

# LIQ13

## Notice of final account prior to dissolution in MVL



Companies House

For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

<b>1</b>	<b>Company details</b>
Company number	0 4 4 6 4 3 5 2
Company name in full	Total Webworks Limited

→ **Filling in this form**  
Please complete in typescript or in  
bold black capitals.

<b>2</b>	<b>Liquidator's name</b>
Full forename(s)	Engin
Surname	Faik

<b>3</b>	<b>Liquidator's address</b>
Building name/number	136 Hertford Road
Street	
Post town	Enfield
County/Region	Middlesex
Postcode	E N 3 5 A X
Country	

<b>4</b>	<b>Liquidator's name ②</b>
Full forename(s)	
Surname	

② **Other liquidator**  
Use this section to tell us about  
another liquidator.

<b>5</b>	<b>Liquidator's address ②</b>
Building name/number	
Street	
Post town	
County/Region	
Postcode	
Country	

② **Other liquidator**  
Use this section to tell us about  
another liquidator.

THURSDAY



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28/05/2020

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COMPANIES HOUSE

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# LIQ13

## Notice of final account prior to dissolution in MVL

<b>6</b>		<b>Final account</b>																	
		<input checked="" type="checkbox"/> I have delivered the final account of the winding up to the members in accordance with Section 94(2) and attach a copy.																	
<b>7</b>		<b>Sign and date</b>																	
Liquidator's signature	Signature <b>X</b> <i>E. J. J. J.</i> <b>X</b>																		
Signature date	<table border="1"><tr><td>d</td><td>d</td><td>m</td><td>m</td><td>y</td><td>y</td><td>y</td><td>y</td></tr><tr><td>2</td><td>8</td><td>0</td><td>5</td><td>2</td><td>0</td><td>2</td><td>0</td></tr></table>		d	d	m	m	y	y	y	y	2	8	0	5	2	0	2	0	
d	d	m	m	y	y	y	y												
2	8	0	5	2	0	2	0												

# LIQ13

Notice of final account prior to dissolution in MVL



## 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.

Presenter name **Natalie Brady**

Company name **Cornerstone Business Turnaround  
and Recovery Limited**

Address **136 Hertford Road**

Post town **Enfield**

County/Region

Postcode 

	E	N	3		5	A	X
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Country

DX **efaik@cornerstonerecovery.co.uk**

Telephone **020 3793 3338**



## 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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)

Statement of Affairs		£	£
	ASSET REALISATIONS		
4,769,483.00	Book Debts	4,016,520.03	
501,159.00	Shares & Investments	NIL	
399.00	Cash at Bank	<u>47.04</u>	
			4,016,567.07
	COST OF REALISATIONS		
	Specific Bond	1,000.00	
	Preparation of Stat Dec	3,000.00	
	Office Holders Fees	18,178.35	
	Accountants fees	15,000.00	
	VAT	52.03	
	Stationery	17.92	
	Postage	14.23	
	Statutory Advertising	<u>288.00</u>	
			(37,550.53)
	UNSECURED CREDITORS		
(420.00)	Trade & Expense Creditors	NIL	
(116,073.00)	Director's Loan Account	116,073.00	
			(116,073.00)
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	3,862,943.54	
			(3,862,943.54)
<b>5,154,448.00</b>			<u>NIL</u>
	REPRESENTED BY		
			<u>NIL</u>
			<u>NIL</u>
			<u>NIL</u>

Engin Faik  
Liquidator



**TOTAL WEBWORKS LIMITED  
IN MEMBERS' VOLUNTARY LIQUIDATION**

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**THE LIQUIDATOR'S PROPOSED FINAL ACCOUNT  
FOR THE REVIEW PERIOD  
20 DECEMBER 2019 TO 28 MAY 2020**

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**28 MAY 2020**

**Engin Faik LLB FABRP**

**Cornerstone Business Turnaround and Recovery Limited  
136 Hertford Road, Enfield, Middlesex, EN3 5AX  
020 3793 3338**

This report has been prepared for the sole purpose of updating the members for information purposes. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than updating them for information purposes, or by any other person for any purpose whatsoever. Engin Faik was appointed Liquidator of Total Webworks Limited on 20 December 2016.

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- 4. Creditors' Claims and Dividend Prospects**
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## **APPENDICES**

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- II. The Liquidator's final receipts and payments account for the Review Period 20/12/2019 to 28/05/2020**
- III. Cornerstone Business Recovery Chargeout Rates and Disbursement Recovery Policy**
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- V. The Liquidator's final time costs summary for the Review Period 20/12/2019 to 28/05/2020 & cumulative**
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## 1. INTRODUCTION

I, Engin Faik ("The Liquidator") of Cornerstone Business Turnaround & Recovery Limited ("Cornerstone Business Recovery") or ("CBR") am pleased to present my final progress report ("Proposed Final Account") for the period 1 May 2019 to date ("Review Period"). The purpose of this Proposed Final Account is to summarise the entire duration of winding-up and to put members on notice of my intention to seek my release from office. This Final Account summarises the winding-up as a whole as well as events in the Review Period.

The Final Account also details my acts and dealings as Liquidator of Total Webworks Limited (In Liquidation) ("the Company") and it should be read in conjunction with previous correspondence to members. Members will be aware that I was appointed Liquidator of the Company on 20 December 2016.

Attached at **Appendix I** is a summary of statutory information regarding the Company and the Liquidation. My receipts and payments account for the Review Period and whole period of the winding up is attached at **Appendix II** which is self-explanatory and should be read in conjunction with this report. All funds have been held in a designated bank account in the name of the solvent estate.

Please be advised that I am bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment. In addition, The General Data Protection Regulation requires that individuals whose data is being held be contacted and provided with information about their rights. A privacy notice is available at [www.cornerstonerecovery.co.uk](http://www.cornerstonerecovery.co.uk).

Information about this type of process may be found at **Appendix VIII**.

