatory obligations.
- xiv.) Preparation and circulation of my annual progress reports and Receipts and Payments Account to creditors pursuant to S104A of the Insolvency Act 1986 and submission of same to the Registrar of Companies.

4. *Liquidator's expenses*

Expenses incurred in the liquidation are explained at (e) above in my comments on the Receipts and Payments Accounts.

THE BANKRUPTCY PROTECTION FUND LIMITED - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

5. Creditors' rights – Rule 18.9 and Rule 18.34

- i) Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Liquidator provides further information about his remuneration or expenses which have been itemised in this progress report.
- ii) Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that the basis fixed for the Liquidator's remuneration, the remuneration charged or the expenses incurred by the Liquidator as set out in this progress report are excessive.

(g) Creditors and Distributions

(i) (a) Secured creditors

The Company has no secured creditors.

(b) Prescribed Part

Section 176A of the Insolvency Act 1986 provides for a prescribed part of the Company's net property to be retained from distribution to the floating charge holder, where the debenture was created on or after 15 September 2003 and made available for the satisfaction of unsecured debts.

As the Company has not created a floating charge, the provisions of Section 176A will not apply.

(ii) Preferential creditors

I have received a preferential claim from the Redundancy Payments Service for £3,566.90.

(iii) Unsecured creditors

The claims of 16 unsecured creditors totalling £2,715,948.74 have been received compared to 30 creditors totalling £2,653,330 disclosed on the Director's Estimated Statement of Affairs. Based on current information, it is unlikely that there will be a dividend payable to the unsecured non-preferential creditors.

(h) Details of what remains to be done

The case remains open due to the potential for recoveries to the estate resulting from the assignment of the cause of action detailed in full below at (i)(3).

(i) Other information of relevance to creditors:

Investigations

1. In accordance with the Company Directors Disqualification Act 1986 I have submitted a report on the conduct of the Directors of the Company to the Department for

THE BANKRUPTCY PROTECTION FUND LIMITED - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

Business, Energy & Industrial Strategy (BEIS). As this is a confidential report, I am not able to disclose the contents.

2. Shortly after my appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors either at the initial meeting or as a response to my request to complete an investigation questionnaire. My investigations revealed the following issues:-
 - Allegations have been made by representatives of the majority creditor that the Company's sole director may have drawn excessive remuneration from the Company in the form of salary and bonuses.
 - A number of payments were made to Synergy Leads Limited to acquire PPI leads prior to the Company's entry into liquidation. These leads were processed by a connected company, Amsol Finance Limited ("Amsol"). The majority creditor requested that we investigate the status and ownership of these leads.
3. As previously reported, following receipt of the allegations detailed above, investigations were commenced into the levels of remuneration drawn from the Company and another company within the group, Consolidated Finance Limited ("CFL"), by its sole director, and the basis upon which remuneration was drawn.

Following comprehensive reviews of the Company's physical and electronic records I was approached by CF (2015) Limited ("CF15") who expressed an interest in purchasing this cause of action. It was considered that this would potentially increase realisations in the Liquidation without any further cost to the estate. Accordingly, an assignment was agreed whereby the Assignee would pay to the Liquidator the initial sum of £1 plus further sums equivalent to 20% of eventual recoveries (net of reasonable legal costs and expenses) resulting from the cause of action.

CF15 obtained judgement against the director in the sum of £236,275 in June 2018, and accordingly, I have been in correspondence with CF 2015 in recent months in order to ascertain the status and level of any resultant recoveries. To date, no recoveries have been made by CF15, and accordingly, I am continuing to monitor the position.

4. As previously reported a review of the Company's bank statements revealed payments made by the Company to Synergy amounting to over £100,000. These payments were made in order to acquire PPI leads, which were processed by Amsol. Amsol entered administration in October 2013. The Administrator confirmed that Amsol's records indicate a balance owing to the Company of £145,255. Furthermore, my investigations suggested that the leads were purchased from Synergy for Amsol to process, but remained the property of the Company, and that title never passed to Amsol, meaning that realisations from the processing of the leads should be payable directly to the Company and not Amsol. Amsol's Administrator claimed that, on the contrary, the leads were purchased by the Company for Amsol, and the payments made were therefore essentially intercompany loans. Solicitors' SM were instructed jointly with CFL (who also made similar payments to Synergy for leads processed by Amsol) to advise and assist with investigations into this matter. Following consideration it was deemed that, given the absence of funds in the estate, and the questionable prospect of recoveries from a potential action, further pursuance of any claims pertaining to this matter would not be economical.

THE BANKRUPTCY PROTECTION FUND LIMITED - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

(J) Next report

I am required to provide a further report on the progress of the liquidation within two months of the end of the next anniversary of the liquidation, unless I have concluded matters prior to that, in which case I will write to all creditors with my final progress report ahead of convening the final meeting of creditors.

I trust you will find this report adequate for your purposes but should you require any further information, please do not hesitate to contact in the first instance either my Senior Manager, Matthew Bull, or their assistant, Trupti Patel at this office.



