

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 03174940

Company name in full Hillcrest (U.K.) Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Steven

Surname Wiseglass

3 Liquidator's address

Building name/number St John's Terrace

Street 11-15 New Road

Post town Manchester

County/Region

Postcode M261LS

Country

4 Liquidator's name ①

Full forename(s)

Surname

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number

Street

Post town

County/Region

Postcode


Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report											
From date	^d 1	^d 3	^m 0	^m 2	^y 2	^y 0	^y 2	^y 2				
To date	^d 1	^d 2	^m 0	^m 2	^y 2	^y 0	^y 2	^y 3				
7	Progress report											
	<input checked="" type="checkbox"/> The progress report is attached											
8	Sign and date											
Liquidator's signature	<div>Signature</div> <div>  </div>											
Signature date	^d 0	^d 9	^m 0	^m 3	^y 2	^y 0	^y 2	^y 3				

**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 **Steven Wiseglass**

Company name **Inquesta Corporate Recovery & Insolvency**

Address **St John's Terrace**
11-15 New Road

Post town **Manchester**

County/Region

Postcode **M 2 6 1 L S**

Country

DX

Telephone **03330050080**

**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

Hillcrest (U.K.) Limited – In Creditors’ Voluntary Liquidation (“the Company”)

Liquidator’s Progress Report to Creditors and Members

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HILLCREST (U.K.) LIMITED – IN CREDITORS' VOLUNTARY LIQUIDATION

LIQUIDATORS' PROGRESS REPORT TO CREDITORS AND MEMBERS

FOR THE PERIOD 13 FEBRUARY 2022 TO 12 FEBRUARY 2023

IMPORTANT NOTICE

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. 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 and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

STATUTORY INFORMATION

Company name:	Hillcrest (U.K.) Limited
Registered office:	c/o Inquesta Corporate Recovery & Insolvency St John's Terrace 11-15 New Road Manchester M26 1LS
Former registered office:	Unit 2, 32-34 Station Close Potters Bar EN6 1TL
Registered number:	03174940
Liquidators' name:	Steven Wiseglass
Liquidators' address:	St John's Terrace 11-15 New Road Manchester M26 1LS
Liquidators' date of appointment:	13 February 2020

LIQUIDATORS' ACTIONS SINCE LAST REPORT TO CREDITORS

Since appointment, the Liquidator has performed his statutory duties.

Further details on the background of the Company and the events leading up to the appointment of the Liquidator, and subsequent dealings during the Liquidation, can be found in previous reports to creditors. A copy can be provided upon request.

There is certain work that I am required by the insolvency legislation to undertake in connection with the Liquidation that provides no financial benefit for the creditors. A description of the routine work undertaken since my appointment is contained in Appendix I.

RECEIPTS AND PAYMENTS

My Receipts & Payments Account for the period from 13 February 2022 to 12 February 2023 attached at Appendix II.

The balance of funds is held in an interest-bearing bank account, which has been reconciled to date.

ASSETS

The previous progress reports contain full details of the Company's assets and I refer members and creditors to this report for information.

The following assets have been realised within the reporting period:

Fixtures & Fittings

Further to the previous information detailed within the last report to creditors, the Liquidator has been in correspondence with the Director over these assets, it is understood that these were abandoned at site, the Liquidator instructed a solicitor to assist with these recoveries. The Director instructed her own solicitor to deal with this matter, which were then disputed with the exchange of correspondence. After taking into consideration the ongoing legal costs and quantum of expected recovery, the Liquidator abandoned further recovery action as recoveries would be outweighed by the additional costs incurred.

No further funds are expected in the matter.

Motor Vehicles (van / car / forklift)

Further to the previous information detailed within the last report to creditors the Liquidator has been in correspondence with the Director over these assets, a further £1,000 has been received, after the Director remembered that she actually received £1,400 not £400 for the sale of these items, which she pertains to be an honest omission from previous correspondence in this matter.

The combined total the estate should have received in respect of Fixtures & Fittings and Motor Vehicles is £3,600 inclusive of VAT, the Liquidator has received £1,400 and as such is continuing to liaise with the Director in regards to the outstanding sum of £2,600 inclusive of VAT that is due to the estate. The Liquidator instructed a solicitor to assist with these recoveries. The Director instructed her own solicitor to deal with this matter, which were then disputed with the exchange of correspondence. After taking into consideration the ongoing legal costs and quantum of expected recovery, the Liquidator abandoned further recovery action as recoveries would be outweighed by the additional costs incurred

No further funds are expected in the matter.

