

WU07

Notice of progress report in a winding-up by the court



Companies House

THURSDAY



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02/07/2020

#218

COMPANIES HOUSE

1 Company details

Company number 0 8 4 9 9 8 5 9

Company name in full Heritage FA Limited

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

2 Liquidator's name

Full forename(s) Richard

Surname Brewer

3 Liquidator's address

Building name/number Highfield Court

Street Tollgate

Post town Chandlers Ford

County/Region Eastleigh

Postcode S O 5 3 3 T Y

Country

4 Liquidator's name ①

Full forename(s) Alexander

Surname Kinninmonth

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Highfield Court, Tollgate

Street Chandlers Ford

Post town Eastleigh

County/Region

Postcode S O 5 3 3 T Y

Country

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

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6 Period of progress report

From date

d	2	d	5
---	---	---	---

m	0	m	5
---	---	---	---

y	2	y	0	y	1	y	9
---	---	---	---	---	---	---	---

To date

d	2	d	4
---	---	---	---

m	0	m	5
---	---	---	---

y	2	y	0	y	2	y	0
---	---	---	---	---	---	---	---

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

d	0	d	2
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m	0	m	7
---	---	---	---

y	2	y	0	y	2	y	0
---	---	---	---	---	---	---	---

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**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 **Lisa Duell**Company name **RSM Restructuring Advisory LLP**Address
**Highfield Court, Tollgate
Chandlers Ford**Post town **Eastleigh**

County/Region

Postcode **S O 5 3 3 T Y**

Country

DX

Telephone **02380 646 464****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

In the matter of

**Heritage FA Limited In Liquidation
(‘the Company’)**

Joint Liquidators’ progress report

2 July 2020

**Richard Brewer and Alexander Kinninmonth
Joint Liquidators**

**RSM Restructuring Advisory LLP
Highfield Court, Tollgate
Chandlers Ford
Eastleigh
SO53 3TY
023 8064 6437
lisa.duell@rsmuk.com**

Sections
<ul style="list-style-type: none"> 1. Conduct of the winding-up in the previous twelve months 2. Details of what remains to be done and matters preventing closure 3. Creditors' claims and dividend prospects 4. Receipts and payments summary 5. Costs and Joint Liquidators' remuneration 6. Creditors' rights to information and ability to challenge remuneration and expenses
Appendices
<ul style="list-style-type: none"> A. Statutory and other information B. Dividend prospects C. Summary of receipts and payments D. RSM Restructuring Advisory LLP's charging, expenses and disbursements policy statement E. RSM Restructuring Advisory LLP Southampton charge out and category 2 disbursement rates F. Statement of expenses incurred by the Joint Liquidators in the period from 25 May 2019 to 24 May 2020 G. Joint Liquidators' time cost analysis for the period from 25 May 2019 to 24 May 2020

This report has been prepared in accordance with insolvency legislation to provide creditors and members of the Company with information relating to the progress of the Winding Up in the period from 25 May 2019 to 24 May 2020. This report should be read in conjunction with any previous reports that have been issued, copies of which are available on request.

This report has been prepared solely to comply with the statutory requirements of the legislation. It has not been prepared for use in respect of any purpose, or to inform any investment decision in relation to any debt or financial interest in the Company. Any estimated outcomes for creditors are illustrative and may be subject to significant change.

This report has been produced during the Covid-19 restrictions. Due to limited access to the physical case files, the information has been obtained from electronic records, which may not be as complete as the physical records. Every effort has been made to ensure the information is as accurate as possible. However, any omissions or inaccuracies will be rectified in the next progress report issued after the current restrictions have been lifted.

Neither the Joint Liquidators nor RSM Restructuring Advisory LLP accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this report.

1 Conduct of the winding-up in the previous twelve months

1.1 Realisation of assets

The Joint Liquidators are obliged to collect in the Company's property and maximise realisations. However, in some cases, this does not result in sufficient realisations to result in a financial return to creditors, after taking into account the costs and expenses of realisation and dealing with the legislative requirements of administering the case.