DAVID RUBIN FCA - LIQUIDATOR

DATE: 14/9/18

THE BANKRUPTCY PROTECTION FUND LIMITED - IN LIQUIDATION
LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT
FROM 19 AUGUST 2013 TO 18 AUGUST 2018

	<u>Estimated</u> <u>to realise</u> £	<u>Realised</u> <u>to-date</u> £	<u>Y/E</u> <u>18-Aug-18</u> £
<u>Balance brought forward</u>			1.02
<u>Receipts</u>			
PAYE Refund		4,824.73	0.00
Debtors		1,623.71	0.00
Sundry Receipt		340.49	0.00
Cash at Bank	100.00	72.63	0.00
Cash Held on Appointment		7,200.00	0.00
Third Party Funds		184.42	0.00
Bank Interest Received		5.64	0.00
		<u>14,251.62</u>	<u>1.02</u>
<u>Payments</u>			
Statement of Affairs Fee		6,000.00	0.00
Statutory Costs		2.00	0.00
Statutory Advertising		253.80	0.00
Specific Bond		64.80	0.00
Meeting Costs		150.00	0.00
Carriage & Archiving		570.00	0.00
Legal Fees		800.00	0.00
Amsol Refund		6,000.00	0.00
Server Backup		410.00	0.00
		<u>14,250.60</u>	<u>0.00</u>
<u>Receipts less Payments</u>		<u>1.02</u>	<u>1.02</u>
<u>Represented by:-</u>			
Balance at Bank			<u>1.02</u>
			<u>1.02</u>

THE BANKRUPTCY PROTECTION FUND LIMITED - IN LIQUIDATION

LIQUIDATOR'S TIME COSTS FOR THE PERIOD 19 AUGUST 2017 TO 18 AUGUST 2018 SIP 9 TIME SUMMARY							
Classification of work function	Hours					Total Cost £	Average hourly rate £
	Partners	Manager / Senior Manager	Admin / Senior Admin	Cashiers	Total hours		
Statutory compliance, admin and planning	07:18	05:24	03:12	00:18	16:12	5,244.00	323.70
Realisations of assets	00:00	01:54	00:24	00:00	02:18	541.00	235.22
Total hours and costs	07:18	09:12	03:36	00:18	20:24	6,260.00	306.86

LIQUIDATOR'S CUMULATIVE TIME COSTS FOR THE PERIOD FROM 19 AUGUST 2013 TO 18 AUGUST 2018 SIP 9 TIME SUMMARY							
Classification of work function	Hours					Total Cost £	Average hourly rate £
	Partners	Manager / Senior Manager	Admin / Senior Admin	Cashiers	Total hours		
Statutory compliance, admin and planning							
IPS set up & maintenance	00:00	00:00	00:54	00:00	00:54	182.00	202.22
Statutory filings, circulars, notices, etc.	01:54	00:24	27:30	00:00	29:48	5,806.00	194.83
Case planning, strategy & control	10:54	17:12	18:54	00:00	47:00	12,749.00	271.26
Taxation: PAYE, C/Tax & VAT	00:06	03:12	03:18	00:00	06:36	1,421.50	215.38
Accounting & Cashiering	00:00	00:12	00:42	00:00	01:36	1,678.00	158.30
Case reviews & Diary maintenance	00:00	38:12	39:30	00:00	77:42	16,746.00	215.52
Statutory reporting and compliance	00:48	19:48	19:00	00:00	39:36	8,694.00	219.55
Investigations							
CDDA preparation & reporting	00:00	04:30	31:18	00:00	35:48	6,242.00	174.36
SIP2 assessment and financial review	00:42	00:00	00:00	00:00	00:42	315.00	450.00
Antecedant transactions & wrongful trading	00:48	50:06	25:42	00:00	76:36	17,511.00	228.60
Proceedings & recoveries	01:24	34:18	08:24	00:00	44:06	10,725.00	243.20
Realisation of assets							
Freehold & leasehold properties	00:12	00:42	00:00	00:00	00:54	265.00	294.44
Intangible assets	00:00	00:06	00:24	00:00	00:30	97.00	194.00
Book debts collection	00:12	00:06	03:42	00:00	04:00	789.00	197.25
Tangible assets	09:36	13:36	07:48	00:00	31:00	8,983.50	289.79
Creditors							
Secured creditors	00:06	00:00	00:00	00:00	00:06	45.00	450.00
Unsec'd Creditors: correspondence & claims	03:18	01:42	05:30	00:00	10:30	2,810.00	267.62
Preferential creditors & employees	00:00	03:06	09:42	00:00	12:48	2,411.00	188.36
Total hours and costs	30:00	187:12	202:18	09:42	429:12	97,470.00	227.10

The above headings include *inter alia*:

Administration and Planning

case planning
appointment notification
maintenance of records
statutory reporting and compliance
tax and VAT

Realisation of Assets

identifying and securing assets
debt collection
property, business and asset sales

Investigations

SIP2 review
reports pursuant to Company Directors Disqualification Act 1986
investigating antecedent transactions

Creditors

communications with creditors
creditors claims (including secured creditors, employees and preferential creditors)