

In accordance with
Rule 6.28 of the
Insolvency (England &
Wales) Rules 2016 and
Section 106(3) of the
Insolvency Act 1986.

LIQ14

Notice of final account prior to dissolution in CVL



Companies House

TUESDAY



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10/10/2017

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COMPANIES HOUSE

1616 1000 1000

www.gov.uk/companieshouse

1 Company details

Company number 06380160

Company name in full Formation Wealth Solutions Ltd

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Louise Donna

Surname Baxter

3 Liquidator's address

Building name/number The Old Exchange

Street 234 Southchurch Road

Post town Southend on Sea

County/Region Essex

Postcode SS1 2EG

Country

4 Liquidator's name

Full forename(s) Dominik Thiel

Surname Czerwinke

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address

Building name/number The Old Exchange

Street 234 Southchurch Road

Post town Southend on Sea

County/Region Essex

Postcode SS1 2EG

Country

② Other liquidator

Use this section to tell us about
another liquidator.

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6 Liquidator's release

☐ Tick if one or more creditors objected to liquidator's release.

:

7 Final account

☒ I attach a copy of the final account.

8 Sign and date

Liquidator's signature

Signature

X 

X

Signature date

^d0

^d4

^m1

^m0

^y2

^y0

^y1

^y7

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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

Louise Donna Baxter

Company name

Begbies Traynor (Central) LLP

Address

The Old Exchange

234 Southchurch Road

Post town

Southend on Sea

County/Region

Essex

Postcode

S S 1 2 E G

Country

DX

Telephone

01702 467255



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

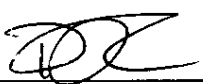
For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

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

**Formation Wealth Solutions Ltd
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs £		From 16/02/2017 To 04/10/2017 £	From 16/02/2017 To 04/10/2017 £
	UNSECURED CREDITORS		
(6,600.00)	Intercompany Loan	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
	DISTRIBUTIONS		
(1.00)	Ordinary Shareholders	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
<u>(6,601.00)</u>		<u>NIL</u>	<u>NIL</u>
	REPRESENTED BY		
			<u>NIL</u>

Note:


 Louise Donna Baxter
 Joint Liquidator

Formation Wealth Solutions Ltd (In Creditors' Voluntary Liquidation)

Final report and account of the liquidation

Period: 16 February 2017 to 02 August 2017

Important Notice

This report has been produced solely to comply with our statutory duty to report to creditors and members of the Company pursuant to Section 106 of the Insolvency Act 1986. This report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them or by any other person for any purpose whatsoever.

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 - 2. Liquidators' time costs and disbursements
 - 3. Statement of Liquidators' expenses

1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Formation Wealth Solutions Ltd (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators on 16 February 2017.
"the liquidators", "we", "our" and "us"	Louise Donna Baxter of Begbies Traynor (Central) LLP, The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG and Dominik Thiel Czerwinke of Begbies Traynor (Central) LLP, The Old Exchange, 234 Southchurch Road, Southend on Sea, Essex, SS1 2EG
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England & Wales) Rules 2016
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name(s): Formation Wealth Solutions Limited

Company registered number: 06380160

Company registered office: The Old Exchange, 234 Southchurch Road, Southend on Sea, Essex, SS1 2EG

Former trading address: Oakwood House, 414-422 Hackney Road, London, E2 7SY

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced: 16 February 2017

Date of liquidators' appointment: 16 February 2017

Changes in liquidator (if any): None

4. PROGRESS SINCE APPOINTMENT

This is our first and final report and account of the liquidation.

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 16 February 2017 to 02 August 2017.

There have been no asset realisations achieved or costs of realisations charged to the case during the period of the liquidation. Our costs are detailed later in the report.

What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details>. Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached.

General case administration and planning

- Updating the electronically held information at this office;
- General filing and printing of incoming communications;
- Setting up and maintaining physical case files;
- Review of background and identifying areas requiring action and formulating a case strategy plan.
- Creation, review and update of case compliance checklists.
- Dealing with correspondence (physical and electronic) that is considered routine in the context of the engagement and otherwise does not directly fall into other categories.

