Hilary Stonefrost

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Hilary was called to the Bar in 1991. Hilary has an MSc in economics from the London School of Economics and was an economist at the Bank of England before being called to the Bar. She is also member of the BVI Bar.

She specialises in claims arising in the context of domestic and cross-border insolvencies and in restructuring and company law. She has been instructed in numerous major insolvencies (including Olympia & York, BCCI, Barings, Railtrack, Landsbanki, Hellas, Lehman, Debenhams) and in many contested scheme of arrangement cases (including MyTravel Group Plc, British Aviation Insurance Company, Sovereign Marine General Insurance Co Ltd, Equitable Life Assurance Society, Stronghold Insurance Co Ltd, Lehman Brothers International (Europe) and DTEK Energy BV).

She has regularly been instructed in cases in the Cayman Islands and BVI, in particular in just and equitable winding-up disputes, derivative claims and proceedings in insolvent liquidations.

She has been instructed in numerous football club insolvencies (including Portsmouth, Bolton Wanderers, Leeds and Luton). In March 2016, the Bolton fans voted her player of the month.

Hilary is ranked in Band 1 in Chambers UK 2025 and in Chambers Global 2025. Recent comments include: *"She is highly reliable and you can trust her with high level disputes."*, *She is highly analytical and a very effective advocate."*, *"She is experienced, knowledgeable, excellent with clients and always thoroughly prepared."*, *"She has a strong style as an advocate and is a brilliant cross-examiner"* and is *"a very charismatic presence in court."* She has also been described as *a "talented advocate and excellent tactician who is highly focused on commercial outcomes.* "and *"very accessible, a team player, very user-friendly".*

She is a contributor to the 4th edition of Company Directors, Duties, Liabilities and Remedies edited by Mark Arnold KC.

Company Law and Restructuring

Cases in company law/restructuring include:

- ***FamilyMart China Holding Co Ltd v Ting Chuan (Cayman Islands) Holding Corp*** [2023] UKPC 33. Pursuant to the Foreign Arbitral Awards Enforcement Act (Cayman Islands) 1997 legal proceedings are stayed if they concern any *"matter"* falling within the scope of the arbitration agreement unless that agreement is *"inoperative".* Although the court has exclusive jurisdiction to decide whether it is just and equitable to wind up a company, this did not render the arbitration agreement *"inoperative"* and some of the *"matters"* raised in the petition were arbitrable and, therefore, were to be determined in arbitration proceedings.
- ***Blue Ocean Creation Investment Hong Kong Limited v Golden Meditech Cells (BVI) Company Limited*** BVICHM 2022/0101. In a summary judgment application, the defendant having accepted that the signatures on the share charges were forged, the Judge at first

instance held that there was no real prospect of the court finding at trial that the signatures were made with the requisite authority. (A decision of the BVI Court of Appeal is pending.)

- ***Re DTEK Energy BV*** [2021] EWHC 1551. The court was satisfied that the scheme would be effective in relevant international jurisdictions and sanctioned the schemes of arrangement.
- ***Re DTEK Energy BV*** [2021] EWHC 1456. The court ordered the holding of a single scheme meeting in respect of two inter-conditional schemes of arrangement.
- ***In the matter of Acorn International Inc*** FSD 109 of 2014 (AJJ) in the Grand Court of the Cayman Islands dismissed the petition and the cross-petition for a just and equitable winding up of the company.
- ***Burry & Knight v Knight*** [2014] EWCA Civ 604, the Court of Appeal considered the law on requests to inspect the register of members
- ***Burry & Knight v Knight*** [2013], an order was made directing the companies not to comply with the shareholder's request for a copy of the share register
- ***Alan Lovett v Carson Country Homes*** [2009] EWHC 1143, although a director had forged the signature of another director on a debenture, that forgery did not render the document a nullity under section 44 of the Companies Act 2006 as the forging director had acted with ostensible authority
- ***Hawkes v Cuddy*** [2007] EWHC 1789 (Ch), court had jurisdiction to grant declaratory relief on an unfair prejudice petition under the Companies Act
- ***Re Sovereign Marine & General Insurance Co*** [2007] EWHC 1331 (Ch) and [2007] EWHC 1331, challenge to scheme of arrangement
- ***Re Equitable Life Assurance Society*** [2007] EWHC 229 (Ch), sanction of a scheme for transfer of insurance business to another insurance company
- ***Re British Aviation Insurance Co*** [2005] EWHC 1621 (Ch), scheme of arrangement where the classes were improperly constituted
- ***Re MyTravel Group*** [2004] EWHC 2741 (Ch), a scheme of arrangement which involved a transfer of assets and liabilities under section 427 of the Companies Act 1985

