

# Liquidator's Progress Report

# S.192

Pursuant to Sections 92A and 104A and 192  
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

05946381

Name of Company

Equity Trading Systems Limited (formerly Larn Limited)

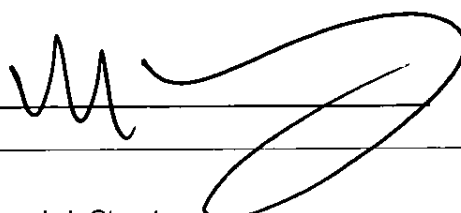
I / We

Mark Levy, 76 New Cavendish Street, London, W1G 9TB

the liquidator(s) of the company attach a copy of my/our Progress Report  
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 24/05/2013 to 23/05/2014

Signed



Date

24 June 2014

Berley  
76 New Cavendish Street  
London  
W1G 9TB

Ref E212/ML/MW/JO

WEDNESDAY



A29

\*A3BRXP5C\*

09/07/2014

#211

COMPANIES HOUSE

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# **Liquidator's Annual Progress Report to Creditors & Members**

**Equity Trading Systems Limited  
formerly Larn Limited  
- In Liquidation**

**24 June 2014**

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## **APPENDICES**

- A Receipts and Payments Account from 24 May 2013 to 23 May 2014
- B Additional Information in relation to Liquidator's fees pursuant to Statement of Insolvency Practice No 9

## **1 Introduction and Statutory Information**

- 1.1 I, **Mark Levy** of Berley Chartered Accountants, 76 New Cavendish Street, London W1G 9TB, was appointed as Liquidator of Equity Trading Systems Limited formerly Larn Limited (the **Company**) on 24 May 2013 following exit from a former Administration of the Company. This report provides an update on the progress in the liquidation for the year ended 23 May 2014.
- 1.2 The principal trading address of the Company was recorded as 29 Harley Street, London, W1G 9QR although according to the former director, Mr Louis Nobre, the Company never traded. The Company had always been known as Larn Limited until two days prior to being placed in to Administration, when it changed its name.
- 1.3 The registered office of the Company has been changed to **76 New Cavendish Street, London W1G 9TB** and its registered number is 05946381.

## **2 Realisation of Assets**

- 2.1 Attached at Appendix A is my Receipts and Payments Account for the period from 24 May 2013 to 23 May 2014.

### ***Asset Realisations***

- 2.2 To date, there has been no realisations into the Estate for the above period although I continue to investigate transactions undertaken prior to the Company being placed into Administration on 31 May 2012. Since the liquidation commenced, I have been involved in considerable litigation with several recipients of monies which I believe should be refunded to the Company.
- 2.3 Furthermore, as my enquiries progress it is probable that proceedings will be instigated against other parties, where it is considered that as a result of financial transactions between the parties, the Company has suffered a loss and should be compensated.
- 2.4 In addition to action instigated by myself as Liquidator, I can confirm that independently Group Seven Limited ("GSL"), has itself instigated proceedings against several parties for allegedly dishonestly laundering significant sums of monies through the Company. Mr and Mrs Lucas were enjoined into the proceeding as fourth parties. GSL subsequently came to an agreement with Mr and Mrs Lucas, whereby inter alia, monies held in suspense in a solicitors client account were repaid to GSL and Mr and Mrs Lucas and associated parties.

withdrew creditors' claims in the liquidation in consideration of final settlement with themselves and their associate parties

- 2 5 In accordance with Statement of Insolvency Practice No 13 (SIP13), I would advise you that no assets were sold to a director of the Company

### **3 Investigations**

- 3 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 Business Innovation & Skills (BIS) As this is a confidential report, I am not able to disclose the contents

- 3 2 Shortly after 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, the Metropolitan Police and other third party enquiries My investigations have identified several sensitive issues which I am not currently able to disclose

- 3 3 I am aware though that the Metropolitan Police has formally charged the former director, Mr Louis Nobre, with 9 various charges of money laundering offences and have additionally charged Mr Nadeem Khan (aka Sam Soloman) with 2 charges of breaches of money laundering offences

### **4 Creditors**

#### *Secured Creditors*

- 4 1 No creditors hold any direct security over the Company or its assets

#### *Preferential Creditors*

- 4 2 There are no known preferential claims against the estate

### *Unsecured Creditors*

- 4.3 I have yet to adjudicate upon the validity of creditors claims as many are currently subject to scrutiny and dispute. It also seems apparent that several may actually be personal to the former director as opposed to being liabilities of the Company.
- 4.4 Given the uncertainty surrounding the future realisations into the estate it is not yet clear whether there will be a dividend declared to the unsecured creditors. Consequently, the adjudication of claims at this juncture, may possibly be little more than an academic exercise.
- 4.5 The Company did not grant any floating charges to a secured creditor. Accordingly, there is no requirement to create a fund out of the Company's net floating charge property for unsecured creditors, which only applies to charges created after 15 September 2003.