- Overseeing and controlling the work undertaken on this engagement by junior staff;
- Creation of file notes where necessary;
- Completion of one month case compliance and progression checklist;
- Completion of three month case compliance and progression checklist;
- Ensure time recording data is compliant with Statement of Insolvency Practice 9;
- Establishing the location of and subsequent collection (if applicable) of some of the Company's statutory and financial books and records from both the director of the Company and the Company's former accountants.
- Communication with the insolvent's bank to obtain copy bank statements;

On this engagement, the work identified above does not hold direct commercial benefit to creditors. Creditors benefit from this work as it ensures this particular engagement is dealt with to the standards expected and also in a timely fashion. Elements of this work are required to comply with best practice and statute.

Compliance with the Insolvency Act, Rules and best practice

- Preparing documentation and dealing with formalities of appointment (both statutory and best practice);
- Preparing, reviewing and issuing initial report to creditors following appointment;
- Submission of forms to Companies House and the London Gazette advertising;
- Obtaining specific penalty bond;
- Reviewing the adequacy of the specific penalty bond periodically;
- Ongoing consideration to ethical practice;
- Ongoing consideration to money laundering regulations;
- Updating case checklists and statutory diaries where necessary;
- Submission of forms to Companies House;

Pre closure:

- Review of case in preparation for closure;
- Preparing, reviewing and issuing final report to members and creditors;
- Preparing and issuing notice of final account to creditors.

On this engagement, the work identified above does not hold direct commercial benefit to creditors. It is the duty of the appointed office holder to comply with the Insolvency Act and Rules and creditors benefit from this being done to a standard expected of this firm.

Investigations

- Corresponded with relevant directors of the insolvent entity to advise them of the effect on them of insolvency and issue directors' questionnaires.
- Written to accountant for delivery up of company's files to include accounts and tax returns.
- Written to bank to obtain copy statements and their subsequent review if received;
- Review of books and records held.
- Reporting to relevant authorities;
- Completion of internal Company Directors Disqualification Act ("CDDA") investigations and form.
- Reviewing available records to determine any pre-appointment antecedent transactions;
- The office holders have made an appropriate submission to the Department for Business Innovation and Skills.

The office holders are obliged under the CDDA to conduct certain investigations into the affairs and conduct of the Company and its directors. A report is subsequently submitted. This work does not directly commercially benefit creditors and is a statutory requirement. However,

sometimes this work overlaps with investigations on antecedent transaction which the office holders may pursue.

Realisation of assets

- There has been no realisation of assets during our appointment.

Dealing with all creditors' claims (including employees), correspondence and distributions

Creditors:

- Creating and updating schedules of unsecured creditor claims;
- Preparing all necessary notices and forms and subsequently sending initial circular to creditors;

Other matters which includes meetings, tax, litigation, pensions and travel

Tax

- Submitting relevant initial notification to HM Revenue & Customs;
- Consideration of possible terminal loss relief claim;
- Post appointment tax compliance – submission of final corporation tax return;
- Requesting post appointment clearance from HM Revenue & Customs in respect of corporation tax.

Pensions

- Establishing if a pension exists, to include online checks;

There is no direct financial benefit to creditors of this work on this assignment. It is required by statute for the office holders to identify any possible pension schemes in place and deal with their closure or otherwise. Where schemes exist, we engage pension trustee services to deal with this on our behalf.

Meetings

- Attendance at the Section 98 meeting and general meeting to place the Company into liquidation.

There is no direct financial benefit to creditors of this work on this assignment but it has been necessary in order to progress the insolvency process.

What work remains to be done, why is this necessary and what financial benefit, if any, will it provide to creditors?

Closure

- Filing of final return at Companies House;
- Update physical and electronic case records following closure;

On this engagement, the work identified above does not hold direct commercial benefit to creditors. It is the duty of the appointed office holder to comply with the Insolvency Act and Rules and creditors benefit from this being done to a standard expected of this firm.

5. OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the director's statement of affairs included within the report sent to creditors following our appointment as liquidators.

On the basis of realisations, the outcome for each class of the Company's creditors is as follows:

Secured creditors

There are no known secured creditors.

Preferential creditors

There are no known preferential claims.

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the liquidator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows:

- ☐ 50% of the first £10,000 of net property;
- ☐ 20% of net property thereafter;
- ☐ Up to a maximum amount to be made available of £600,000

A liquidator will not be required to set aside the prescribed part of net property if:

- ☐ the net property is less than £10,000 and the liquidator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit; (Section 176A(3)) or
- ☐ the liquidator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5)).

