

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

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

### 1 Company details

Company number 0 3 1 7 4 9 4 0

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 M 2 6 1 L S

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

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**6** Period of progress report

|           |                |                |                |                |                |                |                |                |
|-----------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| From date | <sup>d</sup> 1 | <sup>d</sup> 3 | <sup>m</sup> 0 | <sup>m</sup> 2 | <sup>y</sup> 2 | <sup>y</sup> 0 | <sup>y</sup> 2 | <sup>y</sup> 0 |
| To date   | <sup>d</sup> 1 | <sup>d</sup> 2 | <sup>m</sup> 0 | <sup>m</sup> 2 | <sup>y</sup> 2 | <sup>y</sup> 0 | <sup>y</sup> 2 | <sup>y</sup> 1 |

**7** Progress report

☒ The progress report is attached

**8** Sign and date

Liquidator's signature

Signature

X

*SB*

X

Signature date

|                |                |                |                |                |                |                |                |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <sup>d</sup> 0 | <sup>d</sup> 2 | <sup>m</sup> 0 | <sup>m</sup> 3 | <sup>y</sup> 2 | <sup>y</sup> 0 | <sup>y</sup> 2 | <sup>y</sup> 1 |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|

LIQ03

## Notice of progress report in voluntary winding up

**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 &<br>Insolvency |
| Address       | St John's Terrace<br>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](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)

# 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 2020 TO 12 FEBRUARY 2021**

#### **STATUTORY INFORMATION**

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

#### **LIQUIDATORS' ACTIONS SINCE APPOINTMENT**

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 2020 to 12 February 2021 attached at Appendix 1.

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

#### **ASSETS**

##### Cash at Bank

On appointment the Liquidator contacted the Company's bank and requested any credit balance be remitted accordingly. An amount totalling £19,422.10 was remitted into the Liquidators bank account.

This figure was higher than the anticipated amount of £13,638.02 as some of the debtors paid into the Company account prior to its closure.

#### Fixtures & Fittings

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

The Agents have placed a value on the equipment of £2,500 plus VAT on an in-situ basis. For the purposes of the Statement of Affairs, the valuation figure has been obtained from the most recent full set of accounts.

The director was in communication with other fresh cut foliage wholesalers, to attempt to achieve a relatively quick sale and achieve the value the agents have stated, unfortunately this was unsuccessful. The Liquidator will now review the position to potentially seek to market the stock and realise the maximum amount obtainable, should it be viable to do so.

It is understood that this sale did not complete and the Liquidator is in correspondence with the Director over these assets, it is noted that the agents had placed an ex-situ valuation on these items of £1,000 plus Vat. The Liquidator will review this position, taking into account the condition of these items, the cost of removal and marketing costs in light of the current economic climate. An update will be provided to creditors within the next report.

#### Motor Vehicles (van / car / forklift)

The Company had a motor vehicle, an Audi Q5, which was subject to a Finance agreement with Lombard North Central PLC. Prior to appointment the director returned the vehicle to the finance provider. Following a review of the value of the vehicle, there was no equity available after the outstanding finance was offset against the vehicle.

The Company also owned a Van and Forklift, a Caterpillar GP18N LPG Forklift Truck and Mercedes Sprinter 313 CDI Diesel Panel Van, which was owned outright by the Company. This was omitted from the Statement of Affairs, due to an administration error. Upon appointment the Liquidator became aware of the vehicle and forklift and the Director confirmed she would provide industry contacts, who may be interested in purchasing the vehicle for a fair and swift sale.

Whilst waiting for the list of contacts to be provided and despite the Director being aware that no sale of this vehicle should take place without the consent of the Liquidator, on 12 March 2020, the Director advised she had sold both the Van and Forklift for £400.00 to a stranger who had contacted her to purchase the items. The £400.00 was remitted to the liquidator accordingly.

The Liquidator contacted the Agents, regarding this sale, to ascertain if the assets were sold at undervalue and as to what extent. They confirmed that it would be anticipated that should the items have been scrapped; they would have achieved a higher amount than the £400.00. It would be anticipated that the Van and Forklift should achieve £2,000.00 combined.