### Executive Summary

A summary of key information in this report is detailed below:

Asset Description	Estimated to realise per Declaration of Solvency (£)	Realisations in the Review Period (£)	Total realisations (£)
Book debts	4,769,483	Nil	4,016,520
Cash at bank	399	Nil	47
Shares & Investments	501,159	Nil	Nil

Expense	Amount per fees and expenses estimates (£)	Expense incurred in the Review Period (£)	Total expense incurred (£)
Liquidator's fees	N/A	3,959	23,658
Accountant's fees	N/A	Nil	15,000
Disbursements	N/A	Nil	1,320

Distributions and Creditor class	Distribution / dividend paid in the Review Period (£)	Total distribution paid (£)
Secured creditors	N/A	N/A
Preferential creditors	N/A	N/A
Unsecured creditors	Nil	100p in the £
Ordinary shareholders	Nil	£38,629 per share

### Closure

There are no further matters in the liquidation to be progressed and the liquidation may now be concluded.

## 2. ADMINISTRATION AND PLANNING (INCLUDING STATUTORY REPORTING)

As Liquidator, I am required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct financial benefit to members, they are intended to assist in the efficient and compliant progressing of the liquidation, which ensures that I and my staff carry out our functions to a high professional standard. The narrative detail in respect of these tasks may be found in **Appendix IV**.

During the Review Period, the following key documents have been issued:

- This proposed final account (final progress report);
- Submission of my receipts and payments account to the Registrar of Companies

Also during the Review Period, the following material tasks in this category were carried out:

- Quarterly VAT returns;
- Corporation Tax returns;
- Case reviews; and
- Strategy reviews.

## 3. ASSET REALISATIONS

I have detailed below key information about asset realisations, however more detailed narrative about the work undertaken may be found at **Appendix IV**.

According to the Declaration of Solvency lodged in these proceedings, the assets of the Company had an estimated value of £5,271,041 which comprised principally of book debts, cash at bank and shares & investments.

### Cash at Bank

As stated in my previous report, the Company's bank account was closed and the closing balance of £47.40 was transferred to the Liquidation account. This is different from the sum stated in the Declaration of Solvency primarily because direct debits were discharged from the cash held prior to account closure. No recoveries were made in this reporting period and no further recoveries are anticipated.



### **Book Debts**

As mentioned in my last report, the realisable value given to book debts estimated that £4,769,483 would be recovered, solely from Lativio LLP - In Liquidation. Since my appointment £4,016,520 has been received from Lativio LLP - In liquidation. As noted in my last progress report, a waiver has been drafted and signed in respect of the remaining funds and therefore no further realisations are anticipated.

### **Shares & Investments**

As creditors will be aware, the Company held shares and investments in the following Companies as at the date of Liquidation:

- Lativio LLP - In Liquidation
- Cocoa Boutique Limited - Dissolved
- Taste Indulgence Limited - Dissolved
- Advanced Muscle Foods Limited - Dissolved

The above Companies are all now dissolved (apart from Lativio LLP) and as such, no recoveries will be made from them. In addition, no distribution to shareholders is expected from Lativio LLP - In Liquidation.

### **Financial Benefit for Members**

This work has resulted in a financial benefit to creditors as the recoveries made have allowed/enhanced dividend distributions.

### **Estimated future realisations**

No further realisations are expected.

## **4. CREDITORS' CLAIMS AND DIVIDEND PROSPECTS**

I have had to carry out key tasks which are detailed at **Appendix IV**. The following sections explain the anticipated outcomes to creditors and any distributions paid.

### **Secured Creditor**

There are no secured creditors.

### **Preferential creditors/Employee claims/Pension claims**

There are no preferential or employee claims.

### **Unsecured creditors**

The trade and expense creditors as per the Declaration of Solvency totalled £420; however no claims have been received from those creditors.

Other claims included an amount owed to the director in the sum of £116,073 which was received and adjudicated.

#### **Distributions to creditors**

A notice to creditors requiring them to submit claims was published in the London Gazette on 22 December 2016. In addition, several letters were sent to HMRC seeking that no tax liabilities remained.

To date, distributions totalling £116,073 has been made to creditors' which represented a dividend of 100p in the £.

No distributions have been made to creditors in the Review Period.

#### **Outcome**

As creditors have been paid in full, no further distributions will be payable to creditors.

In May 2018 HMRC confirmed that no VAT and PAYE liabilities remained and provided me with clearance. I also received the same notification in September 2017 in respect of Corporation Tax.

### **5. DISTRIBUTIONS TO SHAREHOLDERS**

The following distributions were made to the shareholders:

<b>Date of distribution</b>	<b>£ per share distributed</b>	<b>Total amount distributed (cash) (£)</b>	<b>Total amount distributed (in specie) (£)</b>
23/12/2016	£30,000 per share	£3,000,000.00	-
03/01/2017	£1,912.18 per share	£191,217.67	-
16/01/2017	£5,000 per share	£500,000.00	-
26/04/2017	£440 per share	£44,000.00	-
02/07/2018	£7,772.58 per share	£77,725.87	-
10/12/2018	£500 per share	£50,000.00	-

### **6. FEES AND EXPENSES**

The payments shown on the Receipts and Payments Account at **Appendix II** are in the main self-explanatory.

A copy of 'A Members' Guide to Fees' may be found at **Appendix VII**.

### **Pre-Appointment Cost**

The members authorised the fee of £3,000 for assisting the directors in placing the Company into Liquidation and with preparing the Declaration of Solvency on 20 December 2016.

### **Liquidator's fees**

It is the firm's practice to ensure that work is conducted by the appropriate staff member at the appropriate level of experience. Junior members of staff deal with the day to day administration on cases and a manager and director then oversees the work undertaken. Where the issues are complex and litigious, the work will be closely supervised or undertaken by a manager or director. A copy of my firm's charge-out rate policy is attached at **Appendix III**.

### **Basis of remuneration**

My remuneration has been authorised by members by the following resolution passed on 20 December 2016:

"That the Liquidator remuneration be fixed by reference to the time properly given by him and his staff in attending matter arising in the liquidation, limited to £2,000 in the first instance and that further time costs become payable only with the requisite approval from the Company's members. All authorised fees be settled from the assets of the Company."