## **5 Notice of Intended Dividend**

- 5.1 At present, there is no purpose in serving a formal notice on creditors to submit claims. This matter will be reviewed at a later date.

## **6 Liquidator's Remuneration**

On 8 August 2012 the creditors approved that the basis of the previous Administrators remuneration be fixed by reference to the time properly spent by him and his staff in managing the Administration. As the Administration commenced after 6 April 2010 (a date when the Insolvency Rules were amended) and the Company subsequently proceeded into creditors' voluntary liquidation, the same basis of the remuneration fixed in the Administration is treated as automatically applying in the subsequent liquidation and no further resolution regarding fees is required to be put to creditors by the Liquidator. In short, the fees of the Liquidator are based on the time costs of himself and his staff in managing the Liquidation.

- 6.1 To date, apart from certain statutory matters, the bulk of the work undertaken by the Liquidator and his staff has related to the investigation of antecedent transactions. The principal creditor has funded the cost of this work, predicated upon, and subject to, these costs being reimbursed from the realisations made into the Estate prior to any dividend being declared to the creditors.
- 6.2 As previously indicated the majority of my work has been of a highly sensitive nature and it is inappropriate to disclose any specific details as this could compromise my ongoing enquiries.

Accordingly, I propose to report more fully on this aspect of the Liquidation once my investigations have been completed

6 2 A "Creditor's Guide to Liquidator's Fees" is available on request or can be downloaded from [www.icaew.com/en/technical/insolvency/creditors-guides](http://www.icaew.com/en/technical/insolvency/creditors-guides)

6 4 Attached as Appendix B is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade

6 7 Since 24 May 2013, no Category 2 disbursements have been charged to the Estate

## **7 Creditors' rights**

7 1 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 provide further information about his remuneration or expenses which have been itemised in this progress report

7 2 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, in all the circumstances, the basis fixed for the Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidator, as set out in this progress report, are excessive

## **8 Next Report**

8 1 I am required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write to all creditors with my final progress report ahead of convening the final meeting of creditors

Yours faithfully

  
Mark Levy  
Liquidator

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**APPENDIX A**

**Receipts and Payments Account for the Period from 24 May 2013 to 23 May 2014**



**Equity Trading Systems Limited (formerly Larn Limited)**  
**(In Liquidation)**  
**Liquidator's Abstract of Receipts & Payments**

**Statement  
of Affairs**

**From 24/05/2013  
To 23/05/2014**

**ASSET REALISATIONS**

Cash at Bank	94,985 41
Bank Interest Gross	31 68
	95,017 09

**COST OF REALISATIONS**

Irrecoverable VAT	15 50
Statutory Advertising	77 50
	(93 00)

**94,924 09**

**REPRESENTED BY**

Bank 1 - Current	94,924 09
	<b>94,924 09</b>

Note

## APPENDIX B

### ADDITIONAL INFORMATION IN RELATION TO LIQUIDATOR'S FEES PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9 (SIP9)

#### 1 Policy

Detailed below is Berley's policy in relation to

- Staff allocation and the use of subcontractors
- Professional advisors
- Disbursements

##### 1.1 *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, Administrator and/or an Assistant. 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 are not proposing to utilise the services of any sub-contractors in this case.

##### 1.2 *Professional advisors*

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

Name of Professional/Advisor	Basis of Fee Arrangement
Mishcon de Reya (legal advice)	Hourly rate and disbursements
AUA Insolvency Risk Services Limited (insurance)	Hourly rate and disbursements
DeFacto Enterprises Limited (investigations)	Hourly rate and disbursements

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them

### 1.3 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 of 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.

We would confirm that this firm does not seek to charge any Category 2 disbursements.

## 2 Charge-out rates

Work undertaken on cases is recorded in 5 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. Details of charge-out rates effective from **1 April 2013** are as follows:

Category of Staff	Per Hour £
SECRETARIAL	100-125
ADMINISTRATIVE	100
JUNIOR	100
CASHIER	200-250
SENIOR ADMINISTRATOR	275-350
MANAGER/SENIOR MANAGER	325-450
PARTNER	550-675

Time is charge to the cases in units of 5 minutes