

**The Insolvency Act 1986**

**Statement of Company's  
Affairs**

**S.95/99**

**Pursuant to Section 95/99 of the  
Insolvency Act 1986**

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To the Registrar of Companies

Company Number

05443284
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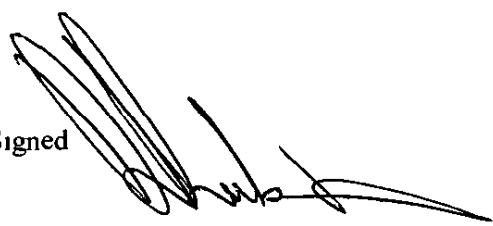
Name of Company

<b>THE BANKRUPTCY PROTECTION FUND LIMITED</b>
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I/We

David Rubin  
of David Rubin & Partners LLP  
Pearl Assurance House  
319 Ballards Lane  
London N12 8LY

the Liquidator of the above named company hereby attaches a statement of the Company's affairs as at 19 August 2013

Signed 


Date 19/08/2013

Presenter's name address and  
Reference (if any)

*David Rubin & Partners LLP  
Pearl Assurance House  
319 Ballards Lane  
London N12 8LY*

DX 57368 Finchley 1

Ref DAR/JS/MH/T392

<b>For official use</b>	
Liquidation Section	Post Room
THURSDAY	 *A2FACT6G* A05 22/08/2013 #80 COMPANIES HOUSE

**Statement of Affairs****IN THE MATTER OF THE INSOLVENCY ACT 1986**

Name of Company <b>THE BANKRUPTCY PROTECTION FUND LIMITED</b>	Company Number 05443284
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Statement as to the affairs of <sup>(a)</sup> The Bankruptcy Protection Fund Limited of Metropolitan House, 20 Brindley Road, Manchester, M16 9HQ

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**Statement of Truth**

I believe that the facts stated in this statement of affairs and any continuation sheets are to the best of my knowledge a true statement of the affairs of the above named Company as at 19 August 2013, being a date not more than 14 days before the date of the resolution for winding-up

Full Name Christopher Holmes

Signed



Date

19. 8. 13

**THE BANKRUPTCY PROTECTION FUND LIMITED ("THE COMPANY")**

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**REPORT OF THE DIRECTOR TO THE MEETING OF CREDITORS CONVENED IN ACCORDANCE WITH SECTION 98 OF THE INSOLVENCY ACT 1986 AT 26-28 BEDFORD ROW, LONDON, WC1R 4HE ON 19 AUGUST 2013 AT 10.45AM**

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**1. STATUTORY INFORMATION**

The Company was incorporated on 4 May 2005 as The Bankruptcy Protection Fund Limited. The registered number is 05443284. The Company's registered office was Metropolitan House, 20 Brindley Road, Manchester, M16 9HQ and has been changed to Pearl Assurance House, 319 Ballards Lane, London, N12 8LY for the purposes of the winding-up.

The authorised share capital is £1 divided into 1 ordinary share of £1. The allotted and fully paid up share capital is held as follows:

<b>Name of Shareholder</b>	<b>No of Shares</b>
Antag Holding Limited	<u>1</u>
	<u>1</u>

All persons who have acted as directors of the Company during the three preceding years are:

<b>Name of Director</b>	<b>Appointed on</b>	<b>Resigned on</b>
Christopher Holmes	28/05/2007	

The Company Secretary is Christopher Holmes who was appointed on 17 July 2007.

The director held a board meeting on 19 July 2013 at which it was acknowledged that the Company was insolvent and that steps should be taken to place the Company into creditors' voluntary liquidation.

Formal notice convening the meeting of creditors was posted on 8 August 2013, and advertised in the London Gazette on 13 August 2013.

