

# 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 6 7 7 6 2 4 0

Company name in full Crest Global Automotive UK Ltd

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) Andrew

Surname Little

### 3 Liquidator's address

Building name/number Bede House

Street 3 Belmont Business Park

Post town Durham

County/Region

Postcode D H 1 1 T W

Country

### 4 Liquidator's name ①

Full forename(s) Kerry

Surname Pearson

#### ① Other liquidator

Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number Bede House

Street 3 Belmont Business Park

Post town Durham

County/Region

Postcode D H 1 1 T W

Country

#### ② Other liquidator

Use this section to tell us about  
another liquidator.

# LIQ03

## Notice of progress report in voluntary winding up

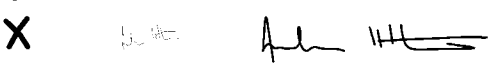

### 6 Period of progress report

From date	<sup>d</sup> 2	<sup>d</sup> 0	<sup>m</sup> 1	<sup>m</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9	
To date	<sup>d</sup> 1	<sup>d</sup> 9	<sup>m</sup> 1	<sup>m</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0	

### 7 Progress report

<input checked="" type="checkbox"/> The progress report is attached	
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### 8 Sign and date

Liquidator's signature	Signature 								
Signature date	<sup>d</sup> 2	<sup>d</sup> 3	<sup>m</sup> 1	<sup>m</sup> 1	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0	

**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 **Andrew Little**

Company name **Azets**

Address **Bede House**

**3 Belmont Business Park**

Post town

County/Region **Durham**

Postcode **D H 1 1 T W**

Country

DX

Telephone **0191 411 2468**

**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)**

Crest Global Automotive UK Ltd  
(In Liquidation)  
Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 20/10/2019 To 19/10/2020 £	From 20/10/2016 To 19/10/2020 £
ASSET REALISATIONS		
Antecedent Transaction Recoveries	2,500.00	2,500.00
Bank Interest Gross	0.61	0.81
Cash at Bank	NIL	6,459.68
	<u>2,500.61</u>	<u>8,960.49</u>
COST OF REALISATIONS		
Accounting Fees	NIL	500.00
Preparation of Statement of Affairs	137.68	5,000.00
	<u>(137.68)</u>	<u>(5,500.00)</u>
	<u>2,362.93</u>	<u>3,460.49</u>
REPRESENTED BY		
Estate Current Account		3,432.96
Vat Receivable		27.53
		<u>3,460.49</u>

# **Joint Liquidators' Annual Progress Report to Creditors & Members**

**Crest Global Automotive UK Ltd  
- In Liquidation**

**For the Period ending 19 October 2020**

**Dated: 23 November 2020**

## **CREST GLOBAL AUTOMOTIVE UK LTD - IN LIQUIDATION**

### **CONTENTS**

- 1** Introduction and Statutory Information
- 2** Receipts & Payments
- 3** Progress of the Liquidation
- 4** Creditors
- 5** Joint Liquidators' Remuneration
- 6** Creditors' Rights
- 7** Next Report

### **APPENDICES**

- A** Receipts and Payments Account for the Period from 20 October 2019 to 19 October 2020 incorporating a Cumulative Receipts and Payments Account since the Joint Liquidators' Appointment
- B** Additional information in relation to Joint Liquidators' Fees, Expenses & Disbursements

**1 Introduction and Statutory Information**

- 1.1 Peter William Gray and Kerry Pearson of Baldwins Restructuring and Insolvency Limited, Rowlands House, Portobello Road, Birtley, Chester le Street, DH3 2RY, were appointed as Joint Liquidators of Crest Global Automotive UK Ltd (the Company) on 20 October 2016.
- 1.2 Andrew Little of Baldwins Restructuring and Insolvency Limited, Rowlands House, Portobello Road, Birtley, Chester le Street, DH3 2RY replaced Peter William Gray as Joint Liquidator on 23 June 2017, following an order granted in the High Court of Justice, Newcastle Upon Tyne District Registry.
- 1.3 On 7 September 2020 Baldwins Holdings Limited changed its name to Azets Holdings Limited and trades as Azets.
- 1.4 Information about the way that we will use, and store personal data on insolvency appointments can be found at <https://www.azets.co.uk/about-us/privacy-cookie-policy/>. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.5 The principal trading address of the Company was Midland Bank Chambers, 6a North Terrace, Seaham, County Durham, SR7 7EU.
- 1.6 The registered office of the Company has been changed to Bede House, 3 Belmont Business Park, Durham, DH1 1TW and its registered number is 06776240.