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors.

Unsecured creditors

Creditor claims were estimated at £6,600.00, to date, no claims have been received. As detailed in our letter of same date, we confirm that no dividend will be made to unsecured creditors as there are insufficient funds available to enable a dividend to be paid to the unsecured creditors.

6. REMUNERATION & DISBURSEMENTS

Remuneration

A resolution regarding remuneration was not sought from creditors.

Our time costs for the period from 16 February 2017 to 02 August 2017 amount to £2,288.00 which represents 9.7 hours at an average rate of £235.88 per hour.

The following further information in relation to our time costs and disbursements is set out at Appendix 2:

- ☐ Time Costs Analysis for the period 16 February 2017 to 02 August 2017

- Begbies Traynor (Central) LLP's charging policy

To 02 August 2017 we have not drawn any funds on account of our remuneration incurred since the date of our appointment.

Our unbilled time costs of £2,288.00 will be written off as irrecoverable.

Disbursements

To 02 August 2017, we have not drawn any disbursements.

Category 2 Disbursements

The following Category 2 Disbursement has been incurred since our appointment:

Photocopying - £3.20

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2015' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred since our appointment is attached at Appendix 3.

8. UNREALISABLE ASSETS

There are no assets that have proved to be unrealisable.

9. OTHER RELEVANT INFORMATION

Investigations and reporting on directors conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, as explained in the report circulated at the meeting of creditors convened pursuant to Section 98 of the Act, such report having also been sent to creditors following the meeting, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business, Energy and Industrial Strategy. We can confirm that we have discharged our duties in these respects.

Connected party transactions

We have not been made aware of any sales of the Company's assets to connected parties.

10. CONCLUSION

This report and account of receipts and payments is our final account of the winding-up, showing how the liquidation has been conducted and details of how the Company's property has been disposed of.

Unless creditors object, by giving notice in writing within 8 weeks of the delivery of this report, we will have our release from liability at the same time as vacating office. We will vacate office upon our delivering to the Registrar of Companies our final account.

In accordance with The Insolvency Regulations 1994 Paragraph 16(2), the liquidators may, at any time after the expiration of a period of one year from the date of dissolution, destroy or otherwise dispose of the books, papers and other records of the company.

Should you require further explanation of any matters contained within this report, you should contact our office and speak to the case manager, David Farmer in the first instance, who will be pleased to assist.



Dominik Thiel Czerwinke
Joint Liquidator

Dated: 02 August 2017


ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 16 February 2017 to 02 August 2017

Formation Wealth Solutions Ltd
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments
To 02/08/2017

S of A £		£	£
	UNSECURED CREDITORS		
(6,600.00)	Intercompany Loan	<u>NIL</u>	NIL
	DISTRIBUTIONS		
(1.00)	Ordinary Shareholders	<u>NIL</u>	NIL
<u>(6,601.00)</u>			<u>NIL</u>
	REPRESENTED BY		<u>NIL</u>

Note:



 Dominik Thiel Czerwinke
 Joint Liquidator

TIME COSTS AND DISBURSEMENTS

- a. Begbies Traynor (Central) LLP's charging policy;
- b. Time Costs Analysis for the period from 16 February 2017 to 02 August 2017.

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance² indicates that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- ☐ **Category 1 disbursements (approval not required)** - specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ☐ **Category 2 disbursements (approval required)** - items of expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

The following items of expenditure are charged to the case (subject to approval):

Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 (London £150) per meeting;
Car mileage is charged at the rate of 45 pence per mile;
Storage of books and records (when not chargeable as a Category 1 disbursement).

In addition to the two categories referred to above, best practice guidance indicates that where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest, these should be treated as Category 2 disbursements. The following items of expenditure which relate to services provided by entities within the Begbies Traynor Group are to be charged to the case (subject to approval):

Services provided by other entities within the Begbies Traynor group

The following items of expenditure which relate to services provided by entities within the Begbies Traynor group, of which the office holder's firm is a member, are also to be charged to the case (subject to approval):

Instruction of Eddisons Commercial Limited to provide assistance with the sale of assets. Their charges will be based on a percentage of realisations plus disbursements.