However, the shareholders authorised additional office holder's remuneration within the last reporting period, which has been drawn.

### **Summary of time incurred and remuneration drawn**

The time costs for the period 20 December 2019 to 28 May 2020 total £3,959, representing 17.1 hours at an average hourly rate of £231. The total time costs during the period of appointment amount to £23,658 representing 94.5 hours at an average hourly rate of £250. The sum of £18,178 has been drawn on account of time costs incurred and the time costs for the period are detailed at **Appendix V** together with the original estimate. The work undertaken in respect of these fees is detailed at **Appendix IV** as well as within the body of the report.

### **Liquidators' disbursements and expenses**

Category 1 disbursements and expenses represent the simple reimbursement of actual out of pocket payments made in relation to the assignment and no approval is required. The basis of calculation of Category 2 disbursements was disclosed to members prior to their approval which was given on 20 December 2016, and a copy of my firm's disbursement policy is attached at **Appendix III**.

### **Disbursements incurred**

The category 1 and 2 disbursements that have been incurred during the period are detailed at **Appendix VI**. No category 1 or category 2 disbursements have been paid for

in the period. Also included within **Appendix VI** are the expenses likely to be incurred in the Liquidation as a whole compared with the original expenses estimate, together with reasons where any expenses are likely to exceed that estimate.

#### **Other professional costs/expenses**

The following agents or professional advisors have been utilised in this matter. The choice of professionals was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. The fees charged have been reviewed and I am satisfied that they are reasonable in the circumstances of this case.

#### **Accountants**

To date Barnes Roffe LLP has been paid a total of £15,000 in relation to their professional fees for attending to the tax affairs of the Company. This relates to the preparation and submission of the final accounts to cessation, outstanding and final returns to HM Revenue & Customs and other accounting matters. No other costs are expected.

#### **Summary of final costs and expenses**

As detailed above, the original resolution passed by the members allowed me to draw remuneration on a time cost basis limited to £2,000. On 12 November 2019, the members passed a further resolution to allow me to draw additional remuneration on a time cost basis. The additional fees which have been drawn in the reporting period can be seen in the attached receipts and payments account at **Appendix II**.

### **7. FURTHER INFORMATION**

Members of the Company with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the Company, or any member with the permission of the court, may request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report.

Members of the Company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the Company, or any member with the permission of the court, may apply to court to challenge the amount and/or basis of the Liquidator's fees and the amount of any proposed expenses or expenses already incurred on the grounds that they are excessive or inappropriate, within 8 weeks of receipt of this report.

Whilst my firm strives to provide a professional and efficient service, it is in the nature of insolvency proceedings for disputes to arise from time to time. If you have any complaints about this case, you should, in the first instance, put details of your complaint in writing to CBR. This will formally invoke my firm's complaints procedure and I will endeavour to deal with your complaint in writing within a period of twenty one days of receipt.

Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, in the event that you have exhausted

CBR's complaints procedure and you are not satisfied that your complaint has been resolved or dealt with appropriately, you may complain to the regulatory body that licences the practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3<sup>rd</sup> Floor, 1 City Walk, Leeds LS11 9DA.

**8. EC REGULATIONS**

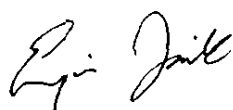
The Company's centre of main interest was in the United Kingdom and therefore it is considered that the EC Regulations apply. These proceedings are main proceedings as defined in Article 3 of the EC Regulation.

**9. CONCLUSION**

The delivery of this final account to members (**Appendix IX**) and to the Registrar of Companies concludes the administration of this winding up.

If you require any further information, please contact Natalie Brady at this office.

Yours faithfully  
For and on behalf of the Company



Engin Faik LLB FABRP  
**Liquidator**

Enc.

28 May 2020

Appendix I

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STATUTORY INFORMATION &  
DEFINITIONS

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**Statutory Information:**

<b>Company Name</b>	Total Webworks Limited
<b>Company Number</b>	04464352
<b>Previous Names</b>	N/A
<b>Proceedings</b>	In Liquidation
<b>Court</b>	Members
<b>Court Number</b>	N/A
<b>Court Reference</b>	N/A
<b>Date of Appointment</b>	20 December 2016
<b>Appointed By</b>	Members
<b>Name of Office Holder</b>	Engin Faik LLB FABRP
<b>Address of Office Holder</b>	Cornerstone Business Recovery and Turnaround Limited, 136 Hertford Road, Enfield, Middlesex EN3 5AX
<b>IP Number</b>	9635
<b>Registered office address</b>	c/o Cornerstone Business Turnaround and Recovery Limited 136 Hertford Road, Enfield, EN3 5AX
<b>Former Registered Office</b>	Leytonstone House, Leytonstone, London, E11 1GA
<b>Trading Address</b>	Leytonstone House, Leytonstone, London, E11 1GA
<b>Principal Trading Activity</b>	Other Business Support
<b>Change in Office Holder</b>	N/A

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## Definitions:

"the Office Holder" or "the Liquidator"	Engin Faik of Cornerstone Business Turnaround and Recovery Limited
"the Act"	Insolvency Act 1986 (as amended)
"the Accountants"	Barnes Roffe I.L.P
"the Appointment Date"	20 December 2016
"CDDA"	Company Directors Disqualification Act
"Category 2 Disbursements"	The office holders' internal costs and expenses
"the Company"	Total Webworks Limited (in Liquidation)
"Cornerstone Business Recovery or CBR"	Cornerstone Business Turnaround and Recovery Limited
"CVA"	Company Voluntary Arrangement
"CVL"	Creditors Voluntary Liquidation
"DBEIS"	Department for Business, Energy & Industrial Strategy
"EC Regulation"	EC Regulation on Insolvency Proceedings 2000
"IVA"	Individual Voluntary Arrangement
"HMRC"	HM Revenue & Customs
"MVL"	Members' Voluntary Liquidation
"the OR"	the Official Receiver
"Prescribed Part"	Pursuant to Section 176A of the Act, where a floating charge is created after 15 September 2003, a designated account of the Company's net property (floating charge assets less costs of realisation) shall be made available to non-preferential creditors.
"Review Period"	Period covered by the report from 20 December 2019 to 28 May 2020
"RPS"	Redundancy Payments Service
"The Rules"	Insolvency Rules 1986 or Insolvency (England & Wales) Rules 2016 (whichever applied at the time of the event)
"SIP 9"	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements.
"SIP 13"	Statement of Insolvency Practice 13 – Industry best practice for Insolvency Practitioners in relation to the acquisition of assets of insolvent companies by Directors.
"SOA"	Statement of Affairs, documentation to be supplied by the Director/Debtor outlining the Company's / Debtors financial position as at the Appointment Date.
"SOS"	Secretary of State
"TUPE"	The Transfer of Undertaking (Protection of Employment) Regulations 2006
"WIP"	Work in Progress

**Appendix II**

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**THE LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT  
FOR THE REVIEW PERIOD 20/12/2019 TO 28/05/2020 AND 20/12/2016 TO 28/05/2020**

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**Total Webworks Limited**  
**(In Liquidation)**  
**Liquidator's Summary of Receipts & Payments**

<b>Statement of Affairs £</b>		<b>From 20/12/2019 To 28/05/2020 £</b>	<b>From 20/12/2016 To 28/05/2020 £</b>
	<b>ASSET REALISATIONS</b>		
4,769,483.00	Book Debts	NIL	4,016,520.03
399.00	Cash at Bank	NIL	47.04
501,159.00	Shares & Investments	NIL	NIL
		<u>NIL</u>	<u>4,016,567.07</u>
	<b>COST OF REALISATIONS</b>		
	Accountants fees	NIL	15,000.00
	Office Holders Fees	1,821.24	18,178.35
	Postage	NIL	14.23
	Preparation of Stat Dec	NIL	3,000.00
	Specific Bond	NIL	1,000.00
	Stationery	NIL	17.92
	Statutory Advertising	NIL	288.00
	VAT	52.03	52.03
		<u>(1,873.27)</u>	<u>(37,550.53)</u>
	<b>UNSECURED CREDITORS</b>		
(116,073.00)	Director's Loan Account	NIL	116,073.00
(420.00)	Trade & Expense Creditors	NIL	NIL
		<u>NIL</u>	<u>(116,073.00)</u>
	<b>DISTRIBUTIONS</b>		
(100.00)	Ordinary Shareholders	NIL	3,862,943.54
		<u>NIL</u>	<u>(3,862,943.54)</u>
<b>5,154,448.00</b>		<b>(1,873.27)</b>	<b>NIL</b>
	<b>REPRESENTED BY</b>		
			<b>NIL</b>

Engin Faik  
Liquidator

**Appendix III**

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**CORNERSTONE BUSINESS RECOVERY  
CHARGEOUT RATES AND DISBURSEMENT RECOVERY POLICY**

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## **CHARGEOUT RATES AND DISBURSEMENT RECOVERY POLICY**

### **Chargeout Rates**

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), Cornerstone Business Recovery's ("CBR") chargeout rates applicable to this appointment, exclusive of VAT, are as follows:

	<b>From 1 November 2013</b>
	<b>£ per hour</b>
Directors / Office Holders	300 - 350
Senior Manager	300 - 315
Managers	280 - 295
Senior Executive	220 - 250
Executive	125 - 175
Secretaries and office admin support	80 - 110

Chargeout rates are normally reviewed annually on 1 July when rates are adjusted to reflect such matters as inflation; increases in direct wage costs; and changes to indirect costs such as Professional Indemnity Insurance. It is CBR's policy for the cashier's time spent on an assignment to be charged to the case. However, secretarial and office admin support time is charged only in respect of identifiable blocks of time devoted to the case where we consider it to be viable to do so. All time is recorded in 6 minute units.

### **Direct expenses ("Category 1 Disbursements")**

Category 1 disbursements as defined by SIP 9, which can be specifically identified as relating to the administration of the case will be charged to the estate at cost, with no uplift. These include but are not limited to such items as case advertising, storage, online reporting facilities, bonding and other insurance premiums and properly reimbursed expenses incurred by personnel in connection with the case.

### **Indirect expenses ("Category 2 Disbursements")**

It is our normal practice to also charge the following indirect disbursements ("Category 2 Disbursements as defined by SIP 9) to the case, where appropriate:

#### **Circulars to creditors**

Plain/headed paper including photocopying	12p per side
Envelopes	12p each
Postage	Actual cost

#### **Travel**

Mileage incurred as a result of any necessary travelling is charged to the estate at the H M Revenue & Customs approved rate, currently 45p per mile.

All of the above costs are subject to amendment by the firm at any time and if amended will be notified to creditors with the next circular sent to all creditors.

### **Company Search/Electronic Verification of Identity**

Included in expense and/or disbursements; Company Searches and electronic Verification of Identity include an element of shared costs. Such expenses are of an incidental nature but are generally incurred on each case. In line with the cost of the external provision of such services, a charge of £15 plus VAT is levied to cover the cost of these searches.

### **Cornerstone Business Recovery**

**Effective From 1 November 2013**

**Appendix IV**

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**DETAILS OF WORK UNDERTAKEN BY THE LIQUIDATOR  
FOR THE REVIEW PERIOD 20/12/2019 TO 28/05/2020**

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Below is detailed information about the tasks undertaken by the Liquidator in the review period.

