

**Liquidator's Progress Report****Pursuant to Sections 92A, 104A and 192 of the  
Insolvency Act 1986****S.192**

To the Registrar of Companies

Company Number

05216713

Name of Company

(a) Insert full name  
of company

(a) Finitum Two Limited

(b) Insert full name(s)  
and address(es)

We (b)

Bruce Mackay  
RSM Restructuring Advisory LLP  
25 Farringdon Street  
London EC4A 4ABand Matthew Richard Meadley Wild  
RSM Restructuring Advisory LLP  
25 Farringdon Street  
London EC4A 4ABthe liquidators of the company attach a copy of our Progress Report under  
section 192 of the Insolvency Act 1986The Progress Report covers the period from 11 June 2015  
to 10 June 2016

Signed



Date

04/08/16

Presenter's name,  
address and  
reference  
(if any)RSM Restructuring Advisory LLP, 25 Farringdon Street, London EC4A  
4AB

Ref BAM\RAY\RPB\KRZ\1072313

WEDNESDAY



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10/08/2016

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COMPANIES HOUSE

**In the matter of**

**Finitum Two Limited – In Liquidation  
("the Company")**

**Joint Liquidators' progress report**

**4 August 2016**

**Bruce Alexander Mackay and Matthew Richard Meadley Wild  
Joint Liquidators**

**RSM Restructuring Advisory LLP  
25 Farringdon Street  
London EC4A 4AB**

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## **1 Purpose of report**

This report has been prepared in accordance with insolvency legislation to provide creditors, members and the Registrar of Companies with information relating to the progress of the liquidation in the period from 11 June 2015 to 10 June 2016

This report has been prepared solely to comply with the statutory requirements of Section 104A of the Insolvency Act 1986 and Rule 4.49C of the Insolvency Rules 1986 (as amended). It has not been prepared for use in respect of any other purpose, or to inform any investment decision in relation to any debt or financial interest in the Company. Any estimated outcomes for creditors are illustrative and may be subject to significant change.

RSM Restructuring Advisory LLP was previously named Baker Tilly Restructuring and Recovery LLP until 26 October 2015.

Neither the Liquidators nor RSM Restructuring Advisory LLP accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this report.

## **2 Progress of the liquidation in the previous twelve months**

### **2.1 Realisation of assets**

#### **2.1.1 Potential claim for compensation for mis-selling of interest rate hedging product**

As you may be aware, a settlement agreement was recently reached between the Financial Conduct Authority ('FCA') and certain major banks, including Lloyds Bank Plc in relation to the sale of interest rate hedging products. In respect of this matter, no products were sold.

### **2.2 Investigations**

In accordance with our statutory obligations, we have filed the appropriate documentation with the Department for Business, Innovation and Skills in relation to the conduct of the directors.

I can advise you that, following my initial assessment, no further investigations were deemed necessary, and can confirm that these actions have been concluded.

### **2.3 Administration and planning**

The following administration and planning tasks have been dealt with by the Administrators:

- filing statutory documents at Companies House,
- case planning and strategy,
- conducting case reviews,
- liaising with the members and creditors,
- carrying out an investigation into the Company and its directors,
- preparing the progress report on the conduct of the liquidation, and
- completing and submitting tax returns on behalf of the Company.

## **3 Matters preventing closure**

The Joint Liquidators wrote to HM Revenue & Customs ("HMRC") requesting clearance to close the case.

Corporation tax clearance was granted on 28 April 2016. Clearance from the Insolvency Claims Handling Unit (ICHU) was received on 25 July 2016, which fell outside the period of this report. We will now begin closure proceedings.

### **3.1 Assets remaining to be realised**

There are no assets to be realised.

#### **4 Creditors' claims and dividend prospects**

Dividend prospects and projected returns to creditors, where known, are detailed in Appendix A, including any amount under the prescribed part. Please note that these are indicative only and should not be used as the sole or principal basis for any bad debt provision or other purposes. They may be subject to revision and additional costs.

There will be no dividend paid to unsecured creditors.

