
FINAL NOTICE

To: **Westminster Mortgages Limited (In Liquidation)**

**c/o The Official Receiver's Office
The Insolvency Service
2nd Floor, Sunley House
Bedford Park
Croydon
Surrey CR9 1TX**

**FSA Reference
Number:** **303376**

Dated: **15 June 2011**

TAKE NOTICE: The Financial Services Authority of 25 The North Colonnade, Canary Wharf, London E14 5HS (the "FSA") gives Westminster Mortgages Limited (In Liquidation) ("Westminster") final notice about a decision to cancel the permission granted to Westminster to carry on regulated activities

1. ACTION

- 1.1 The FSA gave Westminster a Decision Notice on 11 May 2011 (the "Decision Notice") which notified it that for the reasons given below and pursuant to section 45 of the Financial Services and Markets Act 2000 (the "Act"), the FSA had decided to cancel the permission granted to Westminster under Part IV of the Act (Westminster's "Part IV permission").

- 1.2 Subsequent to the Warning Notice issued to Westminster on 20 January 2011, but prior to the issuing of the Decision Notice, on 1 February 2011 a winding up order was made against Westminster. The FSA was notified of Westminster's compulsory liquidation on 18 March 2011. The FSA issued the Decision Notice to the Official Receiver in its capacity as Liquidator of Westminster. The FSA is satisfied that the reasons for action to cancel Westminster's Part IV permission remain valid (see extract from the Decision Notice below).
- 1.3 The matter has not been referred to the Upper Tribunal (Tax and Chancery Division) within 28 days of the date on which the Decision Notice was issued. Accordingly, the FSA has today cancelled Westminster's Part IV permission.

2. REASONS FOR ACTION

- 2.1 On the basis of the facts and matters and conclusions described in its Warning Notice dated 20 January 2011 (the "Warning Notice"), and in the Decision Notice (an extract from which is annexed to, and forms part of, this Final Notice), it appears to the FSA that Westminster is failing to satisfy the threshold conditions set out in Schedule 6 to the Act (the "Threshold Conditions").
- 2.2 This is because Westminster has failed to pay fees and levies of £1,581.57 owed to the FSA, and to respond adequately to the FSA's repeated requests that it do so.
- 2.3 This failing, which is significant in the context of Westminster's suitability, led the FSA to conclude that it is not conducting its business soundly and prudently and in compliance with proper standards and that it is not a fit and proper person, and that it is therefore failing to satisfy the Threshold Conditions in relation to the regulated activities for which it has had Part IV permission.

3. DECISION MAKER

- 3.1 The decision which gave rise to the obligation to give this Final Notice was made by the Regulatory Decisions Committee.

4. IMPORTANT

- 4.1 This Final Notice is given to Westminster in accordance with section 390(1) of the Act.

Publicity

- 4.2 Sections 391(4), 391(6) and 391(7) of the Act apply to the publication of information about the matter to which this Final Notice relates. Under those provisions, the FSA must publish such information about the matter to which this Final Notice relates as the FSA considers appropriate. The information may be published in such manner as the FSA considers appropriate. However, the FSA may not publish information if such publication would, in the opinion of the FSA, be unfair to Westminster or prejudicial to the interests of consumers.

- 4.3 The FSA intends to publish this Final Notice and such information about the matter to which this Final Notice relates as it considers appropriate.

FSA Contact

- 4.4 For more information concerning this matter generally, please contact Alexander Banerjea at the FSA (direct line: 020 7066 7206 / fax: 020 7066 7207).

