

The Insolvency Act 1986

**Statement of administrator's proposals****2.17B**

Name of Company IMPEX CREATIVE CRAFTS LIMITED	Company number 01165448
In the High Court of Justice [full name of court]	Court case number 5728 of 2011

(a) Insert full name(s) and address(es) of administrator(s) I/We (a) N A Bennett & M C Healy of Leonard Curtis, One Great Cumberland Place, Marble Arch, London W1H 7LW

attach a copy of ~~my~~ our proposals in respect of the administration of the above company

A copy of these proposals was sent to all known creditors on

\* Delete as applicable

(b) Insert date

(b) 24 August 2011

Signed

  
M C Healy - Joint Administrator

Dated

24 August 2011

**Contact Details**

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Leonard Curtis	
One Great Cumberland Place, Marble Arch, London,	
W1H 7LW	Tel 020 7535 7000
DX Number	DX Exchange

When you have completed and signed this form please send it to the Registrar of Companies at  
Companies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff



A31

\*AFJUSX1S\*  
27/08/2011  
COMPANIES HOUSE

26

Please ask for  
Our ref  
Your ref

Michelle Church  
L/18/MC/SIMP06/1040/1010



**LEONARD CURTIS**  
BUSINESS RESCUE & RECOVERY

24 August 2011

**TO ALL CREDITORS**  
**PRIVATE AND CONFIDENTIAL**

Dear Sir(s)/Madam

**IMPEX CREATIVE CRAFTS LIMITED (IN ADMINISTRATION) ("The Company")**

I wrote to all creditors on 25 July 2011 to advise that M C Healy and I had been appointed Joint Administrators of the Company on 14 July 2011

Enclosed with this letter is the Report and Statement of Proposals of the Joint Administrators. I do not propose to convene a meeting of creditors, as I think that neither of the objectives specified in paragraph 3(1)(a) and (b) of Schedule B1 to the Insolvency Act 1986 can be achieved, namely

- (a) Rescuing the Company as a going concern, or (if this cannot be achieved)
- (b) Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration)

The Joint Administrators are obliged to hold an initial creditors' meeting if 10% in value of the creditors require it. If you wish for a meeting to be held, you must notify me in writing using the prescribed form provided on or before 5 September 2011. Please supply written details of your claim as at the date of the Joint Administrators' appointment less any payments that have been made after the date of Administration in respect of it and any adjustment by way of set-off. Security for the costs of holding the meeting must be provided.

Should you have any queries or require any further clarification please contact my office, in writing. Electronic communications should also include a full postal address.

Yours faithfully  
for and on behalf of  
**IMPEX CREATIVE CRAFTS LIMITED**

**N A BENNETT**  
Joint Administrator

Licensed in the UK by the Insolvency Practitioners Association

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as agents of the Company without personal liability.

One Great Cumberland Place  
London W1H 7LW



**LEONARD CURTIS**  
BUSINESS RESCUE & RECOVERY

**IMPEX CREATIVE CRAFTS LIMITED  
(IN ADMINISTRATION)**

Registered Number: 01165448

**Joint Administrators' Report and Statement of Proposals**

**24 August 2011**

Leonard Curtis  
One Great Cumberland Place, Marble Arch,  
London W1H 7LW  
Tel 020 7535 7000 Fax 020 7723 6059  
solutions@leonardcurtis.co.uk  
Ref L/18/MC/SIMP06/1010

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TO THE REGISTRAR OF COMPANIES  
ALL CREDITORS  
ALL SHAREHOLDERS

## 1 INTRODUCTION

1.1 I refer to the appointment of M C Healy and myself as Joint Administrators ("the Joint Administrators") of Impex Creative Crafts Limited ("the Company") on 14 July 2011 and now write to present our proposals ("the Proposals") (Appendix A) for the Company pursuant to the Insolvency Act 1986 ("the Act")

1.2 Creditors may approve the Proposals, with or without modifications, subject to the Joint Administrators accepting any modifications. If creditors reject the Proposals, a report will be sent to the Court which may provide for the appointment of the Joint Administrators to cease to have effect, or make any other Order it thinks appropriate.

1.3 We do not propose to convene a meeting of creditors, as we think that neither of the objectives specified in paragraph 3(1)(a) and (b) of Schedule B1 to the Act can be achieved, namely

(a) Rescuing the Company as a going concern, or (if this cannot be achieved)

(b) Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration)

Creditors whose debts amount to at least 10% of the total debts of the Company may request a meeting to consider the Proposals and may establish a Committee to assist the Joint Administrators in discharging their duties. The meeting must be held within 28 days of the request being received by the Joint Administrators. Security must be given for the expenses of summoning and holding the meeting.