On this basis a letter was issued to the Director 24 March 2020, that it is considered, that this was a transaction at undervalue, as such the remaining balance is due by her to the Company. The Director is disputing the amount of £1,600.00 due and Liquidator continues to liaise with the Director regarding this matter. If deemed necessary, the Liquidator will pursue the funds, through formal legal action.

#### 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%.

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.

To date the amount of £39,593.11 has been remitted to the Liquidator in respect of these debts, as 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 11 debtors outstanding, amounting to £13,904.12 and the recovery of the book debts is ongoing, 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.

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

There may be preferential claims in the Liquidation relating to employees' redundancy pay and accrued unpaid holiday pay. These claims are most likely to be subrogated via The Redundancy Payments Office, to date no formal claim has been submitted.

#### 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 £76,269.28, 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 fee approval has been received.

### Non-preferential unsecured Creditors

It is also likely that there may 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. Should the Liquidator consider it necessary to instruct a solicitor, he will provide full details in his next report.

### **PRE-APPOINTMENT REMUNERATION**

The director's report stated that the Statement of Affairs fee for assistance in the preparation of the documentation to place the Company into Liquidation is £7,000 inclusive of disbursements and VAT. It is envisaged that these will be paid from the realisation of the Company's assets.

There will be sufficient funds to discharge this fee in full from asset realisations and the Liquidator seeks approval from creditors to do so.

The Liquidator also seek authority to pay Concept Accountancy, £1,000 plus VAT for assistance with the preparation of the Statement of Affairs.

### **LIQUIDATOR'S REMUNERATION AND EXPENSES**

Since I was appointed Liquidator, the van and forklift has been sold as detailed earlier in this report. Book debts have also been received.

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.

The following agents or professional advisors have been utilised in this matter:

| Professional Advisor                   | Nature of Work      | Fee Arrangement |
|--|---------------------|-----------------|
| Royal Institute of Chartered Surveyors | Valuers/Auctioneers | Fixed Fee       |



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.

To date £1,300.00 plus VAT has been paid to Royal Institute of Chartered Surveyors for their assistance with valuation and sale of the Company's stock, fixtures and fittings, no further costs are expected.

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 | £142.00  |

I have not been able to draw any expenses in this matter. Its noted that there may be an increase to the bond premium depending upon funds received.

Expenses do not have to be approved, but when reporting to the committee and creditors during the Liquidation the actual expenses incurred will be compared with the original estimate provided and I will explain any material differences (e.g. where legal costs rise due to escalated recovery action).

In this case I am seeking to fix the basis of my remuneration on more than one basis as detailed below:

Fixed fee basis:

There are certain tasks that I must carry out on nearly every Liquidation, namely Administration and Creditors. Although they are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, they do not produce any direct benefit for creditors, but still must be carried out.

**Administration:** This represents the work that is involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holder and their managers. It does not give direct financial benefit to the creditors, but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

**Creditors:**

**Employees –** There were claims made by employees, including the director, to the Redundancy Payments Office ("RPO"). The office holder needs to deal with these claims to ensure that their claims are processed appropriately by the RPO. That work will include dealing with queries received from both the directors and the RPO to facilitate the processing of the claims. The office holder is required to undertake this work as part of his statutory functions. This has included dealing with employment tribunal claims.

**Claims of creditors -** the office holder needs maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of his statutory functions.

After taking into account the nature and value of the assets involved and that this is a routine case as highlighted above, I have concluded that a fixed fee of £5,000 plus VAT is necessary to cover that work and an annual fee of £2,500 plus VAT to continue to administer the case. I have also compared the proposed fixed fee with our past time records for undertaking the work in respect of cases of a similar size and complexity and taken that into account when determining the level of the fixed fee

sought, and as a result I believe that this demonstrates why the fixed fee is expected to produce a fair and reasonable reflection of the work that I anticipate will be necessarily and properly undertaken. Full information about the work that I will undertake for the fixed fee is contained in Appendix I.