**2 Receipts and Payments**

- 2.1 At Appendix A is our Receipts and Payments Account covering the Period of this report incorporating a cumulative Receipts and Payments Account for the period from the date of our appointment as Joint Liquidators to the end of the Period covered by this report.
- 2.2 In Section 3 below, you will find an update on the progress made during the Period in realising the Company's assets and dealing with its affairs.

**3 Progress of the Liquidation**

- 3.1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period and an explanation of the work done by the Joint Liquidators and their staff.
- 3.2 During this Period the we have prepared and issued a progress report to the members and creditors of the Company, a copy of which has been filed at Companies House. We have prepared and submitted a Corporation Tax return and corresponded with HM Revenue and Customs in relation to VAT.
- 3.3 We have undertaken file reviews in order to monitor the progress of the case and maintained an up to date account of receipts and payments.
- 3.4 We have continued to pursue the former director in relation to a claim for misfeasance, further details of which are set out below.

***Administration (including statutory compliance & reporting)***

- 3.5 An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work we anticipated would need to be done in this area was outlined to creditors in our initial fee's information.

3.6 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Joint Liquidators.

3.7 As noted in our initial fee's information, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

**Realisation of Assets**

**3.8 Bank Interest**

3.9 We have received the sum of £0.61 by way of bank interest during the period.

**3.10 Misfeasance Claim**

3.11 As noted in our previous report, following our investigations into the Company's affairs and dealings we have asserted a claim for misfeasance against the former director of the Company.

3.12 The claim relates to a number of complex transactions which have taken place at a time when HM Revenue & Customs had a contingent debt of circa £200,000 that it was unable to pay if upheld.

3.13 Ward Hadaway Law Firm were engaged to assist us with this claim and a substantive letter of claim was issued to the director who has engaged legal advisors to assist defend the claim.

3.14 Correspondence has been going back and forth between the parties involved. The director advised that he would not settle the claim.

3.15 We have since assigned the claims to Manolete, a specialist litigation and claims acquisition company, due to the lack of realisations within the liquidation to enable litigation of the claims to be progressed.

3.16 Manolete are able to bring a fresh and open approach to the matter and will hopefully be able to engage constructively with the defending party to arrive at a sensible commercial solution. Where this is not possible, Manolete will litigate the matter through to final resolution, whether that be reached in mediation, or through arbitration or in Court. It was considered that this was the most cost-effective way to pursue this claim.

3.17 During the Period, we have received the sum of £2,500 from Manolete.

3.18 It is considered that the work the Joint Liquidators and their staff have undertaken to date may bring a financial benefit to creditors. This may be a distribution to secured creditors of the Company only (from which a Prescribed Part fund may be derived for the benefit of unsecured creditors) or may, depending on realisations and the extent of any 3<sup>rd</sup> party security, result in a distribution to the preferential and unsecured creditors of the Company.

***Creditors (claims and distributions)***

3.19 Further information on the anticipated outcome for creditors in this case can be found at section 3 of this report. The Joint Liquidators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.

3.20 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.

3.21 The above work will not necessarily bring any financial benefit to creditors generally, however the Joint Liquidators are required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Joint Liquidators in dealing with those claims.

3.22 We consider the following matters worth noting in our report to creditors at this stage:

- There are approximately 2 unsecured creditor claims in this case with a value per the directors' statement of affairs of £225,000.
- There are no secured charges registered at Companies House.
- There have been no preferential claims received in this matter.

#### ***Investigations***

3.23 You may recall from our first progress report to creditors that some of the work the Joint Liquidators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (**CDDA 1986**) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Joint Liquidators can pursue for the benefit of creditors.

3.24 Our report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the first year of the liquidation and is confidential.

3.25 Since our last progress report we would advise that no further asset realisations have come to light that may be pursued by us for the benefit of creditors.

#### ***Matters still to be dealt with***

3.26 As detailed above, the only matter remaining to be dealt with is the claim for misfeasance against the former director.

### **4 Creditors**

#### ***Unsecured Creditors***

4.2 We have received claims totalling £231,773.01 from 1 creditor. We have yet to receive claims from 1 creditor whose debts total £13,000.00 as per the Company's statement of affairs.

4.3 The Company did not grant any floating charges to a secured creditor. Accordingly, there is no requirement to create a fund out of the Company's net floating charge property for unsecured creditors (known as the **Prescribed Part**), which only applies to charges created after 15 September 2003.

4.4 We would confirm that it is anticipated there will be insufficient funds realised after defraying the expenses of the liquidation to pay a dividend to unsecured creditors.