##### **4.1 Prescribed part**

The 'Prescribed Part' is a statutory amount, calculated as a percentage of net floating charge realisations, which entitles unsecured creditors to a share of realisations. This is calculated on a sliding scale up to maximum of £600,000 before costs.

There are no asset realisations, therefore the Prescribed Part of the assets under Section 176A of the Insolvency Act 1986 (as amended) will not apply.

#### **5 Receipts and payments summary**

We attach as Appendix B a summary of our receipts and payments for the period from 11 June 2015 to 10 June 2016. There have been no receipts or payments in the period.

##### **VAT basis**

Receipts and payments are shown inclusive of VAT as the Company was not VAT registered, and consequently VAT is not recoverable from HMRC.

#### **6 Costs and Joint Liquidators' remuneration**

##### **6.1 Joint Liquidators' remuneration and disbursements**

The Joint Liquidators' remuneration was approved on a time cost basis by the Creditors on 11 June 2015. We have incurred time costs of £1,436.90 (plus VAT) since the date of our appointment. Of this, the full amount remains outstanding.

Approval was also given to the drawing of disbursements, including category 2 disbursements. Details of the current rates are attached at Appendix D.

##### **6.2 Remuneration and disbursements incurred in the period from 11 June 2015 to 10 June 2016**

We have incurred time costs of £1,436.90 (plus VAT) in the current period. An analysis of time incurred in the period is attached at Appendix G. Details of the sums drawn in respect of remuneration in the period covered by the report are shown on the receipts and payments account (Appendix B).

Category 2 disbursements incurred in the period are detailed in Appendix E.

#### **7 Joint Liquidators' statement of expenses**

##### **7.1 Statement of expenses**

A statement of the expenses incurred during the period, is attached at Appendix F. This includes all expenses incurred by the Joint Liquidators in the period of the report irrespective of whether they have been paid or not and may include estimated amounts where actual invoices have not been received. The receipts and payments abstract at Appendix B sets out the expenses actually paid in the period together with cumulative figures.

At the Section 98 meeting on 11 June 2015 creditors approved the Statement of Affairs and creditors meeting fees in the sum of £5,000 plus VAT and disbursements to be paid to Baker Tilly Restructuring & Recovery LLP. These fees have been paid by ultimate beneficiaries of the group.

##### **7.2 Detailed cost breakdown**

Attached to this report are five Appendices relating to my costs on this assignment:

- Appendix C: RSM Restructuring Advisory LLP's charging, expenses and disbursements policy statement,

- Appendix D Joint Liquidators' charge out and disbursement rates,
- Appendix E Category 2 disbursements table,
- Appendix F Statement of expenses incurred in the period, and
- Appendix G Joint Liquidators' time cost analysis

The work that we do as Joint Liquidators is derived from the responsibilities placed upon us by the underlying legal and regulatory framework for work of this nature in general. The actual matters with which we are dealing are set out briefly in both this report and in our earlier report to creditors.

We believe this case generally to be of average complexity with no extraordinary responsibility has to date fallen upon us as Joint Liquidators. The underlying basis of charging proposed to and approved by the creditors has been RSM Restructuring Advisory LLP standard charge out rates. RSM Restructuring Advisory LLP charge out rates have been reviewed periodically.

## **8 Creditors' right to information and ability to challenge remuneration and expenses**

In accordance with the provisions of Rules 4.49E and 4.131 of the Insolvency Rules 1986 creditors have a right to request further information about remuneration or expenses and to challenge such remuneration or expenses.

A request for further information must be made in writing within 21 days of receipt of this report.

Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to court that the remuneration charged, the basis fixed or expenses incurred by the liquidator are in all the circumstances excessive.

A Guide to Liquidators Fees, which provides information for creditors in relation to the remuneration of a Liquidator, can be accessed at <http://rsm-insolvencypoint.com> under 'general information for creditors'. A hard copy can be requested from my office by telephone, email or in writing.

Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of remuneration or incurring of the expenses in question.

Should you have any further queries please do not hesitate to contact me.



**Matthew Richard Meadley Wild**  
**RSM Restructuring Advisory LLP**  
**Joint Liquidator**

Bruce Mackay is licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales.  
 Matthew Richard Meadley Wild is licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales.