## 2 STATUTORY INFORMATION

2.1 The Administration proceedings are under the jurisdiction of the High Court of Justice under Court reference number 5728 of 2011.

2.2 The Company's registered office was changed from 1st Floor Sheraton House, Lower Road, Chorleywood, Hertfordshire WD3 5LH to One Great Cumberland Place, Marble Arch, London W1H 7LW following our appointment. The registered number is 01165448.

2.3 The Company operated from premises at Trimits House, Unit 9 Waverley Industrial Park, Hailsham Drive, Harrow HA1 4TR.

2.4 The Company's officers are

Name	Role	Date Appointed
Karen Hammond	Secretary	14 December 2010
David Goodrich	Director	28 March 2008

2.5 The Company's authorised, issued and paid-up share capital is 5,000 ordinary shares of £1 each. The sole shareholder is Sharmac Limited, which is wholly owned by Mr David Goodrich ("Mr Goodrich"), a director.

2.6 According to Companies House, the following charges are registered:

Chargee	Description	Date Created	Amount Secured and Assets Charged
Barclays Bank PLC	Guarantee & Debenture	29 October 2008	Fixed and floating charges over all the undertaking and all property and assets present and future
Aldermore Invoice Finance, a division of Aldermore Bank plc	Debenture	14 April 2011	Fixed and floating charges over all the undertaking and all property and assets present and future

2.7 The Company's main centre of operations is based in the UK. The EC Regulation on Insolvency Proceedings applies and the proceedings are main proceedings under the Regulation.

### 3 HISTORICAL BACKGROUND AND EVENTS LEADING UP TO ADMINISTRATION

3.1 This report should be read in conjunction with our initial report sent to all known creditors on 25 July 2011.

3.2 The Company was incorporated on 3 April 1974 and traded as a wholesale supplier of craft items. The Company was purchased by Mr Goodrich and Peter Jackson ("Mr Jackson") in March 2008 by way of a share buyout.

3.3 The Company struggled financially following the purchase and turnover dropped in 2008. The Company recovered well in the latter part of 2009 with turnover increasing by over £300k for the year. Although turnover had increased, the Company encountered cash flow difficulties as purchasing in bulk from overseas, which required payment in advance, strained finances. It was however expected that this would improve through early 2010 with increasing orders and a more extensive product line as investments in products through 2009 were realised.

3.4 In February 2010, the director was made aware that VAT and PAYE had not been paid for the previous 8 months and that the Company was indebted to HM Revenue & Customs ("HMRC") for £180k. The Company agreed a time to pay arrangement with HMRC in order to repay the outstanding debt. The Company kept to the repayment plan and repaid the entire £180k over the following 6 months. This significantly impacted on cash flow and reduced the Company's ability to bulk buy goods from the Far East. Stock levels had reduced significantly over the previous year owing to cash flow issues caused by the repayment plan with HMRC and it had become increasingly difficult to replace popular lines required by customers. This, in turn, led to problems with the Company's largest customer.

3.5 In early 2010, the director was further made aware that the Company's accounts department had withheld funds from Barclays Invoice Finance ("BIF"). BIF requested a meeting with the director at which they said that they were no longer prepared to provide funding and would be closing the Company's invoice discounting facility.

3.6 In order to try and assist cash flow whilst alternative invoice discounting facilities were sought, the Company applied for a bank overdraft with Barclays Bank PLC ("Barclays").

3.7 The Company was, by now, coming under increasing creditor pressure, specifically from HMRC and the landlord for the premises in Harrow, after suffering a disastrous trading period through Christmas 2010.

owing to the poor weather. In April 2011 the Company finally agreed an invoice discount facility with Aldermore Invoice Finance ("Aldermore")

- 3 8 By this time, it became clear that the Company required a significant injection of additional capital to enable it to overcome its cash flow difficulties. Although a cash advance was forwarded by Aldermore when the invoice discounting facility was set up, the funds were insufficient to ease the Company's cash flow. However, it was unable to raise additional funding from external sources and the director also indicated that he was no longer prepared to support the Company in its current form.
- 3 9 The director of the Company first approached Leonard Curtis on 30 June 2011 and discussions took place regarding the Company's financial position. Leonard Curtis advised the director that the Company was deemed to be insolvent.
- 3 10 Notice of Intention to Appoint Administrators was given by Mr Goodrich on 30 June 2011 and filed in the High Court of Justice on 1 July 2011. Notice of Appointment of Administrators was given by Mr Goodrich on 14 July 2011 and filed in the High Court of Justice on the same day.
- 3 11 Mr Healy and I are licensed in the UK by the Insolvency Practitioners Association. The functions of the Joint Administrators may be exercised by either or both, acting jointly or alone.