Fancy Coloured Diamonds ("FCD") and Sundry Fine Gold

The Joint Liquidators' agent, Lambert Smith Hampton Limited ("LSH"), have been instructed to assist with a sale of the Company's FCD and sundry fine gold.

These items are of negligible value and any realisations from a resultant sale will need to be used to defray the expenses of the liquidation.

LSH has removed the items from the London Silver Vaults to be sold at auction. It was anticipated that they would be auctioned in May 2020. However, due to Covid 19 restrictions, the auction was postponed and LSH awaits further guidance on when the auction can be held.

1.2 Administration and planning

Certain aspects of the work that the Joint Liquidators undertake are derived from the legal and regulatory framework for cases of this nature. This work, which does not usually result in any direct financial return to creditors, is a necessary aspect of ensuring that the Joint Liquidators are complying with legislative and best practice responsibilities. It includes matters such as:

- Periodic case reviews, ongoing case planning and strategy
- Maintaining and updating computerised case management records
- Dealing with routine correspondence not attributable to other categories of work
- Ongoing consideration of ethical and anti-money laundering regulations
- General taxation matters, including seeking tax clearance from HM Revenue & Customs
- Preparation of receipts and payments accounts, maintenance of cashing records

2 Details of what remains to be done and matters preventing closure

As detailed above, it remains for the Joint Liquidators to deal with the FCD and sundry fine gold.

3 Dividend prospects for creditors

The amounts due to creditors were estimated in the Official Receiver's report at £7,776,078 and claims received to date total £5,366,086.

Due to insufficient realisations, there is no prospect of a distribution to creditors. Please see Appendix B.

The Joint Liquidators are obliged to deal with a number of matters in relation to creditors to comply with legislative and best practice requirements. Creditors would only derive an indirect financial return from this work on cases where a dividend is payable. These matters include:

- Preparation and issue of progress reports and associated documentation
- Maintenance of schedules of preferential and unsecured creditors' claims
- Dealing with correspondence and telephone calls
- Where necessary, consideration of creditors' claims; acceptance or rejection of claims and complying with legislative obligations in relation to adjudication of creditors' claims generally for voting and, if applicable, dividend purposes.

4 Receipts and payments summary

We attach as Appendix C a summary of our receipts and payments for the period from 25 May 2019 to 24 May 2020.

Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue and Customs shown separately.

5 Costs and Joint Liquidators remuneration

5.1 Authority

The basis of the Joint Liquidators' remuneration was approved by creditors on 12 July 2016, when the following resolution was passed:

"That in accordance with the fees proposal provided to creditors on 22 June 2016 the Liquidator shall be authorised to draw his remuneration (plus VAT) based upon his time costs limited to the sum of £111,396."

Consequently, the Joint Liquidators cannot draw more than £111,936 without obtaining further approval.

Approval was also given to the drawing of disbursements, including category 2 disbursements.

5.2 Remuneration and disbursements incurred in the period from 25 May 2019 to 24 May 2020 and since appointment

The Joint Liquidators are required to report remuneration 'charged'. This reflects the time charged to the case.

The Joint Liquidators have incurred time costs of £8,896 in respect of work done in the current period, none of which has been paid. A summary is attached at Appendix F. Total time costs of £204,771 have been incurred.

No remuneration has been drawn by the Joint Liquidators.

The work that we do as Joint Liquidators is derived from the responsibilities placed upon us by the legal and regulatory framework for work of this nature in general. The actual matters with which we are dealing are set out briefly in both this report and in our earlier reports to creditors.

We believe this case generally to be of average complexity and accordingly no extraordinary responsibility has to date fallen upon us as Joint Liquidators. The basis of charging proposed to and approved by the creditors has been RSM Restructuring Advisory LLP standard charge out rates. RSM Restructuring Advisory LLP charge out rates have been reviewed periodically.