**2. TRADING HISTORY AND RESULTS**

The principal trading activity of the Company was that of bankruptcy annulment services and it commenced trading shortly after incorporation from leasehold premises at Metropolitan House, 20 Brindley Road, Manchester, M16 9HQ. The lease is for a term of 3 years commencing on 19 June 2011 with an annual rent of £20,400, payable quarterly. The rent has been paid up to the end of September 2013.

## **THE BANKRUPTCY PROTECTION FUND LIMITED**

The Company's last statutory Financial Statement was in respect of the year ended 30 September 2011. Extracts from the Company's Financial Statements are as detailed below

	<b>Year ended 30/09/2011 (Statutory) £</b>	<b>Year ended 30/09/2010 (Statutory) £</b>	<b>Year ended 30/09/2009 (Statutory) £</b>
Turnover	318,009	524,139	621,469
Gross profit	87,125	301,848	388,092
Director's emoluments	245,272	204,945	164,054
Dividends	0	0	0
Retained profit/(accumulated (loss) for the year	(648,343)	(358,786)	(282,155)
Retained profits/(accumulated (loss) carried forward	(1,940,596)	(1,292,253)	(933,467)

The Company was set up with the purpose of providing financial assistance to individuals for bankruptcy annulment purposes. The Company targeted individuals who had been declared bankrupt and offered them finance to settle their liabilities and thus provide a way for their bankruptcies to be annulled.

The Company worked in close association with its sister company, Consolidated Finance Limited ("CFL"). The Company would identify individuals who had been declared bankrupt and would make an offer that procured a loan from CFL. This loan was secured against the borrower's home. Following the annulment of the bankruptcy, the borrower would then re-finance their home, and CFL would be re-paid accordingly.

The Company acted as the sales arm of this operation and received income from fees charged to CFL. Thus, the fortunes of the two companies were intrinsically linked.

As can be seen from the above analysis of the Company's Financial Statements it has made significant losses for each of the last three years, with these losses increasing year on year.

### **3. FINANCE**

The Company operated a bank account with Barclays Bank Plc.

The Company was backed financially throughout its life by its parent company, Antag Holding Limited, a company registered in Malta.

## **THE BANKRUPTCY PROTECTION FUND LIMITED**

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### **4. REASONS FOR FAILURE**

As discussed above, the Company marketed its services to individuals who were bankrupt and were seeking to annul their bankruptcies pursuant to Section 282(1)(B) of The Insolvency Act 1986. The Company would receive management fees from CFL for work undertaken in identifying potential clients for the service, and the brokering of the loan deals. These management fees were the Company's only source of income. Accordingly, the fortunes of the Company were entirely dependent on the successful trading of CFL.

In the majority of cases the above model worked well with CFL being repaid from conventional sources of funding and the Company receiving its commission. Unfortunately, in a small number of cases, the debtors could not re-finance their borrowing, and CFL would have to issue re-possession proceedings against those debtors on properties secured by its previous lending. In one particular case, solicitors for the debtor argued in court that this was not an exempt loan under the Consumer Credit Act 1974, but instead a regulated agreement, and as such, the loan agreement had been improperly executed and was therefore unenforceable.

CFL fought this claim in the Central London County Court and were initially successful, but lost on appeal in May 2013 due to fundamental flaws in the original loan facility letter drafted by CFL's solicitors. The Court of Appeal also ordered that costs be paid by CFL which could amount to in excess of £150,000.

This ruling resulted in a catastrophic impairment of CFL's main asset, being its loan book. The ruling essentially meant that the loans provided by CFL might be unenforceable without a further application to court, and thus, the judgement fatally compromised the group's business model.

As the Company had little or no assets of its own with it being purely a sales arm of the group, the insolvency of CFL meant that the Company itself also became insolvent.

Following the loss of the Company's only source of income, the board considered that it had no other option but to seek insolvency advice and was referred to David Rubin & Partners LLP. Based on the advice received, steps were taken to place the Company into Creditors Voluntary Liquidation.

### **5. PARENT, SUBSIDIARY OR ASSOCIATED COMPANIES**

The Company's parent company is Antag Holding Limited.