Insolvency

Cases in insolvency include:

- ***Chu Kong v Ocean Sino Limited (in liquidation)*** BVICMAP 2021/1048 (3 July 2023). The court dismissed an application to remove the liquidators of the company and replace them with other liquidators.
- ***Re CCT Logistics Ltd (in liquidation)*** [2023] EWHC 1548. Voluntary payments of the company's debts did not discharge the debts owed by the company and the voluntary payees were not creditors of the company. Their votes appointing the liquidator should be disregarded. There was no need to convene a further creditors' meeting as the court had jurisdiction to replace the liquidator.
- ***Barclays Bank v Dylan*** [2021] EWHC 3873. The court made orders for freezing injunctions and the appointment of provisional liquidators.

- ***Re Farrell (A Bankrupt)*** [2019] EWHC 119. The court decided that gifts made by a man before he was made bankrupt were made pursuant to tax planning advice and were not transactions defrauding creditors.
- ***LRH Services Ltd (in liquidation) v Trew*** [2018] EWHC 600. Directors of an insolvent company were liable for breach of duty to promote the success of the company and for failure to exercise their duty of reasonable skill and care; one of the directors had made a solvency statement when he knew the company could not meet its liabilities.
- ***LF2 v Supperstone*** [2018] EWHC 1776. Where a company in administration is considering assigning a potential claim to the third party and the merits of the claim are unclear it is for the person objecting to the assignment to demonstrate that the claim had no prospect of success.
- ***Onur Air Tasimacilik AS v Goldtrail Travel Ltd (in Liquidation)*** [2017] EWCA Civ 1830. The court refused to vary an order requiring an airline to make a payment into court as a condition of its appeal against the judgment because the airline's chairman had a substantial investment in the company and would continue to provide funding.
- ***Goldtrail Travel Ltd (in liquidation) v Aydin*** [2017] UKSC 57. Identifying the factors to be considered when determining whether a company's appeal would be stifled by its inability to comply with a condition to make a payment into court.
- ***Re Central A1 Ltd*** [2017] EWHC 220. Hourly rates are not relevant in the context of a challenge to the reasonableness of fixed fees charged by a firm of accountants for work done to place 1,796 companies into voluntary liquidation.
- ***Bramston v William Old Creditors Action Ltd*** [2016] EWHC 1886. The court rejected a creditor's allegation that there had been no resolution in respect of liquidator's remuneration that included a success fee.
- ***Hosking v Slaughter & May*** [2016] EWCA Civ 474. Where liquidators disagree with the fees that had been paid to the solicitors engaged by the administrators the liquidators could not seek a detailed assessment of those fees.
- ***Fieldfisher v Pennyfeathers Ltd*** [2016] EWHC 566. An administration order could not be made where a former client refused to pay fees under a conditional fee agreement which included an arbitration clause because an agreement to arbitrate could not be by-passed by issuing proceedings.
- ***Goldtrail Travel Ltd (in liquidation) v Aydin*** [2016] EWCA Civ 20. The court refused to vary an order that continuation of the appeal was conditional on the airline paying the judgment sum into court.
- ***Goldtrail Travel Ltd (in liquidation v Aydin*** [2016] EWCA Civ 371. The equitable compensation for dishonestly assisting a company director in breaching fiduciary duties could not include money that had been misapplied but had been repaid before the company had gone into liquidation.
- ***Goldtrail Travel Ltd (in liquidation) v Aydin*** [2015] EWCA Civ 926. The continuation of the airline's appeal against the judgment was made conditional on the airline paying the judgment sum into court.
- ***National Asset Loan Management Ltd v Cahillane*** [2015] EWHC 62. The jurisdiction to review, vary or rescind orders under the insolvency legislation was not restricted to first instance decisions; it applies also to appellate orders.
- ***Greenwich Ltd (in administration) v Dowling & Ors*** [2014] EWHC 2451, freezing