Insolvency Practitioners are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

## Appendix A

### Statutory, dividend and other information

Company name	Finitum Two Limited
Joint Liquidators	Bruce Mackay and Matthew Richard Meadley Wild
Date of appointment	11 June 2015
Company number	05216713
Date of incorporation	19 August 2003
Trading name	Finitum Two Limited
Trading address	10 Upper Berkeley Street, London, W111 7PE
Principal activity	Non-trading
Registered office	RSM Restructuring Advisory LLP, 25 Farringdon Street, London EC4A 4AB
Previous Registered Office	26 Red Lion Square, London WC1R 7PE

Dividend prospects	Owed	Paid to date	Estimated future prospects
Secured Creditor Lloyds Bank Plc	£8,486,728 00	NIL	NIL
Preferential creditors	N/A	N/A	N/A
Unsecured creditors	£9,211,300 51	NIL	NIL
Estimated net property	NIL		
Estimated prescribed part available for unsecured creditors	NIL		

## Appendix B

### Summary of receipts and payments

Receipts and Payments Abstract 1072345 - Finitum Two Limited In Liquidation  
Bank, Cash and Cash Investment Accounts From 11/06/2015 To 10/06/2016

SOA Value £		11/06/2015 to 10/06/2016
		£
ASSET REALISATIONS		
(8,427,304 51)	Banks/Institutions	0 00
(804,377 00)	HM Revenue and Customs	0 00
		0 00
COST OF REALISATIONS		
(72,522,067 00)	Ordinary	0 00
		0 00
(81,753,748 51)		0 00



## **Appendix C**

### **RSM Restructuring Advisory LLP**

#### **Charging, expenses and disbursements policy statement**

##### **Charging policy**

- Partners, directors, managers, administrators, cashiers, secretarial and support staff are allocated an hourly charge out rate which is reviewed from time to time
- Work undertaken by cashiers, secretarial and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by partners, directors, managers and administrators
- Time spent by partners and all staff in relation to the insolvency estate is charged to the estate
- Time is recorded in 6-minute units at the rates prevailing at the time the work is done
- The current charge rates for RSM Restructuring Advisory LLP London are attached
- Time billed is subject to Value Added Tax at the applicable rate, where appropriate
- It is the office holder's policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it
- RSM Restructuring Advisory LLP's charge out rates are reviewed periodically

##### **Expenses and disbursements policy**

- Only expenses and disbursements properly incurred in relation to an insolvency estate are re-charged to the insolvency estate
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to the relevant approving party, but do not require approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 1' disbursements
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) or payments to outside parties that the firm or any associate has an interest, require the approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 2' disbursements
- A resolution to consider approving category 2 disbursements at the rates prevailing at the time the cost is incurred to RSM Restructuring Advisory LLP London will be proposed to the relevant approving party in accordance with the legislative requirements
- General office overheads are not re-charged to the insolvency estate as a disbursement
- Any payments to outside parties in which the office holder or his firm or any associate has an interest will only be made with the approval of the relevant approving party
- Expenses and disbursements re-charged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate, where appropriate

## Appendix D

### RSM Restructuring Advisory LLP

#### Joint Liquidators' current charge out and category 2 disbursement rates

Hourly charge out rates		
	Rates at commencement £	Current rates £
Partner	485	495
Directors / Associate Directors	300 to 410	385 to 420
Manager	250 to 265	295 to 300
Assistant Managers	200 to 220	240 to 260
Administrators	145 to 180	125 to 240
Support staff	100 to 105	160

Category 2 disbursement rates	
Internal room hire	Location dependant
Subsistence	£25 per night (from 3 <sup>rd</sup> September 2013) £23 per night (up to 2 <sup>nd</sup> September 2013)
Travel (car)	38p per mile (up to and including 31 March 2010) 40p per mile (from 1 April 2010) 42 5p per mile (from 1 April 2011)
'Tracker' searches	£10 per case

