

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

**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

Our ref: SW/A1341
Your ref:
Date: 24 February 2022

St John's Terrace
11-15 New Road
Manchester
M26 1LS

0333 005 0080
0161 723 4684
info@inquesta.co.uk
inquesta.co.uk

TO ALL KNOWN MEMBERS & CREDITORS

Dear Sirs,

Re: Hillcrest (u.k.) Limited in Creditors Voluntary Liquidation ("the Company")

I refer to my appointment as liquidator of the Company on the 13 February 2020.

I have now prepared a report on the progress of the Liquidation for the period 13 February 2021 to 12 February 2022. This report should be read in conjunction with my previous reports.

A copy of 'A Creditors Guide to Liquidators' Fees' published by the Association of Business Recovery Professionals, together with an explanatory note which shows Inquesta's fee and disbursement policy are available at the link <https://www.inquesta.co.uk/resources/creditors-guides/>. A hard copy of these documents can be obtained on request from this office.

Steven Wiseglass is licensed in the United Kingdom to act as an insolvency practitioner by the Insolvency Practitioners Association and is bound by the Insolvency Code of Ethics.

Should you have any queries regarding this matter please do not hesitate to contact Kat Davies by email at kat.davies@inquesta.co.uk, or by phone on 03330050080.

Yours faithfully



Steven Wiseglass MIPA
Liquidator
Hillcrest (u.k.) Limited

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 2021 TO 12 FEBRUARY 2022

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 2021 to 12 February 2022 attached at Appendix I.

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

ASSETS

Cash at Bank

Upon appointment, the Liquidator contacted the Company's bank and requested any credit balance be remitted accordingly. The sum of £19,422.10 was remitted into the Liquidators bank account, which was

higher than the anticipated amount of £13,638.02. Some of the company debtors paid into the Company bank account, prior to its closure.

Fixtures & Fittings

An independent valuation of the Company's leased and unencumbered equipment, was undertaken on 3 January 2020 by BPI Asset Advisory, who are a member of Royal Institute of Chartered Surveyors ("the Agents").

The Agents placed a value on the equipment of £2,500 plus VAT on an in-situ basis. The valuation figure included in the statement of affairs, was obtained from the full set of accounts provided. To date, no funds have been received.

The Director was previously in communication with other fresh cut foliage wholesalers, in an attempt to achieve a relatively quick sale and achieve the value the agents have stated. Unfortunately, this was unsuccessful.

It is understood that this sale did not complete and that the agents had placed an ex-situ valuation on these items of £1,000 plus VAT. It is understood that these items were abandoned.

As the above transaction was considered a disposal of Company assets at a lesser value, correspondence was issued to the Director on 24 March 2020 requesting this amount of £1,000 plus VAT. No funds have been received to date and recoveries are ongoing and an update will be provided to creditors in due course.

Motor Vehicles (van / car / forklift)

The Company had an Audi A5 motor vehicle, which was subject to a Finance agreement with Lombard North Central PLC. The director returned the vehicle to the finance provider, prior to appointment. Following a review of the value of the vehicle, after the discharge of the outstanding finance, there was nil equity available.

The Company owned two vehicles outright; a Caterpillar GP18N LPG forklift truck and a Mercedes Sprinter 313 CDI diesel panel van. The Liquidator was only made aware of the vehicle and forklift after his appointment and as such, these were omitted from the statement of affairs. The Director confirmed she would provide details of industry contacts, who may be interested in purchasing the vehicles for a fair and swift sale.

Whilst awaiting for the contact details, the Director was made aware that the Liquidator would have to give consent for the sale of the vehicles. However, on 12 March 2020, the Director confirmed that she had sold both of the vehicles to a stranger who had contacted her to purchase the items, for the sum of £400. The sum of £400 was remitted into the liquidation accordingly.

The Liquidator contacted the Agents, in order to ascertain whether the transaction was at an undervalue. In the event that the vehicles were scrapped, the Agents confirmed that the vehicles would have obtained anticipated combined sale proceeds of £2,000.

As the above transaction was considered a transaction at an undervalue, correspondence was issued to the Director on 24 March 2020 requesting the shortfall of £1,600 be introduced personally, into the Liquidation. The Director has since, made admissions that the vehicles were sold for £1,400. The sum of £1,000 has been received during the reporting period, with the sum of £1,400 having been remitted to date. The amount of £1,000 inclusive of VAT is outstanding, recoveries are ongoing and an update will be provided to creditors in due course.

Book Debts

The Company had book debts totalling £60,804.59 in respect of completed orders. The amount was made up of 23 debtors. For the purposes of the statement of affairs, the book debts were written down by 10%.

With a view to maximising payment of the outstanding amounts, the Liquidator reviewed the position on appointment. 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 recover the amounts due in full.