injunction; judgment after parties had settled

- ***Hosking and Bonney v Slaughter and May*** [2014] EWHC 1390 (Ch), whether liquidators had jurisdiction to challenge the fees agreed to be paid and paid by the former administrators of Hellas
- ***Cahillane v National Asset Loan Management Ltd*** [2014] EWHC 1992 (Ch), value of security in the contest of bankruptcy proceedings
- ***Goldtrail Travel Ltd (in liquidation) v (1) Abdulkadir Aiden (2) Black Pearl Investments Ltd (3) Onur Air Tasimaclik AS (4) Magnus Stephensen (5) Halldor Sigurdarson (5) Philip Wyatt*** [2014] EWHC 1587 (Ch), breach of duty by a director and dishonest assistance claims
- ***Neumans LLP v Andrew Andronikou*** [2013] EWCA Civ 916, administration expenses
- ***Re Hellas Telecommunications (Luxembourg) II SCA*** [2011] EWHC 3176, exit from administration and use of fund provided to meet costs and expenses
- ***Jogo Associates v Internacionale Retail*** [2011] EWCA Civ 384, payment into court in claim arising from sale of business by administrators
- ***Swindon Town Football Co v Diamandis*** [2011] EWCA Civ 84, application to restrain presentation of a winding-up petition
- ***Re Portsmouth City Football Club*** [2010] EWHC 2013 (Ch), company voluntary arrangement which approved the payment in full to football creditors
- ***Re Metrocab*** [2010] EWHC 1317 (Ch), application to rescind winding-up orders
- ***Re Hellas Telecommunications (Luxembourg) II SCA*** [2009] EWHC 3199 (Ch), where senior creditors would consent only to the bid which was the subject of a pre-pack sale, an administration order was made with express liberty given to enter into the pre-pack
- ***Re Lennox Holdings*** [2009] BCC 155, administration order in respect of a company in this jurisdiction where the trading subsidiaries were in Spain
- ***Re Cheyne Finance*** [2007] EWHC 2402 (Ch), the cash flow insolvency test in section 123(1)(e) of the Insolvency Act 1986 did not exclude consideration of future debts
- ***Re Cheyne Finance*** [2007] EWHC 2116 (Ch), before the occurrence of an insolvency event the receivers should make payments as debts became due on a day to day basis not on a *pari passu* basis
- ***Hammonds v Pro-Fit USA*** [2007] EWHC 1998 (Ch), there was no established practice in relation to applications for administration orders similar to that which applied to winding up petitions where there was a cross-claim and the court should not establish such a practice
- ***Re Leeds United Association Football Club*** [2007] EWHC 1761 (Ch), damages for wrongful dismissal payable to footballers in the event that the administrators were to adopt their contracts and then, subsequently, dismiss them did not constitute wages for the purpose of the Insolvency Act
- ***Re Colt Telecom Group*** [2002] EWHC 2815, it was not enough to show a real prospect of insolvency – it had to be more likely than not; the no action clause was effective as a matter of New York law and there was no principle of public policy that would allow the English court to override such a clause

Other

Cases include:

- ***Saltri III v MD Mezzanine*** [2012] EWHC 3025 (Ch), a security trustee under an inter-creditor agreement owed duties to the subordinate lenders equivalent to the duty owed by a mortgagor to a mortgagee
- ***Re Harmony Care Homes*** [2009] EWHC 1961, a charge granted over book debt realisations was a fixed charge where, from the inception of the debenture, the debenture holder exercised control over the monies

Awards and Recommendations

Chambers & Partners	Ranked in Band 1 in Chambers UK 2025 and in Chambers Global 2025
Legal 500	Recommended as a Leading Junior for Insolvency

Career

2014	Admitted to appear in court in Cayman
1991	Called to the Bar of England and Wales
1989-1991	While studying for the Bar worked for British Bankers' Association and London Economics (consultancy)
1979-1989	Bank of England, Economist

Memberships

Chancery Bar Association
INSOL
Commercial Bar Association
ILA
IWIRC
R3
RISA

Publications

Contributor to ***Debt Restructuring*** (Segal and Look Chan Ho, OUP, 2010)

Contributor to the 4th edition of Company Directors, Duties, Liabilities and Remedies edited by Mark Arnold KC

Education and Qualifications

1989-1990City University, Postgraduate Diploma in Law
1977-1978London School of Economics, MSc Economics
1974-1977London School of Economics, BSc Economics

Prizes and Scholarships

Scholarship (Middle Temple)
Social Science Research Council award to fund MSc (Econ) (London School of Economics)

Languages

French