The quantum of time costs incurred is higher than the estimate provided to creditors on 22 June 2016 due to the length and complexity of the Joint Liquidators' investigations.

In addition, the quantum of expenses is higher than the estimate provided to creditors on 22 June 2016. Legal costs have been significantly higher than anticipated due to the length and complexity of the investigations. Agent's costs have been higher due to time spent assisting creditors with the recovery of their diamonds held at The London Silver Vault.

5.3 Expenses and disbursements

Attached are the Joint Liquidators' charging, expenses and disbursement policy statements, together with the current rates. Details of the expenses (including category 1 and category 2 disbursements) that the Joint Liquidators have incurred in the period of the report are also attached at Appendix F.

Expenses paid in the period, along with cumulative figures, are shown in the attached receipts and payments account.

5.4 Other professional costs

Lambert Smith Hampton Limited was instructed as an agent to value and dispose of the Company's tangible assets. We have agreed that they be remunerated on the basis of its standard commission rates, plus disbursements and VAT. No fees have been paid in this reporting period.

5 Creditors' right to information and ability to challenge remuneration and expenses

In accordance with the provisions of the legislation creditors have a right to request further information about remuneration or expenses and to challenge such remuneration or expenses.

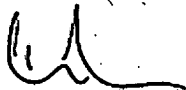
A request for further information must be made in writing within 21 days of receipt of this report.

Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to court that the remuneration charged, the basis fixed or expenses incurred by the Liquidator are in all the circumstances excessive.

Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of remuneration or incurring of the expenses in question.

A Guide to Liquidators' Fees, which provides information for creditors in relation to the remuneration of a Liquidator, can be accessed at <https://rsmuk.ips-docs.com/case/1082879/NULL> under 'general information for creditors'. A hard copy can be requested from my office by telephone, email or in writing.

Should you have any further queries please do not hesitate to contact my office.



Richard Brewer
Restructuring Advisory Director
RSM Restructuring Advisory LLP
Joint Liquidator

Richard Brewer and Alexander Kinninmonth are licensed to act as Insolvency Practitioners in the UK by the Institute of Chartered Accountants in England and Wales

Insolvency Practitioners are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment

Appendix A

Statutory and other information

Company Information	
Company name:	Heritage FA Limited
Company number:	08499859
Date of incorporation:	23 April 2013
Previous company names:	Not Applicable
Trading name:	Not Applicable
Trading address:	25 Canada Square, London E14 5LB
Principal activity:	Specialising in sale of coloured diamonds and broking services
Registered office:	RSM Restructuring Advisory LLP, Highfield Court, Tollgate, Chandlers Ford, Eastleigh SO53 3TY

Liquidation Information		
Appointees:	Richard Brewer, appointed 19 June 2019 Alexander Kinninmonth, appointed 19 June 2019 Duncan Beat, appointed 25 May 2015, released 19 June 2019	
Date of appointment:	25 May 2016	
Court & reference:	In the High Court of Justice No. 9337 of 2015	
Appointment Method:	By Secretary of state	
Functions:	The Joint Liquidators' appointment specified that they would have power to act jointly and severally. The Joint Liquidators have exercised, and will continue to exercise, all of their functions jointly and severally as stated in the notice of appointment.	
Correspondence address & contact details of case administrator:	Lisa Duell RSM Restructuring Advisory LLP, Highfield Court, Tollgate, Chandlers Ford, Eastleigh SO53 3TY Email: lisa.duell@rsmuk.com	
Name, address & contact details of Joint Liquidators:	Primary Office Holder Alexander Kinninmonth RSM Restructuring Advisory LLP Highfield Court Tollgate Chandlers Ford Eastleigh SO53 3TY 023 8064 6437 IP Number: 9019	Joint Office Holder: Richard Brewer RSM Restructuring Advisory LLP Highfield Court Tollgate Chandlers Ford Eastleigh SO53 3TY 023 8064 6437 IP Number: 9038

Appendix B

Dividend prospects

	Owed*	Paid to Date	Estimated prospects
Unsecured creditors	£7,776,078	NIL	NIL
Estimated net property	N/A		
Estimated prescribed part available for unsecured creditors	N/A		

Any estimated outcome for creditors is illustrative and may be subject to change.