To date, the amount of £43,835.19 has been remitted into the Liquidation, with the sum of £4,242.08 having been received during the reporting period.

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. There are 5 debtors outstanding, which amount to £7,417.34. The recovery of the book debts is ongoing and if deemed necessary, the Liquidator will pursue the funds through formal legal action.

The Liquidator has been informed that one of these debtors who owes £1,234.20 has entered into a Creditors 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 has been informed that one of these debtors who owes £1,676.24 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, but owing to the solvency declared by directors, full payment is expected.

An update will be provided to creditors in due course.

Other Assets

There are no other known assets of the Company.

LIABILITIES

Secured Creditors

It is noted that Companies House states that the Company has a fixed and floating charge by way of an overdraft facility in favour of NatWest Bank 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

The Liquidator has been made aware that there is an ongoing employment tribunal in respect of one of the Company employees. The outcome of the tribunal, may result in a preferential claim being submitted in the Liquidation relating to the employees' redundancy pay and accrued unpaid holiday pay. An update in relation to the tribunal, will be provided to creditors in due course.

Crown Creditors

The statement of affairs included £26,039 owed to HMRC. HMRC have not yet submitted a claim in the Liquidation. 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 £96,154.13. No claims have been formally adjudicated upon by the Liquidator.

DIVIDEND PROSPECTS

Preferential Creditors

Based upon current information, it is likely that preferential creditors may be paid in full. The Liquidator will be issuing a notice of intended dividend to preferential creditors outside the report period once the employment tribunal matters have been concluded and any subrogated award by the Redundancy Payments Office can be processed. A further update will be provided in due course.

Non-preferential unsecured Creditors

It is also 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 had 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, he will provide full details in his next report.

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 has met on 24 March 2021 and 29 April 2021, with the first report to the Liquidation Committee for the period 13 February 2021 to 10 September 2021 being issued to Committee members on 20 September 2021. The next report to Committee members will be issued shortly after the 10 March 2022.

LIQUIDATOR'S REMUNERATION

The Liquidation Committee held a meeting on 29 April 2021 whereby they authorised that the Liquidator is 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:

Percentage Based 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%	43,835.19	15,342.32	-	14,715.89	626.43
Cash at Bank	35%	19,422.01	6,797.70	-	6,797.70	-
Van & Forklift	35%	1,400.00	490.00	-	490.00	-
Bank interest	35%	38.86	13.60	-	13.60	-
Total		64,696.06	22,643.62	-	22,017.19	626.43

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	-	5,000	-
Second Year of Liquidation (13/02/2021 - 12/02/2022)	2,500	-	2,500	-
Total	7,500	-	7,500	-

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 Liquidators' Fees' also published by R3, together with an explanatory note which shows Inquesta'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 latest version.

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

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 Asset Advisory were instructed to provide a valuation on the Company assets.

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

- 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.

2. Investigations

- Liaising with the Insolvency Service.

Appendix II – **Liquidator’s Receipts & Payments Account**

Hillcrest (u.k.) Limited
(In Liquidation)
Liquidator's Summary of Receipts and Payments

	Statement of affairs £	From 13/02/2021 To 12/02/2022 £	From 13/02/2020 To 12/02/2022 £
RECEIPTS			
Motor Vehicle	11,880.00	0.00	0.00
Fixtures and Fittings	2,500.00	0.00	0.00
Van & Forklift	2,000.00	1,000.00	1,400.00
Book Debts	54,724.13	4,242.08	43,835.19
Cash at Bank	13,638.02	0.00	19,422.01
Bank Interest Gross		3.44	38.86
		<u>5,245.52</u>	<u>64,696.06</u>
PAYMENTS			
Lombard North Central Plc	(12,070.99)	0.00	0.00
Specific Bond		316.00	316.00
Preparation of S. of A.		7,000.00	7,000.00
Office Holders Fees		29,517.19	29,517.19
Agents/Valuers Fees (1)		0.00	1,300.00
Statutory Advertising		139.30	139.30
Trade & Expense Creditors	(171,938.00)	0.00	0.00
HMRC - CT	(3,039.00)	0.00	0.00
HMRC - VAT	(23,000.00)	0.00	0.00
Ordinary Shareholders	(31,000.00)	0.00	0.00
Vat Control Account		7,394.50	7,654.50
		<u>44,366.99</u>	<u>45,926.99</u>
BALANCE - 12 February 2022		<u>(39,121.47)</u>	<u>18,769.07</u>
MADE UP AS FOLLOWS			
Bank 1 Deposit		(39,121.47)	18,769.07
		<u>(39,121.47)</u>	<u>18,769.07</u>



Steven Wiseglass
Liquidator