Instruction of Eddisons Commercial Limited to provide a valuation of the Company's physical assets. Their charges will be based on a fixed fee to be agreed plus disbursements.

In addition to the services detailed above, it may become necessary to instruct Eddisons Commercial Limited to provide additional services, not currently anticipated, during the course of the case. In such circumstances and to avoid the costs associated with seeking further approval, the charges for such services will be calculated on a time costs basis at the prevailing hourly rates for their various grades of staff which are currently as follows:

Grade of staff	Charge-out rate (£ per hour)
Director	£275
Associate	£180
Surveyor	£120
Graduate	£100
Administration	£80
Porters	£35

Instruction of Eddisons Insurance Services Limited to provide insurance broking services and specifically open cover insurance for the insurable risks relating to the

case. The cost of open cover insurance will vary during the course of the case depending upon the value of the assets and liability risks. The costs of insurance cover for subsequent quarter periods will be dependent upon prevailing insurance market conditions and the ongoing insurable risks on the case. Eddisons Insurance Service Limited is not paid from the assets of the estate for the services it provides. In accordance with standard insurance industry practice, Eddisons Insurance Service Limited will receive payment of commission for the services it provides directly from the open cover insurer. The commission is calculated as a percentage of the insurance premiums payable and such percentage will depend upon the class or classes of assets being insured.

Services provided by an entity in which an Office Holder has an interest

The following items of expenditure which relate to services provided by an entity that a licensed insolvency practitioner within the firm has an interest in, are also to be charged to the case (subject to approval):

Storage of books and records (when not rechargeable as a Category 1 expense) is charged by Archive Facilities (Southend) Limited, an associated company. The rates applying as at the date of this report are: Minimum charge of £40 per quarter for up to three boxes; Four to Two Hundred Boxes charged at £11 per quarter per box; over two hundred boxes are charged at half the aforementioned price, (£5.50 per box per quarter). Mileage for collection of books and records is charged at 55p per mile. Provision of cardboard box charged at £2.75 per box. Where Archive Facilities (Southend) Limited are required to physically pack the books and records, there is a minimum charge of 2 hours at £15 per hour per person required, and at £15 per hour for each hour thereafter. All figures stated are net.

The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a Category 1 disbursement:

Telephone and facsimile, Printing and photocopying, Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Southend-on-Sea as at the date of this report are as follows:

Grade of staff	Charge-out rate (£ per hour)	Charge-out rate (£ per hour)
	1 May 2011 – 30-Apr-16	1 May 2016 – until further notice
Partner	495	495-550
Director	395	395
Senior Manager	365	365
Manager	315	315
Assistant Manager	270	285
Senior Administrator	235	250
Administrator	185	220
Trainee Administrator	160	n/a
Junior Administrator	n/a	160
Support	160	n/a
Cashier	n/a	160
Secretarial	n/a	160

Time spent by support staff such as secretarial, administrative and cashing staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 5 minute units.

The office holder may use the services of BTG Contentious Insolvency Division during the course of the case. BTG Contentious Insolvency Division is a specialist department of the office holder's firm which provides forensic investigating services. The current charge-out rates applying to work carried out by BTG Contentious Insolvency Division are as follows:

Grade of staff	Charge-out rate (£ per hour)	Charge-out rate (£ per hour)
	1 May 2011 – 30-Apr-16	1 May 2016 – until further notice
Director	395	395
Senior Manager	365	365
Assistant Manager	270	285

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² Ibid 1

SIP9 Formation Wealth Solutions Ltd - Creditors Voluntary Liquidation - 03FO138 CVL : Time Costs Analysis From 16/02/2017 To 02/08/2017

[illegible]

APPENDIX 3

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities <i>not</i> within the Begbies Traynor Group				
Postage	The Post Office	2.56	0.00	2.56
Statutory Advertising	The Stationary Office Limited	246.00	0.00	246.00
Bonding	Insolvency Risk Services	18.00	0.00	18.00
Expenses incurred with entities within the Begbies Traynor Group (<i>for further details see Begbies Traynor Charging Policy</i>)				
Photocopying	Begbies Traynor (Central) LLP	3.20	0.00	3.20

The balance to be discharged total of £269.76 will be written off as irrecoverable.