#### Percentage basis:

There are certain tasks that I only have to carry out where there are assets to recover. They may produce a direct benefit for creditors, but are subject to the costs of the proceedings generally. I undertake the work to protect and then realise the assets, initially at my own cost, suffering the loss if any asset is not realisable. If assets are recovered, I first recover my costs and then distribute any balance. I am seeking to recover a percentage of the assets that I realise in order to remunerate me for the work that I undertake in respect of realising them. The percentage I propose to charge will also share the anticipated benefit with the creditors. I am seeking to recover the following percentages:

| Nature of asset | Estimated to<br>Realise values (£) | Percentage being<br>sought (%) | Anticipated Fee |
|-----------------|------------------------------------|--------------------------------|-----------------|
| Van & Forklift  | 2,000                              | 35%                            | 700             |
| Book Debts      | 54,724.13                          | 35%                            | 19,153.44       |
| Cash at Bank    | 19,422.10                          | 35%                            | 6,797.73        |
| Fixtures        | 2,500                              | 35%                            | 875             |

I believe the percentage I am seeking for asset realisations approval for reflects the risk that I am taking, the nature of the assets involved, and the complexity of the Liquidation, as highlighted above. I have also compared the proposed percentage for which approval is being sought and taken that into account when determining the percentage being sought. As a result, I believe that this demonstrates why the percentage proposed is expected to produce a fair and reasonable reflection of the work that I anticipate will be necessarily and properly undertaken.

Based on known assets, the Liquidator anticipates drawing remuneration on a percentage basis of £27,526.17 plus VAT. This fee represents the maximum fee available should the assets be realised in line with the estimated realisation figures.

Whilst I am required to maintain records of creditors' claims in all cases, in those cases where sufficient realisations are made to enable me to pay a dividend to creditors, I have to undertake certain statutory formalities. This includes writing to all creditors who have not lodged proofs of debt and reviewing the claims and supporting documentation lodged by creditors in order to formally agree their claims, which may involve requesting additional information and documentation from the creditors. I am seeking to recover 35% plus VAT of any distributions made, to reflect the additional work required. I believe the percentage I am seeking approval for distributions reflects the number of creditors involved and the complexity of the Liquidation, as highlighted above.

Full information about the work that I will undertake as a percentage of realisations and distributions is contained in Appendix I.

The amount of fees may vary up or down depending on the level of realisation, we have provided an estimate of the maximum amount of fees which are likely to be drawn during this assignment.

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.

## **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](mailto:kat.davies@inquesta.co.uk).



**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

- Submitting an online return on the conduct of the directors as required by the Company Directors Disqualification Act.
- Liaising with the Insolvency Service.

## Appendix II – Liquidator's Receipts & Payments Account

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

| Statement<br>of Affairs<br>£ |                           | From 13/02/2020<br>To 12/02/2021<br>£ | From 13/02/2020<br>To 12/02/2021<br>£ |
|------------------------------|---------------------------|---------------------------------------|---------------------------------------|
|                              | 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       | 35.42                                 | 35.42                                 |
| 54,724.13                    | Book Debts                | 33,359.35                             | 33,359.35                             |
| 13,638.02                    | Cash at Bank              | 19,422.01                             | 19,422.01                             |
| 2,500.00                     | Fixtures and Fittings     | NIL                                   | NIL                                   |
| 2,000.00                     | Van & Forklift            | 400.00                                | 400.00                                |
|                              |                           | 53,216.78                             | 53,216.78                             |
|                              | COST OF REALISATIONS      |                                       |                                       |
|                              | Agents/Valuers Fees (1)   | 1,300.00                              | 1,300.00                              |
|                              |                           | (1,300.00)                            | (1,300.00)                            |
|                              | 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                                   |
| <b>(156,305.84)</b>          |                           | <b>51,916.78</b>                      | <b>51,916.78</b>                      |
|                              | REPRESENTED BY            |                                       |                                       |
|                              | Bank 1 Deposit            |                                       | 51,656.78                             |
|                              | Vat Receivable            |                                       | 260.00                                |
|                              |                           |                                       | <b>51,916.78</b>                      |



Steven Wiseglass  
Liquidator