## 5 Joint Liquidators' Remuneration

- 5.1 We issued correspondence to creditors to fix the basis of our remuneration on 22 February 2018. We proposed our fees as a percentage of realisations calculated at 30% of realisations made. Unfortunately, we were unable to obtain creditor approval to fix our fees.
- 5.2 Ward Hadaway Law Firm were engaged to make an application to court and an order was granted on 4 June 2018 approving our fees at 30% of realisations.
- 5.3 The Joint Liquidators have made the following realisations upon which the creditors have approved a percentage be taken as remuneration. Details of the realisations to date and associated remuneration drawn on account of those realisations is set out below:

Asset category	Value of assets realised in period	Total value of assets realised since appointment	Remuneration % agreed	Total fees invoiced to date	Fees not yet drawn
Cash at Bank	0	6,459	30%	0	1,937
Antecedent transaction recoveries	2,500	2,500	30%	0	750

- 5.4 At the date of this report, we would confirm that our fees estimate for the liquidation remains unchanged. This is because we consider our estimate to be sufficient.
- 5.5 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from <https://www.azets.co.uk/media/ewidq5ab/guide-to-liquidators-fees-afteroct2015.pdf>.
- 5.6 Attached as Appendix B is additional information in relation to the Joint Liquidators' fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

## 6 Creditors' Rights

- 6.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Joint Liquidators provide further information about their remuneration or expenses which have been itemised in this progress report.
- 6.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Joint Liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Joint Liquidators, as set out in this progress report, are excessive.

## 7 Next Report

- 7.1 We are required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless we have concluded matters prior to this, in which case we will write to all creditors with our final account.
- 7.2 If you have any queries in relation to the contents of this report, we can be contacted by telephone on 0191 411 2468 or by email at [Michelle.Fegan@azets.co.uk](mailto:Michelle.Fegan@azets.co.uk).
- 7.3 Finally, to comply with the Provision of Services Regulations, some general information about Azets including about our Professional Indemnity Insurance and the Insolvency Code of Ethics, can be found at <https://www.azets.co.uk/about-us/legal-regulatory-information/>.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Pearson', written in a cursive style.

**Kerry Pearson and Andrew Little**  
Joint Liquidators

**Crest Global Automotive UK Ltd**  
**(In Liquidation)**  
**Liquidators' Summary of Receipts & Payments**

Statement of Affairs £	From 20/10/2019 To 19/10/2020 £	From 20/10/2016 To 19/10/2020 £
ASSET REALISATIONS		
Antecedent Transaction Recoveries	2,500.00	2,500.00
Bank Interest Gross	0.61	0.81
Cash at Bank	NIL	6,459.68
	2,500.61	8,960.49
COST OF REALISATIONS		
Accounting Fees	NIL	500.00
Preparation of Statement of Affairs	137.68	5,000.00
	(137.68)	(5,500.00)
	<b>2,362.93</b>	<b>3,460.49</b>
REPRESENTED BY		
Estate Current Account		3,432.96
Vat Receivable		27.53
		<b>3,460.49</b>

**Additional Information in Relation to the Joint Liquidators' Fees, Expenses & Disbursements****1 Staff Allocation and the Use of Sub-Contractors**

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of a Partner, a Senior Manager, a Manager, an Administrator and support staff. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.

**2 Professional Advisors**

- 2.1 On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
Ward Hadaway Law Firm (legal advice)	Hourly rate and disbursements
Chipchase Nelson Chartered Accountant	Hourly rate and disbursements

- 2.2 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

**3 Joint Liquidators' Expenses & Disbursements**

- 3.1 The estimate of expenses (including disbursements) which were anticipated at the outset of the liquidation was provided to creditors when the basis of our fees were approved, a copy of which is set out below:

Expense	Estimated cost £
Accountants fees for assistance provided with statement of affairs	500
Solicitors' costs	5,000
Statutory advertising	140
Specific penalty bond	34
<b>Total</b>	<b>5,674</b>

***Current position of Joint Liquidators' expenses***

- 3.2 An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below:

	Paid in prior period £	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
Accountants Fees	500	0	0	500
Solicitors' costs	0	0	6,182	6,182
Counsels Fees for Fee Approval	0	0	600	600
Solicitors disbursements	0	0	155	155
Specific penalty bond	0	0	34	34

## CREST GLOBAL AUTOMOTIVE UK LTD - IN LIQUIDATION

Statutory Advertising	0	0	210	210
<b>Category 2 disbursements</b>				
Business mileage				

- 3.3 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.
- 3.4 Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Liquidators' fees were approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.