John Kirby
FSA Enforcement and Financial Crime Division

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**EXTRACT FROM DECISION NOTICE ISSUED BY THE FINANCIAL SERVICES
AUTHORITY TO WESTMINSTER MORTGAGES LIMITED ON 11 MAY 2011**

“4 FACTS AND MATTERS RELIED ON

- 4.1 Westminster was authorised by the FSA on 31 October 2004 to conduct mortgage mediation business, and on 16 August 2005 was also permitted to conduct general insurance mediation business.
- 4.2 Westminster has failed to pay fees and levies totalling £1,581.57 owed to the FSA, and to respond adequately to the FSA’s repeated requests that it do so. The FSA issued Westminster with a Warning Notice (in relation to its failure to pay the outstanding fees and levies) dated 20 January 2011.
- 4.3 Westminster became subject to a winding up order on 01 February 2011 and went into compulsory liquidation. The Official Receiver was appointed to the office of liquidator to handle Westminster’s compulsory liquidation.
- 4.4 The FSA became aware of Westminster’s compulsory liquidation (and the winding-up order against it) on 18 March 2011 and invited the Official Receiver (as liquidator) to apply to cancel Westminster’s permission.
- 4.5 The Official Receiver (as liquidator) informed the FSA that the application to cancel Westminster’s permission could not be completed because Westminster’s director (Mr John Finlay Hall) had:
- (1) not surrendered to the proceedings; and
 - (2) stated that he intended to apply for a rescission of the winding-up order.
- 4.6 Westminster’s winding-up order is still in force as at the date of this Decision Notice.

5 REPRESENTATIONS, FINDINGS AND CONCLUSIONS

Representations

- 5.1 Mr Hall made written representations to the FSA in response to the Warning Notice dated 20 January 2011.
- 5.2 Mr Hall stated that Westminster’s business had to be downsized as it had suffered due to a decline in and a constriction of the mortgage market.
- 5.3 Mr Hall asserted that Westminster:
- (1) no longer employs any staff; and
 - (2) is run from a study in his home.

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- 5.4 Mr Hall accepted full responsibility for Westminster's failure to pay fees and levies totalling £1,581.57 owed to the FSA and stated that he would personally pay the outstanding fees and levies within 7 days of the date of the written representations (by 24 March 2011).
- 5.5 Mr Hall later stated that he had not personally paid the outstanding fees and levies totalling £1,581.57 because Westminster has sufficient funds in its bank accounts to settle the outstanding fees and levies due to the FSA. Mr Hall asserted that he was attempting to get the winding-up order against Westminster rescinded and have Westminster's bank accounts released to enable it to pay the outstanding fees and levies.

Findings

- 5.6 The FSA finds that Westminster's failure to pay fees and levies totalling £1,581.57 owed to the FSA is due to its financial circumstances rather than a deliberate attempt to avoid payment.
- 5.7 The FSA notes that it had indicated it would discontinue the statutory notice procedure if Westminster's outstanding fees and levies were paid as Mr Hall stated in his written representations.
- 5.8 However, Mr Hall's self-imposed deadline to personally pay Westminster's outstanding fees and levies has now expired and the outstanding fees and levies remain unpaid.
- 5.9 Accordingly, the FSA finds that there is no basis on which the FSA can continue to suspend the statutory notice procedure.

Conclusions

- 5.10 The facts and matters described above lead the FSA, having regard to its regulatory objectives, which include market confidence and the protection of consumers, to the following conclusions:
- Westminster has failed to comply with rules that require it to pay fees and levies owed to the FSA;
 - Westminster has failed to respond adequately to the FSA's repeated requests for it to pay outstanding fees and levies owed to the FSA;
 - Westminster has therefore failed to comply with Principle 11 and has failed to satisfy the FSA that it is ready, willing and organised to comply with the requirements and standards under the regulatory system and its legal obligations;

- Westminster has also failed to satisfy the FSA that it is conducting its business soundly and prudently and in compliance with proper standards or that it is a fit and proper person having regard to all the circumstances. These failures are significant in the context of its suitability; and
- Westminster is therefore failing to satisfy the Threshold Conditions in relation to the regulated activities for which it has Part IV permission.

5.11 The FSA has therefore decided that it is appropriate to cancel Westminster's Part IV permission."

END OF EXTRACT