The following companies are associated by virtue of common control:

Consolidated Finance Limited  
Amalgamated Finance Limited

The following company is a non trading subsidiary of the Company.

Alpha Mortgages Manchester Limited

**THE BANKRUPTCY PROTECTION FUND LIMITED**

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**6. DEFICIENCY ACCOUNT**

	<b>£</b>	<b>£</b>
(Accumulated Losses) as at 30/09/2011		(1,940,596)
<b>Add: Amounts written off in the Statement of Affairs</b>		
Rent Deposit		<u>(4,210)</u>
		(1,944,806)
<b>Add: Extraordinary Items</b>		
Employees Unsecured Claims		<u>(45,701)</u>
		(1,990,507)
<b>Estimated loss for the period 30/09/2011 to liquidation</b>		<u>(718,142)</u>
<b>Estimated deficiency as per SoA</b>		<u>(2,708,649)</u>



**CHRISTOPHER HOLMES - DIRECTOR**  
**THE BANKRUPTCY PROTECTION FUND LIMITED**


**THE BANKRUPTCY PROTECTION FUND LIMITED**  
**ESTIMATED STATEMENT OF AFFAIRS AS AT 19 AUGUST 2013**

	<u>Notes</u>	<u>Book Value</u> £	<u>Estimated To Realise</u> £
<b><u>ASSETS</u></b>			
Cash at Bank			100
Office Furniture & Equipment	<u>1</u>	Nil	Uncertain
Rent Deposit	<u>2</u>	4,210	Nil
Shares in Alpha Mortgages Manchester Limited	<u>3</u>	<u>          </u>	<u>Nil</u>
<b><u>ASSETS AVAILABLE TO PREFERENTIAL CREDITORS</u></b>			100
Employees' Preferential Claims	<u>4</u>		<u>(10,092)</u>
<b><u>SHORTFALL AS REGARDS PREFERENTIAL CREDITORS</u></b>			(9,992)
<b><u>UNSECURED CREDITORS - as per list B attached</u></b>			
Trade and Expense Creditors		122,154	
HM Revenue & Customs		54,295	
Connected Creditors		2,476,506	
Employees' Unsecured Claims	<u>5</u>	<u>45,701</u>	<u>(2,698,656)</u>
<b><u>DEFICIENCY AS REGARDS CREDITORS</u></b>			(2,708,648)
<b><u>SHARE CAPITAL</u></b>			
Ordinary shares of £1 each fully paid			<u>(1)</u>
<b><u>DEFICIENCY AS REGARDS CONTRIBUTORIES</u></b>			<u>(2,708,649)</u>

**NOTES**

- 1 The Company owns a small number of chairs and desks which have a nil value in the last set of accounts and are not expected to have any realisable value to the liquidation
- 2 A rent deposit of £4,210 is held by the Company's landlord. Liabilities to the landlord for utilities, insurance and the lease break premium exceed this amount and this asset will therefore have no realisable value
- 3 The Company owns the share capital of Alpha Mortgages Manchester Limited, a non trading company with a significant balance sheet deficiency. This shareholding is therefore unlikely to have any value
- 4 This represents the claims of the Company's former employees for arrears of wages and outstanding holiday pay
- 5 This represents the claims of the Company's former employees for redundancy and notice pay
- 6 Liquidation costs have not yet been calculated