#### 4 RECENT TRADING RESULTS AND CURRENT FINANCIAL POSITION

- 4 1 The Company's recent trading results are detailed below.

	Year ending 31 December 2009 (filed accounts) £000's	Year ending 31 December 2008 (filed accounts) £000's	Year ending 31 December 2007 (filed accounts) £000's
Turnover	1,850	1,545	1,978
Net Profit/(Loss)	(81)	(76)	262
Fixed Assets	42	40	14
Current Assets	988	692	2,213
Net Assets	331	397	1,588

#### 4 2 Statement of Affairs

A statement of affairs as at 14 July 2011 has been submitted to us by Mr Goodrich. A copy is enclosed at Appendix B.

Please note that no provision has been made for costs and expenses of realisation, costs of the Administration and any corporation tax which may be payable. The following comments are considered to be relevant and should be borne in mind when reading the figures.

#### 4 3 Assets

##### 4 3 1 Trademarks and Intellectual Property

This relates to 7 trademarks owned by the Company including 'Trimits' and 'Hi-tack' as well as the website content and all other intellectual property rights.

4.3.2 *Stock*

This includes all stock owned by the Company

4.3.3 *Fixtures and Fittings, Furniture and Equipment*

This includes all desks, chairs and computer equipment as well as all the racking and storage in the warehouse

4.4 **Secured Creditor**

Barclays hold a debenture incorporating fixed and floating charges in respect of the Company's overdraft and credit card facility. Barclays are owed an estimated £9,547 and it is anticipated they will suffer a shortfall following a partial repayment under their fixed charge.

Aldermore also hold a debenture incorporating fixed and floating charges in respect of any sums owing in relation to the invoice discount facility the Company operated. As at the date of the Administration Aldermore were owed £139,045 against a ledger totalling £183,975. It is anticipated that Aldermore will suffer a small shortfall after allowing a bad debt provision and any termination charges.

4.5 **Preferential Claims**

The only claims which are preferential are those of employees in respect of unpaid wages and accrued holiday pay. These are estimated at £18,288. It is unlikely that funds will be available to distribute to preferential creditors after the costs of the Administration have been paid.

4.6 **Prescribed Part**

The Act provides that, where a company has created a floating charge after 15 September 2003, we must make a prescribed part of the Company's net property available to the unsecured creditors.

Appendix B shows that the Company's net property, before costs, will be £34,212 with an estimated prescribed part of assets of £9,842 available for the satisfaction of unsecured debts. The final quantum of the prescribed part will however depend on the level of costs and preferential claims. However, if the Company's net property is less than the prescribed minimum, currently £10,000, and we think that the cost of making a distribution to unsecured creditors would be disproportionate to the benefits the provision will not apply. The Act further provides that, notwithstanding that the Company's net property is more than the prescribed minimum, we may also apply for an order that this provision shall not apply, again on the ground that the cost of making a distribution to unsecured creditors would be disproportionate to the benefits. In this case we do not propose to make such an application.

4.7 **Unsecured Claims**

All unsecured non-preferential claims will be subject to agreement by a subsequently appointed Liquidator in due course, should liquidation be the appropriate exit route from Administration. Appendix B shows unsecured claims estimated at £717,714. However, based on present information, it is unlikely that any funds will be available to distribute to unsecured creditors after the costs of the Administration have been paid.

4.8 **Receipts and Payments**

A summary of our receipts and payments account for the period of Administration to date is attached at Appendix C.