Appendix C

Summary of receipts and payments

Heritage FA Limited (In Liquidation) Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 26/06/2018 To 24/06/2020 £	From 26/06/2018 To 24/06/2020 £
	ASSET REALISATIONS	
514.53	Bank Interest net of tax	75.95
	Cash at Bank	119.80
	City of London Police - seized funds	12,622.14
	Deposits	29,004.68
	Furniture and Equipment	1,555.00
	Other Refunds	68.00
1,734.00	Stock Inventory on Hand	50.00
40,455.60	Sundry Floating Assets / Realisations	410.00
		60.18
		75.95
	COST OF REALISATIONS	42,934.80
	Agents/Valuers Fees	NIL
	Bank Charges	782.33
	Insurance of Assets	22.00
	ISA Cheque Fees	1,052.75
	ISA Quarterly Charges	0.45
	Official Receivers Remuneration	1.95
	Secretary of State Fees	55.00
	Storage Costs	308.00
	Sundry Expenses	4,017.55
	Tax deducted at source	9.11
	VAT - irrecoverable	7,299.45
		1,814.48
		5,001.12
		22.60
		442.55
		(1,143.50)
	UNSECURED CREDITORS	(20,764.35)
(7,775,077.91)	Trade & Expense Creditors	NIL
		NIL
	DISTRIBUTIONS	NIL
(100.00)	Ordinary Shareholders	NIL
		NIL
		NIL
(7,733,483.88)		22,170.41
	REPRESENTED BY	
	Insolvency Service Account (ISA)	22,170.41
		22,170.41

Notes:

1. Funds have been held in an interest bearing account with The Insolvency Service.
2. The Company was not VAT registered.

Appendix D

RSM Restructuring Advisory LLP charging, expenses and disbursements policy

Charging policy

- Partners, directors, managers, administrators, cashiers, secretarial and support staff are allocated an hourly charge out rate which is reviewed from time to time.
 - Work undertaken by cashiers, secretarial and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by partners, directors, managers and administrators.
 - Time spent by partners and all staff in relation to the insolvency estate is charged to the estate.
 - Time is recorded in 6-minute units at the rates prevailing at the time the work is done.
 - The current charge rates for RSM Restructuring Advisory LLP Southampton are attached.
 - Time billed is subject to Value Added Tax at the applicable rate, where appropriate.
-
- It is the office holder's policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience required to perform it.
-
- RSM Restructuring Advisory LLP's charge out rates are reviewed periodically.

Expenses and disbursements policy

- Only expenses and disbursements properly incurred in relation to an insolvency estate are re-charged to the insolvency estate.
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to the relevant approving party, but do not require approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 1' disbursements.
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) or payments to outside parties that the firm or any associate has an interest, require the approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 2' disbursements.
- A resolution to consider approving category 2 disbursements at the rates prevailing at the time the cost is incurred to RSM Restructuring Advisory LLP Southampton will be proposed to the relevant approving party in accordance with the legislative requirements.
- General office overheads are not re-charged to the insolvency estate as a disbursement.
- Any payments to outside parties in which the office holder or his firm or any associate has an interest will only be made with the approval of the relevant approving party.
- Expenses and disbursements re-charged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate, where appropriate.