Book Debts

The Company had book debts totalling £60,804.59 in respect of completed orders. The amount was made up of 24 debtors. For the purposes of the Statement of Affairs, the book debts were written down by 10% to £54,724.13.

On appointment, the Liquidator fully reviewed the position with a view to maximising payment of the outstanding amounts. The Liquidator obtained access the Company's accounting software, Quickbooks, to obtain copies of all outstanding debtor invoices and issued letters to all known debtors to recovery the amounts due in full.

Within the reporting period £2,432.40 has been remitted, with the amount of £46,267.59 to date being remitted to the Liquidator in respect of these debts, As previously mentioned, some of these debtors paid into the Company bank account prior to its closure. This is reflected within the increased cash at bank realised figure.

The last remaining debtor, who owes £1,734 has entered into a Members Voluntary Liquidation, the Liquidator has lodged his claim within this Liquidation, quantum and timing of a distribution to any class of creditor is unknown, the Liquidator is waiting for the claim to be adjudicated upon.

A further update will be provided to creditors in due course.

Bank Interest

Bank interest of £43.22 has been received during the reporting period, with the sum of £82.08 having been received in total.

Other Assets

There are no other known assets of the Company.

LIABILITIES

Secured Creditors

There is a fixed and floating charge registered on Companies House, in favour of NatWest Bank, by way of an overdraft facility. The charge was created on 5 July 2004 and registered at Companies House on 8 July 2004.

The amount outstanding in respect of the fixed and floating charge is Nil.

Preferential Creditors

Preferential creditors in this case are limited to employees' claims for unpaid wages (subject to a limit of £800), and unpaid holiday pay, which may be subrogated to the Secretary of State following payment by the Redundancy Payments Office (RPO)". We have been made aware and processed claims to date via the RPO for 3 employees.

The Liquidator requested quantum of the level of Preferential Creditors from the RPO who have confirmed that their total preferential claim amounts to £2,322.01

Preferential Creditors also includes the protective award element of any employment tribunal awards. The Liquidator was previously made aware that there was an ongoing employment tribunal in respect of one of the Company employees. The tribunal outcome, could potentially result in a preferential claim being submitted in the Liquidation, relating to the employees' redundancy pay and accrued unpaid holiday pay.

On 5 February 2023, a proof of debt was received from Corker Binning Solicitors in relation to the above, in the sum of £51,440.71. The Redundancy Payments Office ("RPO") had already made a gross payment of £6,300 to the employee, on 20 September 2022, in respect of contractual notice pay and a gross payment of £11,025 was made to the employee on 2 August 2022, in respect their unfair dismissal claim. A total gross payment of £17,325 was therefore made to the employee from the RPO, in respect of the employment tribunal and the sum of £34,115.71 has been used as the amount owed in relation to the employee's claim, within the liquidation.

No claims have been formally adjudicated upon by the Liquidator, these will be adjudicated upon outside the reporting period.

Crown Creditors

The statement of affairs included £26,039 owed to HMRC. HMRC have not yet submitted a claim in the Liquidation and no claims have been formally adjudicated upon by the Liquidator.

Non-preferential unsecured Creditors

The statement of affairs included non-preferential unsecured creditors, excluding Crown creditors as detailed above with an estimated total liability of £171,938. I have received claims totalling £158,619.84. No claims have been formally adjudicated upon by the Liquidator.

DIVIDEND PROSPECTS

Preferential Creditors

Notice of intended dividend was issued to all known preferential creditors on 19 January 2023, with the last date for proving being 16 February 2023, outside the reporting period the Liquidator will adjudicate claims and issue a dividend to preferential creditors no later than 16 April 2023.

Non-preferential unsecured Creditors

It is unlikely that there will be a distribution to non-preferential unsecured creditors. A further update will be provided in due course.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

The Liquidator undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved.

I have reviewed the Company's bank statements since September 2013 until the Company ceasing to trade from the Company's bankers. I have also performed an extensive review of on the Company's accounting and statutory records in order to review the Company's activity in the preceding years prior to the Liquidation.

Within three months of appointment as Liquidator, it is required to submit a confidential report to the Secretary of State, to include any matters which have come to the attention of the Liquidator during the course of their work, which may indicate that the conduct of any past or present Director would make them unfit to be concerned with the management of the Company. I can confirm that the Liquidator submitted a report on 4 May 2020.