## **5 EVENTS FOLLOWING THE JOINT ADMINISTRATORS' APPOINTMENT**

### **5.1 Sale of Business**

5.1.1 As advised in our initial letter to creditors dated 25 July 2011, Edward Symmons LLP ("ES") were instructed to provide valuations for the business and assets and conduct a marketing strategy in order to sell the business as a going concern

5.1.2 No offer was received for the business as a going concern. However, two offers received involved the closure of the business and removal of the stock from the current trading premises. In light of the limited interest shown in the business as a going concern and the level of offers received, ES reviewed their initial valuation and confirmed that the figures initially provided were no longer attainable

5.1.3 An offer of £60,000 from Groves of Thame Limited ("Groves") was made to the proposed Administrators for the assets of the Company. ES advised that the offer should be accepted as it was unlikely that an offer for the business as a going concern would be forthcoming, even after further marketing. ES further advised that the intended purchaser would continue to supply the Company's customers which would assist with debtor realisations

5.1.4 The sale to Groves was completed on 14 July 2011. The initial consideration of £55,000 was received on the date of completion and the remaining £5,000 was received following the assignment of the trademarks which completed on 28 July 2011

5.1.5 Following the sale of the assets all employees of the Company were made redundant on 14 July 2011

### **5.2 Factored Book Debts**

In addition to the above, the Company had a book debt ledger which was subject to a factoring agreement with Aldermore. At the date of administration the gross value of the outstanding ledger was £183,957 with a corresponding balance of £139,045 due to Aldermore. Aldermore has advised that debt collections to date are £50,387.14

### **5.3 Excluded Assets**

The following assets were excluded from the sale

- Any surplus debtors following repayment to Aldermore
- The Company's books and records
- Leasehold premises, although we have been advised the lease has no value
- Any cash in hand
- Any rights of action

### **5.4 Investigations**

Our investigations into the affairs of the Company and the events leading up to our appointment are still at an early stage and we will report our conclusions to the appropriate bodies in due course. In the meantime, if creditors have any information regarding the conduct of the directors which they feel should be brought to our attention, any concerns regarding the way in which the Company's business has been conducted or information on potential recoveries for the Administration, they should provide full details to us in writing.

## 6 ACHIEVING THE PURPOSE OF ADMINISTRATION

6.1 The Joint Administrators must perform their functions with the objective of

- (a) Rescuing the Company as a going concern, or (if this cannot be achieved)
- (b) Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration), or (if (a) and (b) cannot be achieved)
- (c) Realising property in order to make a distribution to one or more secured or preferential creditors

6.2 We are obliged to perform our functions in the interests of the Company's creditors as a whole and, where the objective of the Administration is to realise property in order to make a distribution to secured or preferential creditors, we have a duty not to unnecessarily harm the interests of the creditors as a whole

6.3 In our opinion, it was not possible to achieve the first objective. The Company had severe cash flow difficulties and required a significant cash injection in order to continue trading. As no third party funder could be identified, the Company was unable to continue trading in order to propose a Company Voluntary Arrangement.

6.4 We believe that as we were unable to secure a sale of the business as a going concern, the second objective has not been achieved. The sale of the assets has not resulted in a better return for creditors, than would have been likely if the Company had been wound up.

6.5 In our opinion, the third objective, namely realising property to make a distribution to one or more secured or preferential creditors, will be achieved. It is likely that both Aldermore and Barclays will receive distributions.

6.6 The Administration has been, and will continue to be, financed by monies received from asset realisations.

## 7 JOINT ADMINISTRATORS' PROPOSALS AND EXIT ROUTE

7.1 The Administrators' Proposals for achieving the purpose of Administration are set out in Appendix A. These will be deemed to have been approved unless creditors whose debts amount to at least 10% of the total debts of the Company request a meeting to consider them by 1 September 2011. Creditors wishing to request a meeting should complete and return form 2.21B attached as Appendix F together with details of your claim, **less any payments that have been made after the date of Administration in respect of your claim and any adjustment by way of set-off**, by this date. As mentioned in paragraph 1.3 above, security must be given for the expenses of summoning and holding the meeting. If no meeting is requisitioned or requests to the required value are not received a report will be sent to all creditors informing them of that fact.

7.2 If there are no funds available for distribution to unsecured creditors at the completion of the Administration, which we expect to be the case, or if they are distributed during the course of the Administration, the Proposals provide for us to move the Company from Administration to Dissolution.

7.3 In the unlikely event that funds do become available for distribution to unsecured creditors at the completion of the Administration, the Proposals provide for us to place the Company into Creditors' Voluntary Liquidation ("CVL") and appoint myself as Liquidator. Creditors may nominate a different person to be Liquidator provided that the nomination is made after receipt of the Proposals and before they are approved.