<b>General Description</b>	<b>Includes</b>
<b>Administration and Planning</b>	
Statutory/advertising	Filing of documents to meet statutory requirements
Document maintenance/file review/checklist	Filing of documents Periodic file reviews Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
Bank account administration	Bank account reconciliations Maintenance of the estate cash book
Planning / Review	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case
Creditor reports	Issuing annual progress report to creditors
Member reports	Preparing and issuing annual progress report and general reports to members Responding to members' queries Preparing and issuing proposed final account Preparing and issuing final account
<b>Creditors</b>	
Creditor Communication	Review and prepare correspondence to creditors and their representatives via facsimile, email and post

Appendix V

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THE LIQUIDATOR'S TIME COSTS SUMMARY FOR THE REVIEW PERIOD  
AND CUMULATIVE

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Work category	Actual time costs incurred during the Review Period			Total time costs incurred to date		
	Number of hours	Average hourly rate £ per hour	Total time costs £	Number of hours	Average hourly rate £ per hour	Total time costs £
Administration (including statutory reporting)	10.8	230.19	2,486.00	75.1	261.12	19,612.50
Realisation of assets	-	-	-	-	-	-
Creditors (claims and distribution)	6.3	233.81	1,473.00	17.1	216.43	3,701.00
Investigations	-	-	-	-	-	-
Trading	-	-	-	-	-	-
Case Specific	-	-	-	2.3	150.00	345.00

# Time Entry - SIP9 Time & Cost Summary

T008 - Total Webworks Limited  
 Project Code: POST  
 From: 20/12/2019 To: 28/05/2020

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	1.90	0.00	6.90	2.00	10.80	2,486.00	230.19
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	2.10	1.80	0.00	2.40	6.30	1,473.00	233.81
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours</b>	<b>4.00</b>	<b>1.80</b>	<b>6.90</b>	<b>4.40</b>	<b>17.10</b>	<b>3,959.00</b>	<b>231.52</b>
<b>Total Fees Claimed</b>						<b>0.00</b>	
<b>Total Disbursements Claimed</b>						<b>0.00</b>	

# Time Entry - SIP9 Time & Cost Summary

T008 - Total Webworks Limited  
 Project Code: POST  
 From: 20/12/2016 To: 28/05/2020

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	22.31	14.10	24.70	14.00	75.11	19,612.50	261.12
Case Specific Matters	0.00	0.00	0.00	2.30	2.30	345.00	150.00
Creditors	3.80	3.60	0.20	9.50	17.10	3,701.00	216.43
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours</b>	<b>26.11</b>	<b>17.70</b>	<b>24.90</b>	<b>25.80</b>	<b>94.51</b>	<b>23,658.50</b>	<b>250.33</b>
<b>Total Fees Claimed</b>						<b>0.00</b>	
<b>Total Disbursements Claimed</b>						<b>0.00</b>	

Appendix VI

THE LIQUIDATOR'S EXPENSES SUMMARY FOR THE REVIEW PERIOD AND  
CUMULATIVE

Below are details of my expenses for the period under review and the total to date.

Expenses	Actual expenses incurred in the Review Period (£)	Actual expenses incurred (£)	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
<b>CATEGORY 1 EXPENSES</b>			
Advertising	Nil	288.00	N/A
Bonding	Nil	1,000.00	N/A
Postage	Nil	14.24	N/A
<b>TOTAL</b>	<b>Nil</b>	<b>1,302.24</b>	
<b>CATEGORY 2 EXPENSES</b>			
Stationery	Nil	17.92	N/A
<b>TOTAL</b>	<b>Nil</b>	<b>17.92</b>	



Appendix VII

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MEMBERS' GUIDE TO FEES

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## **A Members' Guide to Liquidators' Fees - England and Wales**

### **1 Introduction**

When a company goes into liquidation the costs of the proceedings are paid out of its assets. The members (i.e. shareholders) therefore have a direct interest in the level of costs, and in particular the remuneration of the insolvency practitioner appointed to act as liquidator. The insolvency legislation recognises this interest by providing mechanisms for members to fix the basis of the liquidator's fees. This guide is intended to help members be aware of their rights to approve and monitor fees and explains the basis on which fees are fixed.

### **2 Liquidation procedure**

Liquidation (or 'winding up') is the most common type of corporate insolvency procedure. Liquidation is the formal winding up of a company's affairs entailing the realisation of its assets and the distribution of the proceeds in a prescribed order of priority. Where a declaration of solvency has been sworn by all or a majority of the directors of a company (as would usually be the case where they believe that the company has surplus assets to be distributed to members) a liquidation instituted by resolution of the shareholders is called a members' voluntary liquidation (often abbreviated to 'MVL').

### **3 Fixing the liquidator's fees**

The basis for fixing the liquidator's remuneration in an MVL is set out in the Insolvency (England & Wales) Rules 2016 ("the Rules"). The Rules state that the remuneration shall be fixed either:

- as a percentage of the value of the assets which are realised or distributed or both, or
- by reference to the time properly given by the liquidator and his staff in attending to matters arising in the winding up; or
- as a set amount.

Any combination of these bases may be used to fix the remuneration and different bases may be used for different things done by the liquidator. Where the remuneration is fixed as a percentage, different percentages may be used for different things done by the liquidator.

### **4. Who fixes the remuneration?**

It is for the members of the company to determine on which of these bases the remuneration is to be fixed, and if it is to be fixed as a percentage, to fix the percentage to be applied. The Rules state that in arriving at their decision the members shall have regard to the following matters:

- the complexity (or otherwise) of the case;
- any respects in which, in connection with the company's affairs, there falls on the liquidator any responsibility of an exceptional kind or degree;
- the effectiveness with which the liquidator appears to be carrying out, or to have carried out, his duties;
  - the value and nature of the assets with which the liquidator has to deal.

A resolution specifying the terms on which the liquidator is to be remunerated may be taken at the meeting which appoints the liquidator. If the remuneration is not fixed in any of these ways, it will be in accordance with the scale laid down for official receivers.

5. **Review of remuneration**

Where there has been a material and substantial change in circumstances since the basis of the liquidator's remuneration was fixed, the liquidator may request that it be changed. The request must be made to the same body as initially approved the remuneration, and the same rules apply as to the original approval.

6. **What information should be provided by the liquidator?**

6.1 **General principles**

The liquidator should provide those responsible for approving his remuneration with sufficient information to enable them to make an informed judgement about the reasonableness of the liquidator's request. The information should be presented in a manner which is transparent, consistent throughout the life of the case and useful to member, while being proportionate to the circumstances of the case.