## Appendix E

### Joint Liquidators' category 2 disbursements table

Amounts paid or payable to the Office Holder's firm or to any party in which the office holder or his firm or any associate has an interest		
Recipient, type and purpose	Paid £	Unpaid £
NIL	NIL	NIL
Total		NIL

## Appendix F

### Statement of expenses incurred by the Joint Liquidators' in the period from 11 June 2015 to 10 June 2016

Type and purpose	Incurred in period £
Advertising	98 64
Bond	10 00
<b>Total</b>	<b>108 64</b>

## Appendix G

### Joint Liquidators' time cost analysis for the period from 11 June 2015 to 10 June 2016

Please note that we have re-designed our SIP9 analysis table to provide a more detailed analysis of the grades of staff within the firm. Please note that this change does not alter the value of time costs recorded, purely the column within the table to which that time, and cost, has been allocated.

#### SIP9 Summary Level 2

Finitum Two Limited

1072345 / 800 - Post-Appointment

For the period 11/06/2015 to 10/08/2016

Period	Hours Spent	Partners	Directors / Associate Directors	Managers	Assistant Managers	Administrators	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
From Jun 2015	<b>Administration and Planning</b>									
	Appointment	0.3	0.0	0.4	0.0	0.0	0.0	0.7	£ 254.50	363.57
	Case Management	0.1	0.0	0.0	0.0	1.0	0.4	1.5	£ 227.80	151.87
	Post-appointment - general	0.2	0.0	0.0	0.0	1.3	0.0	1.5	£ 333.00	222.00
	Receipts and Payments	0.1	0.0	0.0	0.0	0.3	0.0	0.4	£ 96.00	240.00
	Tax Matters	0.0	0.0	0.0	0.0	1.3	0.0	1.3	£ 178.40	137.23
	<b>Total</b>	<b>0.7</b>	<b>0.0</b>	<b>0.4</b>	<b>0.0</b>	<b>3.9</b>	<b>0.4</b>	<b>5.4</b>	<b>£ 1,089.70</b>	<b>201.80</b>
	<b>Investigations</b>									
	Investigations/CDDA	0.1	0.0	0.0	0.0	0.4	0.0	0.5	£ 84.70	169.40
	<b>Total</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.4</b>	<b>0.0</b>	<b>0.5</b>	<b>£ 84.70</b>	<b>169.40</b>
	<b>Creditors</b>									
	1st creditors/shareholders meetings and reports	0.3	0.0	0.0	0.0	0.4	0.0	0.7	£ 244.50	349.29
	Unsecured Creditors	0.0	0.0	0.0	0.0	0.1	0.0	0.1	£ 18.00	180.00
	<b>Total</b>	<b>0.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.5</b>	<b>0.0</b>	<b>0.8</b>	<b>£ 262.50</b>	<b>328.13</b>
	<b>Total Hours (From Jun 2015)</b>	<b>1.1</b>	<b>0.0</b>	<b>0.4</b>	<b>0.0</b>	<b>4.8</b>	<b>0.4</b>	<b>6.7</b>	<b>£ 1,436.90</b>	<b>214.46</b>
	<b>Total Time Cost (From Jun 2015)</b>	<b>£ 544.50</b>	<b>£ 0.00</b>	<b>£ 106.00</b>	<b>£ 0.00</b>	<b>£ 752.20</b>	<b>£ 34.20</b>	<b>£ 1,436.90</b>		
<b>Total Hours</b>		<b>1.1</b>	<b>0.0</b>	<b>0.4</b>	<b>0.0</b>	<b>4.8</b>	<b>0.4</b>	<b>6.7</b>	<b>£ 1,436.90</b>	<b>214.46</b>
<b>Total Time Cost</b>		<b>£ 544.50</b>	<b>£ 0.00</b>	<b>£ 106.00</b>	<b>£ 0.00</b>	<b>£ 752.20</b>	<b>£ 34.20</b>	<b>£ 1,436.90</b>		
<b>Average Rates</b>		<b>495.00</b>	<b>0.00</b>	<b>265.00</b>	<b>0.00</b>	<b>156.71</b>	<b>85.50</b>	<b>214.46</b>		