7.4 Once approved, the affairs of the Company will be managed in accordance with the Proposals and financed out of asset realisations.

## **8 EXTENSION OF ADMINISTRATION**

8.1 The appointment of the Joint Administrators ceases to have effect at the end of the period of one year beginning with the date on which it takes effect.

8.2 It may be desirable to extend the period of the Administration term of office for a specified period not exceeding six months. If this is appropriate we will require the consent of

(a) each secured creditor of the Company and, if we think that a distribution may be made to preferential creditors,

(b) preferential creditors whose debts amount to more than 50% of the preferential debts of the company, disregarding debts of any creditor who does not respond to an invitation to give or withhold consent for such extension.

## **9 PRE-ADMINISTRATION COSTS**

9.1 Pre-administration costs are defined as

- Fees charged and
- Expenses incurred

by the Administrator, or another person qualified to act as an insolvency practitioner before the Company entered Administration but with a view to its doing so. "Unpaid pre-administration costs" are pre-administration costs which had not been paid when the Company entered Administration.

9.2 Leonard Curtis pre-administration costs are calculated by reference to the time spent dealing with matters pre appointment ("time costs basis"). Matters dealt with by Leonard Curtis included discussions with the secured creditors regarding release of their charge, financial review of the business, marketing of the business for sale, continued negotiations with interested parties and dealing with court related issues.

9.3 Edward Symmons ("ES") were instructed on 1 July 2011 to review the Company's assets, provide a valuation of the business and assets, prepare a sales pack and conduct the marketing of the business and to aid in the negotiations with potential purchasers. It was agreed that their fees would be calculated on a time costs basis, plus disbursements.

9.4 Shakespeares, solicitors, ("Shakespeares") were instructed on 12 July 2011 to prepare an asset sale agreement and to provide continued legal advice. It was agreed that their fees would be charged on a time costs basis, plus disbursements.

## Impex Creative Crafts Limited – In Administration

9 5 Pre-appointment fees charged and expenses incurred by the Joint Administrators in the period prior to their appointment are summarised below

Charged by	Services provided	Total charged £	Amount paid £	Identity of person making payment	Amount unpaid £
Leonard Curtis	Meetings with directors, assessing that Administration was the appropriate route, instructing agents and solicitors and liaising re marketing of the business including extensive negotiations of the sales	£10,017 50	Nil	n/a	£10,017 50
Edward Symmons LLP	Providing a report and valuation of assets, preparing sales pack, marketing the business for sale and negotiating with interested parties	£5,000	Nil	n/a	£5,000
Shakespeares Solicitors	Preparing sales contract, corresponding with the purchaser and Aldermore regarding release of their charge	£2,468	Nil	n/a	£2,468

9 6 The Joint Administrators, in the period prior to their appointment, also incurred disbursements in relation to various matters. These are summarised below

Type	£
Court filing fees	35 00
Travel expenses	16 00
Sundry expenses	10 00
<b>Total</b>	<b>61 00</b>

9 7 The determination of whether and to what extent unpaid pre-administration costs (as set out above) are approved for payment as an expense of the Administration is subject to approval which is separate to the approval of the Administrators' Proposals. This approval will be sought from

- (a) each secured creditor of the Company and, if we have made or intend to make a distribution to preferential creditors,
- (b) preferential creditors whose debts amount to more than 50% of the preferential debts of the Company, disregarding debts of any creditors who do not respond to an invitation to give or withhold approval

**10 JOINT ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS**

10 1 Paragraph 3 of Appendix A states that "The Administrators think that the Company will have insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of Section 176(A)(2)(a) of the Insolvency Act 1986 (prescribed part,) if any"

10 2 In view of this and unless creditors establish a creditors' committee, or if the committee does not make the requisite determination, the basis of our remuneration will be fixed by

(a) each secured creditor of the Company and, if we have made or intend to make a distribution to preferential creditors,

(b) preferential creditors whose debts amount to more than 50% of the preferential debts of the Company, disregarding debts of any creditors who do not respond to an invitation to give or withhold approval

10 3 The basis may be fixed as a percentage of the value of the property with which we have to deal, as a set amount or by reference to the time spent. In this case we will be requesting the above creditors to agree to fix our remuneration by reference to the time spent