The liquidator should disclose:

- payments, remuneration and expenses arising from the administration paid to the liquidator or his or her associates;
- any business or personal relationships with parties responsible for approving the liquidator's remuneration or who provide services to the liquidator in respect of the insolvency appointment where the relationship could give rise to a conflict of interest.

The liquidator should inform members of their rights under insolvency legislation, and should advise them how they may access suitable information setting out their rights within the first communication with them and in each subsequent report.

- 6.2 Where the liquidator sub-contracts out work that could otherwise be carried out by the liquidator or his or her staff, this should be drawn to the attention of members with an explanation of why it is being done.

**Key issues**

The key issues of concern to those with a financial interest in the level of payments from the insolvency estate will commonly be:

- the work the liquidator anticipates will be done, and why that work is necessary;
- the anticipated cost of that work, including any expenses expected to be incurred in connection with it;
- whether it is anticipated that the work will provide a financial benefit, and if so what benefit (or if the work provided no direct financial benefit, but was required by statute);
- the work actually done and why that work was necessary;
- the actual costs of the work, including any expenses incurred in connection with it, as against any estimate provided;
- whether the work has provided a financial benefit, and if so what benefit (or if the work provided no direct financial benefit, but was required by statute).

When providing information about payments, fees and expenses, the liquidator should do so in a way which facilitates clarity of understanding of these key issues. Narrative explanations should be provided to support any numerical information supplied. Where it is practical to do so, the

liquidator should provide an indication of the likely return to creditors when seeking approval for the basis of his remuneration.

When approval for a fixed amount or a percentage basis is sought, the liquidator should explain why the basis requested is expected to produce a fair and reasonable reflection of the work that the liquidator anticipates will be undertaken.

### **6.3 Disbursements**

Costs met by and reimbursed to the liquidator in connection with the liquidation will fall into two categories:

- **Category 1 disbursements:** These are payments to independent third parties where there is specific expenditure directly referable to the liquidation. Category 1 disbursements can be drawn without prior approval, although the liquidator should be prepared to disclose information about them in the same way as any other expenses.
- **Category 2 disbursements:** These are costs that are directly referable to the liquidation but not to a payment to an independent third party. They may include shared or allocated costs that may be incurred by the liquidator or their firm, and that can be allocated to the liquidation on a proper and reasonable basis.

When seeking approval, the liquidator should explain, for each category of cost, the basis on which the charge is being made. If the liquidator has obtained approval for the basis of Category 2 disbursements, that basis may continue to be used in a sequential appointment where further approval of the basis of remuneration is not required, or where the liquidator is replaced.

The following are not permissible as disbursements:

- a charge calculated as a percentage of remuneration;
- an administration fee or charge additional to the liquidator's remuneration;
- recovery of basic overhead costs such as office and equipment rental, depreciation and finance charges.

#### 6.4 Progress reports and requests for further information

The liquidator is required to send annual progress reports to members. The reports must include:

- the basis fixed for the remuneration of the liquidator (or if not fixed at the date of the report, the steps taken during the period of the report to fix it);
- if the basis has been fixed, a statement of the remuneration charged during the period of the report, irrespective of whether it was actually paid during that period (except where it is fixed as a set amount, in which case it may be shown as that amount without any apportionment for the period of the report);
- if the report is the first to be made after the basis has been fixed, the remuneration charged during the periods covered by the previous reports, together with a description of the things done by the liquidator during those periods, irrespective of whether payment was actually made during the period of the report;
- a statement of the expenses incurred by the liquidator during the period of the report, irrespective of whether payment was actually made during that period;
- a statement of the members' rights to request further information and their right to challenge the liquidator's remuneration and expenses.

Within 21 days of receipt of a progress report, a member may request the liquidator to provide further information about the remuneration and expenses set out in the report. A request must be in writing and may be made by members with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the Company or by any member with the permission of the court.

The liquidator must provide the requested information within 14 days, unless he considers that:

- the time or cost of preparation of the information would be excessive, or
- disclosure would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
- the liquidator is subject to an obligation of confidentiality in relation to the information requested,

7.

in which case he must give the reasons for not providing the information.

Any member may apply to the court within 21 days of the liquidator's refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information.

#### **Provision of information – additional requirements**

The liquidator must provide certain information about the time spent on the case, free of charge, upon request by any creditor, director or shareholder of the company.

The information which must be provided is –

- the total number of hours spent on the case by the liquidator or staff assigned to the case;
- for each grade of staff, the average hourly rate at which they are charged out;
- the number of hours spent by each grade of staff in the relevant period.

The period for which the information must be provided is the period from appointment to the end of the most recent period of six months reckoned from the date of the liquidator's appointment, or

where he has vacated office, the date that he vacated office.

8. The information must be provided within 28 days of receipt of the request by the liquidator, and requests must be made within two years from vacation of office.

**What if a member is dissatisfied?**

If a member believes that the liquidator's remuneration is too high, the basis is inappropriate, or the expenses incurred by the liquidator are in all the circumstances excessive he may, provided certain conditions are met, apply to the court.

Application may be made to the court by members with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the Company, or any member with the permission of the Court. Any such application must be made within 8 weeks of the applicant receiving the liquidator's progress report in which the charging of the remuneration or incurring of the expenses in question is first reported. If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the liquidator a copy of the application and supporting evidence at least 14 days before the hearing.

If the court considers the application well founded, it may order that the remuneration be reduced, the basis be changed, or the expenses be disallowed or repaid. Unless the court orders otherwise, the costs of the application must be paid by the applicant and not out of the assets of the company.

9. **Other matters relating to fees**

Where the liquidator realises assets on behalf of a secured creditor he is entitled to be remunerated out of the proceeds of sale in accordance with the scale laid down for the official receivers. Usually, however, the liquidator will agree the basis of his fee for dealing with charged assets with the secured creditor concerned.