Signature



Christopher Holmes

**THE BANKRUPTCY PROTECTION FUND LIMITED**  
**ESTIMATED STATEMENT OF AFFAIRS AS AT 19 AUGUST 2013**

**CREDITORS**

<b><u>NAME</u></b>	<b><u>ADDRESS</u></b>	<b><u>AMOUNT</u></b>
		<b>£</b>
<b><u>Trade and Expense Creditors</u></b>		
Abacus Solicitors	Reedham House,31 - 33 King Street West,Manchester,M3 2PN	2,954 00
ACS Limited	5 - 6 Aire Valley Park,Wagon Lane,Bingley,BD16 1WA	7,750 00
Barclaycard	Barclaycard House,1234 Pavilion Drive,Northampton,NN4 7SG	8,500 00
BE UN Limited	62 Lancaster Mews,London,W2 3QG	44 00
BW Legal	The Tannery,91 Kirkstall Road,Leeds,LS3 1HS	282 00
Clarity Copiers	Unit 4,Mayfield Industrial Park,Liverpool Road,Irlam,M44 6GB	930 00
Cool Clear Water	Upper Brynaman,Ammanford,South Wales,SA18 1DG	185 00
Hometrack Data Systems Limited	6th Floor,The Chambers,Chelsea Harbour,London,SW10 0XF	25 00
Hiscox Insurance	21 Tyndrum Street,Glasgow,G4 0JY	
LPC Law Limited	24 Martin Lane,London,EC4R 0DR	108 00
Mailsure Telecom Limited	Clandge House,79 Oswald Road,Chorlton,Manchester,M21 9QD	210 00
Move With Us	Grant House,Parsons Green,St Ives,Cambridgeshire,PE27 4AA	8,754 30
Neopost Limited	Neopost House,South Street,Romford,Essex,RM1 2AR	2,500 00
Norscot Investments Limited	Riverside House,11-12 Riverside Road,Norwich,Norfolk NR1 1SQ	3,648 00
Omega Office Supplies	Hollingworth Court,Stockport Road West,Bredbury,Stockport,SK6 2AN	183 00
Premier Cleaning Service	Premier House,Kirkgate,Thirsk,North Yorkshire,YO7 1PQ	1,626 00
Pntesh Katana		14,000 00
Richard Devreux-Cooke	13 Old Square Chambers,13-14 Old Square,Lincoln's Inn,London,WC2A 3UE	
Royal Mail	Finance Service Centre,Papyrus Road,Werrington,Peterborough,PE4 5BR	143 00
Sage UK Limited	PO Box 4598,Worthing,BN11 9BU	1,159 00
Stash It	Unit 7,Park House Bridge Estate,Langley Road,Salford,Manchester,M6 6JQ	90 00
Summit Law LLP	1 Bentinck Street,London,W1U 2ED	178 00
Symantec	1240 Lansdowne Court,Gloucester Business Park,Gloucester,GL3 4AB	562 00
TNT Post North Limited	Unit E Orbital 24,Oldham Street,Denton,Manchester,M34 3SU	1,842 00
Trafford Council	PO Box 65,Sale,M33 6BY	11,431 00
Trafford Park Dairy	Unit 16,Bridgewater Centre,Trafford Park,Manchester,M41 7TE	392 00
Wragge & Co	55 Colmore Row,Birmingham,B3 2AS	54,658 00
		<u>122,154 30</u>
<b><u>Crown</u></b>		
HM Revenue & Customs (PAYE/NIC)	Insolvency Claims Handling Unit,Benton Park View,Longbenton,Newcastle Upon Tyne,NE98 1ZZ	54,295 00
HM Revenue & Customs (VAT)	Insolvency Operations,5th Floor,Regian House,James Street,Liverpool,L75 1AD	0 00
		<u>54,295 00</u>
<b><u>Connected Creditors</u></b>		
Antag Holding Limited	Vicenti Buildings,Suite 354,14/19 Strait Street,Valletta,Malta	2,476,506 00
		<u>2,476,506 00</u>

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**THE BANKRUPTCY PROTECTION FUND LIMITED**  
**ESTIMATED STATEMENT OF AFFAIRS AS AT 19 AUGUST 2013**

**SHAREHOLDERS**

<b>Name</b>	<b>Address</b>	<b>No Shares</b>
Antag Holding Limited	Vicenti Buildings,Suite 354,14/19 Strait Street,Valletta,Malta	<u>1</u>
<b>Total</b>		<u><u>1</u></u>