10 4 Enclosed at Appendix D is a summary of our time costs to 12 August 2011. The summary shows that time costs of £12,532.50 have been incurred which represents 69.70 hours at a rate of £179.81 per hour. Details of our company's charge out rates and policy regarding recharge of disbursements, staff allocation, support staff and the use of subcontractors are attached at Appendix E. Further details of our company's charge out rates and policy regarding staff allocation, support staff and the use of subcontractors may be found in "A Creditors Guide to Administrators' Fees". This is available from our office free of charge or may be downloaded from [www.leonardcurtis.co.uk/downloads](http://www.leonardcurtis.co.uk/downloads)

10 5 We also require approval of the basis upon which we recharge internal disbursements that include an element of allocated costs. These are known as Category 2 costs and the basis of their recharge is also attached at Appendix E. Specific expenditure relating to the administration of a particular case is recoverable without approval and is referred to as "category 1 disbursement". Category 1 disbursements will generally comprise items such as identifiable telephone calls, postage, advertising, invoiced travel and properly reimbursed expenses, including car mileage at 45p, incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and storage.

10 6 In normal circumstances we would seek a resolution from creditors that the basis of recharge of these disbursements be agreed by creditors in accordance with the scale of charges set out in Appendix E although given my comments in paragraph 10 1 a request for a resolution in these terms will be put to those parties mentioned in paragraph 10 2 above.

10 7 On this assignment we have used the following professional advisors, including subcontractors

Name of Professional Advisor	Service Provided	Basis of Fees
Shakespeares Solicitors	Legal Advice	Time Costs Basis
Edward Symmons LLP	Valuation Advice	Time Costs Basis
ERA Solutions	Employee Advice	Time Costs Basis

10 8 Details of our company's policy regarding the choice of professionals, including subcontractors, and the basis for their fees are included in Appendix E

- 10.9 If the Company moves from Administration to CVL, the Liquidator's remuneration and Category 2 disbursements will be payable on the same basis as fixed in the Administration

## 11 ANTICIPATED OUTCOME AND RELEASE OF JOINT ADMINISTRATORS FROM LIABILITY

- 11.1 If there are no funds available for distribution to unsecured creditors at the completion of the Administration, which we expect to be the case, or if they are distributed during the course of the Administration, we propose to move the Company from Administration to Dissolution as soon as all outstanding matters in the Administration have been attended to

- 11.2 Once the Company has been moved into Dissolution, the Administration and the appointment of the Joint Administrators will automatically cease

- 11.3 In the unlikely event that funds do become available for distribution to unsecured creditors at the completion of the Administration, the Company will be moved into CVL to enable them to be distributed. In accordance with the Proposals attached at Appendix A, I will become Liquidator

- 11.4 It will however also be necessary for the creditors to fix the date upon which we are discharged from liability in respect of any action of ours during the Administration. In normal circumstances we would seek a resolution from creditors that we be discharged from such liability immediately upon our appointment, ceasing to have effect and a request for a resolution in these terms will be put to those parties mentioned in paragraph 10.2 above

## 12 CONCLUSION

- 12.1 It is important that you give careful attention to this report and its Appendices

- 12.2 If you wish to avail yourself of the opportunity to request that a meeting of creditors be convened, please ensure that you complete form 2.21B attached at Appendix F and lodge it at our office, together with details of your claim as at the date on which the Company entered Administration, **less any payments that have been made after the date of Administration in respect of your claim and any adjustment by way of set-off**, no later than **5 September 2011**. Security must be given for the expenses of summoning and holding the meeting

- 12.3 Should you have any queries or require any further clarification please contact our office, **in writing**. Electronic communications should also include a full postal address

for and on behalf of

**IMPEX CREATIVE CRAFTS LIMITED**



**N A BENNETT**  
Joint Administrator

Licensed in the UK by Insolvency Practitioners Association

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as agents of the Company without personal liability

APPENDIX A

JOINT ADMINISTRATORS' STATEMENT OF PROPOSALS

It is proposed that

- 1 The Joint Administrators continues to manage the business, affairs and property of the Company in such a manner as they consider expedient with a view to achieving the statutory purposes of the Administration
- 2 In the event that there are no monies remaining to be distributed to creditors the Company be dissolved as soon as all matters relating to the Administration have been completed
- 3 If appropriate, the Joint Administrators file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation with a view to distributing the available funds. It is further proposed that N A Bennett be appointed Liquidator of the Company. The Joint Administrators think that the Company will have insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of Section 176(A)(2)(a) of the Insolvency Act 1986 (prescribed part), if any
- 4 The Joint Administrators investigate and, if appropriate, pursue any claims that they or the Company may have against any directors or former directors, other third parties, officers or former officers, advisers or former advisers of the Company

APPENDIX B

Statement of Affairs as at 14 July 2011

Impex Creative Crafts Limited is a company registered in England and Wales, with its registered office at [redacted], [redacted], [redacted]. The company is a private company limited by shares. The company's principal business is the manufacture and sale of [redacted]. The company is currently in administration, and the administrators are [redacted].