Where two (or more) joint liquidators are appointed it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute between them may be referred to the court, or a meeting of members.

If a new liquidator is appointed in place of another, any determination, resolution or court order which was in effect immediately before the replacement continues to have effect in relation to the remuneration of the new liquidator until a further determination, resolution or court order is made.

Where the basis of the remuneration is a set amount, and the liquidator ceases to act before the time has elapsed or the work has been completed for which the amount was set, application may be made for a determination of the amount that should be paid to the outgoing liquidator. The application must be made to the same body as approved the remuneration. Where the outgoing liquidator and the incoming liquidator are from the same firm, they will usually agree the apportionment between them.

There may also be occasions when members will agree to make funds available themselves to pay for the liquidator to carry out tasks which cannot be paid for out of the assets. Any arrangements of this nature will be a matter for agreement between the liquidator and the members concerned and will not be subject to the statutory rules relating to remuneration.

Whilst every care has been taken in its preparation, this statement is intended for general guidance only.

**Appendix VIII**

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**INFORMATION ON MVL PROCESS**

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## **CORNERSTONE BUSINESS TURNAROUND AND RECOVERY**

### **A GUIDE TO MEMBERS' VOLUNTARY LIQUIDATIONS**

#### **Introduction**

The liquidation procedure enables the formal winding up of a company's affairs. All assets are realised, or distributed, in a prescribed order of priority.

A voluntary liquidation is commenced by resolution of the shareholders. A solvent voluntary liquidation is called a members' voluntary liquidation (often abbreviated to "MVL").

#### **Summary of procedures**

1. The directors or members decide to wind up the company.
2. The directors wind down the business.
3. The directors call a meeting of members or seek members' written resolutions.
4. The members resolve to place the company into liquidation.
5. A liquidator is appointed.
6. The liquidator realises all of the company's assets or distributes them in specie.
7. The liquidator settles creditors' claims
8. The surplus assets are distributed to the shareholders.
9. A final account is circulated to members and then filed at Companies House.
10. The company is dissolved.

#### **Further information is attached to this guide as appendices:**

- A. A chart showing the liquidation process.
- B. A timetable.
- C. Frequently asked questions.

This guide explains the process in generic terms. Its application to specific situations will depend upon the particular circumstances involved. Accordingly, it is recommended that specific professional advice is sought in relation to any proposed liquidation.

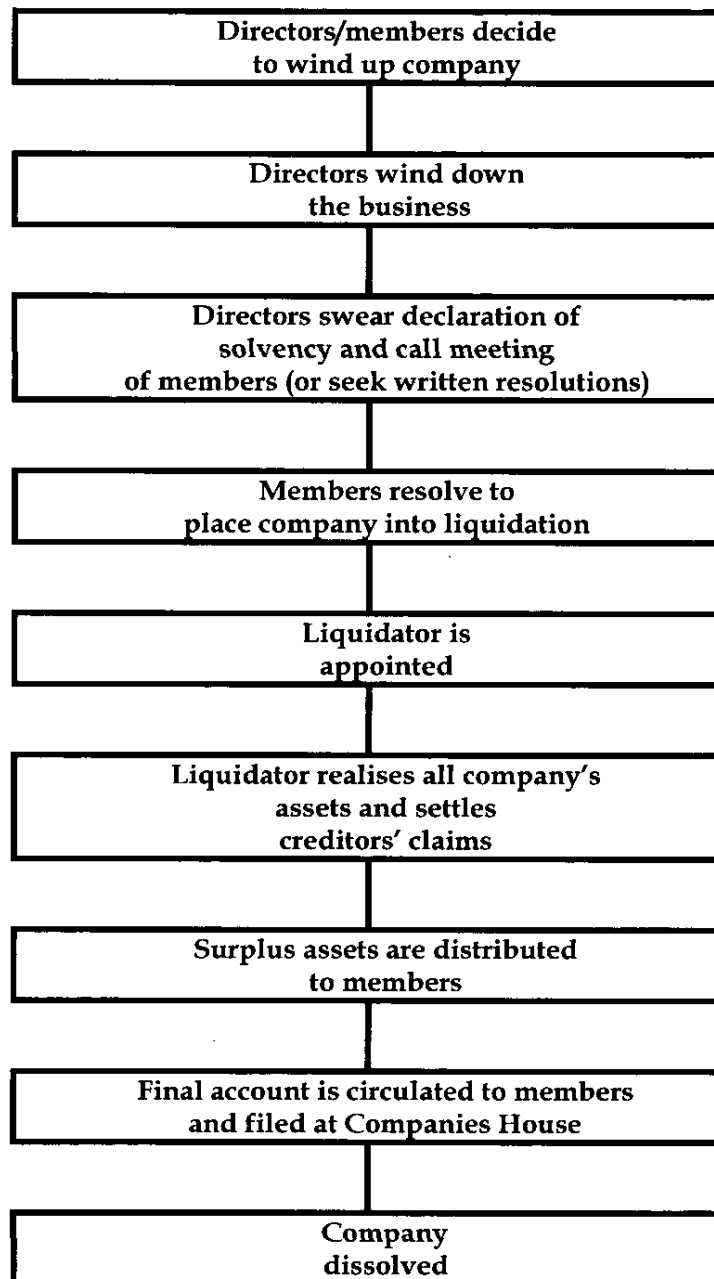
While all reasonable care has been taken in the preparation of this guide, no responsibility is accepted by Cornerstone Business Turnaround and Recovery Limited, for any errors it may contain, whether caused by negligence or otherwise, or for any loss, howsoever caused, occasioned to any person by reliance on it.



## APPENDIX A

### MEMBERS' VOLUNTARY LIQUIDATION

#### THE LIQUIDATION PROCESS



## **MEMBERS' VOLUNTARY LIQUIDATION TIMETABLE**

Cornerstone Business Turnaround and Recovery Limited offer a comprehensive service to companies that wish to wind up their affairs by way of a Members' Voluntary Liquidation.

Below is an overview of the responsibilities of the directors, members, the liquidator and tax advisers in a typical liquidation.