Appendix E

RSM Restructuring Advisory LLP Southampton charge out and category 2 disbursement rates

Hourly charge out rates	Current rates £
Partner	460 to 595
Directors / Associate Directors	395 to 495
Managers / Assistant Managers	205 to 325
Senior Administrators / Administrators	150 to 195
Support Staff	85

Category 2 disbursement rates	
Internal room hire	£100 per hour
Subsistence	£25 per night
Travel (car)	42.5p per mile
'Tracker' searches	£10 per case

Appendix F**Statement of expenses incurred by the Joint Liquidators in the period from 25 May 2019 to 24 May 2020**

	Original estimate £	Incurred £	Paid £	Unpaid £
EXPENSES (EXCLUDING CATEGORY 2 DISBURSEMENTS)				
Bond fee	NIL	20	NIL	NIL
CATEGORY 2 DISBURSEMENTS				
None incurred in the period				
Total	NIL	20	NIL	NIL

Appendix G

Joint Liquidators time cost analysis for the period from 25 May 2019 to 24 May 2020

SIP9 Time Report - Level 2

Heritage FA Limited

1082879-700 - Compulsory Liquidation

1082879-701 - Investigation - Compulsory Liquidation

For the period 25/05/2019 to 24/05/2020

Period	Hours Spent	Partners	Directors / Associate Directors	Managers	Assistant Managers	Administrators	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
From Jan 2003	Administration and Planning									
	Appointment	0.0	0.0	0.0	0.4	0.0	0.0	0.4	£ 106.00	265.00
	Case Management	0.0	1.8	0.1	2.9	1.0	0.0	5.8	£ 1,910.50	329.40
	Closure	0.0	0.3	0.0	0.0	0.0	0.0	0.3	£ 129.50	431.67
	Receipts and Payments	0.0	0.3	0.0	0.8	1.4	0.0	2.5	£ 699.50	279.80
	Tax Matters	0.0	0.0	0.0	0.0	0.7	0.9	1.6	£ 291.50	182.19
	Total	0.0	2.4	0.1	4.1	3.1	0.9	10.6	£ 3,137.00	295.54
	Investigations									
	DT/Official Receiver	0.0	0.0	0.0	0.4	0.0	0.0	0.4	£ 106.00	265.00
	Total	0.0	0.0	0.0	0.4	0.0	0.0	0.4	£ 106.00	265.00
	Realisation of Assets									
	Assets - general/other	0.0	0.1	0.0	7.6	0.0	0.0	7.7	£ 2,073.50	269.29
	Chattels	0.0	0.0	0.0	3.0	0.0	0.0	3.0	£ 793.00	265.00
	Stock and WIP	0.0	0.6	0.0	0.0	0.0	0.0	0.6	£ 337.00	561.67
	Total	0.0	0.7	0.0	10.6	0.0	0.0	11.3	£ 3,203.50	283.67
	Creditors									
	Other Creditor Meetings and Reports	0.0	1.0	0.0	4.1	0.0	0.0	5.1	£ 1,645.50	322.63
	Unsecured Creditors	0.0	0.6	0.0	1.2	0.4	0.0	2.2	£ 624.00	283.64
	Total	0.0	1.6	0.0	5.3	0.4	0.0	7.3	£ 2,269.50	310.89
	Case Specific Matters - Legal Matters									
	Legal Matters	0.0	0.2	0.0	0.4	0.0	0.0	0.6	£ 178.00	296.67
	Total	0.0	0.2	0.0	0.4	0.0	0.0	0.6	£ 178.00	296.67
	Total Hours (From Jan 2003)	0.0	4.9	0.1	20.8	3.5	0.9	30.2	£ 8,896.00	294.57
	Total Time Cost (From Jan 2003)	£ 0.00	£ 2,598.50	£ 17.00	£ 5,520.00	£ 618.50	£ 142.00	£ 8,896.00		
Total Hours		0.0	4.9	0.1	20.8	3.5	0.9	30.2	£ 8,896.00	294.57
Total Time Cost		£ 0.00	£ 2,598.50	£ 17.00	£ 5,520.00	£ 618.50	£ 142.00	£ 8,896.00		
Average Rates		0.00	530.31	170.00	265.38	176.71	157.78	294.57		