From the investigation work, it may be established that there could be a number of antecedent transactions to be recovered. In which case, it may be appropriate to instruct solicitors. It is noted that the Liquidation Committee requested that Surjj Legal Limited be instructed on a speculative basis to assist with further investigations. To date, the Liquidator has not received a formal letter of engagement confirming these instructions. Should the Liquidator consider it necessary to instruct a Solicitor, an update will be provided to creditors in due course.

LIQUIDATOR'S COMMITTEE

At a meeting of creditors held virtually on 24 March 2021, a resolution was passed for the formation of a Liquidation Committee.

A Liquidation Committee was duly constituted and the membership is as follows:-

1. Mr Ronnie Ilan of Surjj Legal Limited, being the duly authorised representative of FL.C. (UK) Limited.
2. Mr Paul Katerberg, being the duly authorised representative of Coloringinz b.v. formerly Greens Connect.
3. Mr Paul Morris of BCL Solicitors LLP, being the duly authorised representative of Mr Scott Crosswell.

The Liquidation Committee previously met on 24 March 2021 and 29 April 2021. Reports have been issued to the Liquidation Committee, as follows:

Report to Liquidation Committee	Period Commenced	Period Ended	Issued to Committee Members
First Report	13 February 2021	10 September 2021	20 September 2021
Second Report	11 September 2021	10 March 2022	12 April 2022

LIQUIDATOR'S REMUNERATION

The Liquidation Committee held a meeting on 29 April 2021, whereby they authorised the Liquidator, to be able to receive remuneration and disbursements in accordance with the Liquidator's Fee Proposal, dated 3 March 2021.

The Liquidator is duly authorised to draw his fees on a mixture of a fixed fee and percentage basis as follows:

- £7,000 including VAT and disbursements for assistance of preparing the Statement of Affairs.
- £5,000 plus VAT for the first 12 months of the Liquidation.
- £2,500 plus VAT for each subsequent year of the Liquidation.
- 35% plus VAT of any asset realisations.
- 35% plus VAT of any distributions made to creditors.

The Statement of Affairs fee of £7,000 including VAT has been discharged in full.

The sum of £1,000 plus VAT is to be paid to Concept Accountancy for assistance with the preparation of the Statement of Affairs.

Set out below is a breakdown of how the Liquidator has calculated and drawn his remuneration:

Nature of asset	Percentage approved	Realisation figure	Authorised to draw	Amount drawn in previous reporting periods	Amount drawn in current reporting period	Amount still to be drawn
	%	£	£	£	£	£
Book debts	35%	46,298.45	16,204.46	14,715.89	Nil	1,488.57
Cash at bank	35%	19,422.01	6,797.70	6,797.70	Nil	Nil
Van & forklift	35%	1,400.00	490.00	490.00	Nil	Nil
Bank interest	35%	82.08	28.73	13.60	Nil	15.13
Total		67,202.54	23,520.89	22,017.19	Nil	1,503.70

Fixed Fee Remuneration

Fee Basis	Authorised to Draw	Amount drawn in previous reporting periods	Amount drawn in current reporting period	Amount still to be drawn
	£	£	£	£
First Year of Liquidation (13/02/2020 - 12/02/2021)	5,000.00	5,000.00	-	-
Second Year of Liquidation (13/02/2021 - 12/02/2022)	2,500.00	2,500.00	-	-
Third Year of Liquidation (13/02/2022 - 12/02/2023)	2,500.00	-	-	2,500.00
Total	10,000.00	7,500.00	Nil	2,500.00

The Liquidator will draw the outstanding remuneration outside the reporting period.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Administrators' Fees'

published by the R3, together with an explanatory note which shows Inquesta Corporate Recovery & Insolvency's fee policy are available at the link <https://www.inquesta.co.uk/resources/creditors-guides/>. Please note that there are different versions of the Guidance Notes, and in this case, you should refer to the April 2021 version. A hard copy of both documents can be obtained on request from this office.

I have undertaken routine statutory and compliance work, such as filed a notice of my appointment at Companies House and advertised my appointment in the London Gazette. These are tasks that are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, and whilst they do not produce any direct benefit for creditors, they still have to be carried out.

LIQUIDATOR'S EXPENSES

The following expenses have been incurred during the Liquidation:

Type of expense	Amount incurred/ accrued in the reporting period
Specific Bond	£316.00
Statutory Advertising	£139.30

I have used the following professional advisors since my appointment:

Professional Advisor	Nature of Work	Basis of Fees	Amount £
BPI Asset Advisory	Valuers/Auctioneers	Fixed Fee	1,300
Foreman & Co	Solicitors	Time Costs	1,292

The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also considered that the basis on which they will charge their fees represented value for money. I have reviewed the charges they have made and am satisfied that they are reasonable in the circumstances of this case. These costs have been discharged in full.