### **1. DIRECTORS' AND MEMBERS' RESPONSIBILITIES**

#### **Clean-up balance sheet**

Prior to liquidation the directors should "clean-up" the balance sheet. This will involve disposing of easily realisable assets and payment of liabilities. This will make the liquidation quicker and reduce costs.

#### **Directors' resolutions**

The directors resolve to:

- i) Approve the swearing of a Declaration of Solvency.
- ii) Put resolutions before the members to place the company into liquidation.

#### **Declaration of Solvency**

The declaration includes a statement of assets and liabilities made up to the latest practicable date prior to liquidation. The documentation will be prepared by the directors using up to date financial information. Once it is completed, the form must be sworn by all or a majority of the directors.

#### **Members' resolutions**

When the Declaration of Solvency has been sworn, resolutions are passed by the members to place the company into liquidation and to appoint a liquidator. This may be done either by convening a general company meeting or asking members to consider written resolutions. When the resolutions have been passed, the documents commencing the liquidation are sent to the liquidator for advertising and filing as appropriate.

### **2. TAX ADVISOR'S RESPONSIBILITIES**

#### **Tax clearance applied for and received**

The company's tax advisors will be instructed to obtain clearance from HM Revenue & Customs as soon as possible. This will require the submission of tax returns to the date

of liquidation. This process can take several months. It will take longer if the company's pre-liquidation tax affairs are not in order prior to the commencement of the liquidation. Returns will have to be submitted for the post liquidation period if the liquidator has received any taxable income or realised any capital gains.

### **3. THE LIQUIDATOR'S RESPONSIBILITIES**

#### **Preparation of documents**

The liquidator will prepare all necessary documentation.

#### **Statutory filing and advertising**

When the directors and members' resolutions have been signed, the completed documents should be returned to the liquidator immediately. The liquidator will arrange for all statutory filing and advertising. In addition, the liquidator will normally change the registered office address.

#### **Creditors' claims invited and paid**

Following appointment, the liquidator will place a notice to creditors in the London Gazette to send in their claims. When it has been decided that a payment will be made to creditors, the liquidator will give 21 days' notice to those creditors that have not claimed to afford them a final opportunity to prove their debt.

#### **Distribution to members**

The liquidator would normally be in a position to make a distribution of the surplus assets to the members only when tax clearance had been received and all other possible claims had been paid and agreed. The liquidator will require an indemnity from the members as protection should a claim be received subsequently from a creditor for which there are insufficient funds available.

#### **Final account issued**

When all matters have been resolved and the necessary clearances have been obtained from HM Revenue & Customs, the liquidator sends to members the proposed final account on the liquidation.

#### **End of the liquidation**

Eight weeks later, the liquidator sends the final account to Companies House for filing. The company is dissolved 3 months after the date of filing.

## FREQUENTLY ASKED QUESTIONS

### 1. What happens at the members' meeting?

Resolutions are passed in order to place the company into liquidation and appoint a liquidator.

In certain circumstances resolutions can be passed in writing without a meeting being held.

### 2. What is the directors' declaration of solvency?

This important document differentiates a members' voluntary liquidation from an insolvent liquidation. It requires the directors (or a majority of them) to make a statutory declaration that they have made a full enquiry into the company's affairs and have formed the opinion that the company will be able to pay its debts in full together with statutory interest within a specified period not exceeding 12 months from the commencement of the liquidation.

The declaration incorporates an up to date statement of the company's assets and liabilities. It must be made before the members pass the resolutions to wind up.

### 3. When does the liquidation begin?

The liquidation commences when the resolutions to wind the company up and appoint the liquidator are passed.

### 4. Can the directors still act?

All powers of the directors cease other than those sanctioned by the members or the liquidator.

### 5. Who can be the liquidator and what are their powers?

The liquidator must be a licensed insolvency practitioner. The liquidator has a wide range of powers to enable realisation of the company's assets, to agree claims of creditors and to make distributions to creditors and members. The liquidator is able to operate bank accounts in the name of the company and to invest funds.

### 6. When are payments to creditors made?

The liquidator will advertise for creditors to make claims against the company and will write to known creditors to invite them to make a claim. At least 21 days' notice must be given to creditors.

### 7. Do creditors receive interest on their claims?

The liquidator must pay interest on all creditors' claims calculated from the later of the commencement of the liquidation or the date the debt was due up to the date payment is made. The rate of interest used is the higher of the judgement debt rate (currently 8%) or the rate previously agreed by the company.

Usually the liquidator is able to pay creditors' claims at the start of the liquidation so interest is not payable. It is obviously better for creditors to have been paid prior to liquidation.

**8. What information will I receive during the liquidation?**

As soon as the liquidator is ready to conclude the liquidation, you will receive a proposed final account showing all the receipts and payments made.

**9. When is the company dissolved?**

The company will be dissolved three months after Companies House has filed the liquidator's final account.

**10. Can the dissolution be reversed?**

An application can be made to the Court within six years of the dissolution for a declaration that the dissolution of the company be void.

NOTICE OF FINAL ACCOUNT

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## NOTICE OF FINAL ACCOUNT

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**Company Name:** Total Webworks Limited ("the Company")

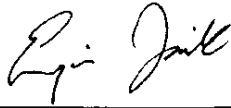
**Company Number:** 04464352

This Notice is given under Rule 5.10 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by the Liquidator, Engin Faik of Cornerstone Business Turnaround and Recovery Limited, 136 Hertford Road, Enfield, Middlesex EN3 5AX (telephone number 020 3793 3338), who was appointed by the members.

The liquidator hereby confirms that:

- (a) the Company's affairs are fully wound up:
- (b) within 14 days of the date of the final account, the Liquidator will deliver a copy of the account to the Registrar of Companies; *and*
- (c) the Liquidator will vacate office and be released under Section 171 of the Insolvency Act 1986 on delivering the final account to the Registrar of Companies.

Signed: \_\_\_\_\_



Dated: 28 May 2020

**Engin Faik**  
**Liquidator**