It should be noted that the Professional Advisors listed is not considered an associate of the office holder and have acted independently in relation to the assignment.

BPI Asset Advisory ("BPI")

BPI Asset Advisory were instructed to provide a valuation on the Company assets on a fixed fee basis, their costs to date are £1,300 plus VAT, no further costs are expected in this matter.

Foreman & Co

Foreman & Co were instructed by the Liquidator to assist with the recovery of funds from the Director in respect of Motor Vehicles and Fixtures & Fittings on a time cost basis, costs to date are £1,292 plus VAT, this sum will be discharged outside the reporting period. As further recoveries have been abandoned no further costs are expected in this matter.

FURTHER INFORMATION

An unsecured creditor may, with the permission of the Court, or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), request further details of the Liquidator's remuneration and expenses within 21 days of their receipt of this final account. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the Court, or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to Court to challenge the amount of remuneration charged by the Liquidator as being excessive, and/or the basis of the Liquidator's remuneration, and/or the amount of the expenses incurred as being excessive, within 8 weeks of their

receipt of this final account. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about Inquesta Corporate Recovery & Insolvency can be found at <http://www.inquesta.co.uk>.

SUMMARY

The Liquidation will remain open until all investigations and all assets have been fully resolved, timings for this are unknown, once resolved the Liquidation will be finalised and our files will be closed.

If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Kat Davies on 03330050080, or by email at kat.davies@inquesta.co.uk.

A handwritten signature in black ink, appearing to read 'SE L' with a long horizontal stroke extending to the right.

Steven Wiseglass
Liquidator
Hillcrest (U.K.) Limited

Appendix I – Schedule of Liquidator’s Work

1. Administration

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Setting up electronic case files
- Setting up the case on the practice's electronic case management system and entering data.
- Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment.
- Obtaining a specific penalty bond.
- Convening and holding general meetings of creditors and members.
- Dealing with all routine correspondence and emails relating to the case.
- Opening, maintaining and managing the office holder's estate bank account.
- Creating, maintaining and managing the office holder's cashbook.
- Undertaking regular bank reconciliations of the bank account containing estate funds.
- Reviewing the adequacy of the specific penalty bond on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.
- Preparing, reviewing and issuing annual progress reports to creditors and members.
- Filing returns at Companies House.
- Preparing and filing VAT returns.
- Preparing and filing Corporation Tax returns.

1. Creditors

- Obtaining information from the case records about employee claims.
- Completing documentation for submission to the Redundancy Payments Office.
- Corresponding with employees regarding their claims.
- Liaising with the Redundancy Payments Office regarding employee claims.
- Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
- Maintaining up to date creditor information on the case management system.
- Issuing a notice of intended dividend and placing an appropriate gazette notice.
- Reviewing proofs of debt received from creditors.

Appendix II - **Liquidator's Receipts and Payments Account for the Year Ending 12 February 2023**

Hillcrest (U.K.) Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £		From 13/02/2022 To 12/02/2023 £	From 13/02/2020 To 12/02/2023 £
	HIRE PURCHASE		
11,880.00	Motor Vehicle	NIL	NIL
(12,070.99)	Lombard North Central Plc	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
	Bank Interest Gross	43.22	82.08
54,724.13	Book Debts	2,463.26	46,298.45
13,638.02	Cash at Bank	NIL	19,422.01
2,500.00	Fixtures and Fittings	NIL	NIL
2,000.00	Van & Forklift	NIL	1,400.00
		2,506.48	67,202.54
	COST OF REALISATIONS		
	Agents/Valuers Fees (1)	NIL	1,300.00
	Office Holders Fees	NIL	29,517.19
	Preparation of S. of A.	1,000.00	8,000.00
	Specific Bond	NIL	316.00
	Statutory Advertising	NIL	139.30
		(1,000.00)	(39,272.49)
	UNSECURED CREDITORS		
(3,039.00)	HMRC - CT	NIL	NIL
(23,000.00)	HMRC - VAT	NIL	NIL
(171,938.00)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(31,000.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(156,305.84)		1,506.48	27,930.05
	REPRESENTED BY		
	Bank 1 Deposit		20,075.55
	Vat Control Account		7,854.50
			27,930.05



Steven Wiseglass
Liquidator