The Statement of Affairs is a statement of the company's financial position as at 14 July 2011. It is prepared in accordance with the provisions of the Insolvency Act 1986. The Statement of Affairs is a statement of the company's assets and liabilities, and it is a statement of the company's financial position as at the date of the Statement of Affairs.

**A – Summary of Assets****Assets****Assets subject to fixed charge**

Trademarks and Intellectual Property

Less Barclays Bank PLC

Trade Debtors

Less Aldermore Invoice Finance

**Assets subject to floating charge:**

Fixtures, Fittings and Office Equipment

Stock

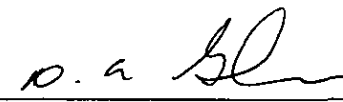
**Uncharged Assets**

None

**Estimated total assets available for preferential  
creditors**

Book Value £	Estimated to Realise £
0	7,500
(9,547)	(9,547)
(9,547)	(2,047)
183,957	137,968
(139,045)	(139,045)
44,912	(1,077)
27,666	2,000
312,561	50,500
340,227	52,500

Signature



Date

18.8.2011

## Statement of Affairs as at 14 July 2011 (cont/d)

## A1 - Summary of Liabilities

	Book Value	Estimated to Realise £
Estimated total assets available for preferential creditors (carried from page A)		52,500
<b>Liabilities</b>		
Preferential creditors - Employee Wages and Holiday Pay (estimate)	£	18,288
Estimated surplus/(deficiency) as regards preferential creditors	£	34,212
Estimated prescribed part of net property where applicable (to carry forward)	£	9,842
Estimated total assets available for floating charge holders	£	24,370
Debts secured by floating charges	£	(3,124)
Estimated surplus/(shortfall) of assets after floating charges	£	21,245
Estimated prescribed part of net property where applicable (b/down)	£	9,842
Total assets available to unsecured creditors	£	31,088
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		
Trade Creditors	£ 282,403	
HM Revenue & Customs (PAYE)	£ 12,235	
HM Revenue & Customs (VAT)	£ 47,241	
Director's Loan Account	£ 248,648	
Employee Unsecured Claims (estimate)	£ 127,188	
		(717,715)
Estimated deficiency as regards non-preferential creditors	£	(686,627)
Floating Charge Shortfall	£	-
Estimated total deficiency as regards creditors	£	(686,627)
Issued and called up capital	£	5,000
Estimated total deficiency as regards members	£	(691,627)

Signature \_\_\_\_\_

Date \_\_\_\_\_

Impex Creative Crafts Limited  
Company Creditors

Note You must include all creditors under hire-purchase, chattel leasing or conditional sale agreements services and creditors claiming retention of title over property in the company's possession

Name of Creditor or Claimant	Address --	Amount of Debt (£)	Details of Security held by Creditor	Date Security given	Value of Security
<b>Trade and Expense Creditors</b>					
3 Way Services Ltd	180 Hampden Way	1,355.25	N14 7LY	None	
Ashtland Properties Ltd	Grant House	21,500.00	EC1M 4DT	None	
Axa Ppp Healthcare	Phillips House	691.94	TN21 2PL	None	
B Rogers (Cartons) Ltd	The Cottage	2,553.60	NW5 1UP	None	
Bob Arnold Associates	4 Newton Crescent	2,665.36	CW11 4T	None	
Bywaters (Leyton) Ltd	Auckland Road,	921.89	E10 9NB	None	
C & J Bulton Dyers Ltd	Unit 13, Westgate Centre	1,157.04	EB 3RU	None	
Chambers & Newman Insurance Brokers	Heathcoat House	0.00	W15 3PR	None	
Clubb Fire	400 Dallow Road	6,884.01	L11 1UR	None	
Dairy Crest Limited	496 Church Lane	0.00	NW9 8UA	None	
DHL Express (UK) Limited	Po Box 192	558.20	TW14 0LR	None	
Dipka Patel	36d Stirling Avenue	191.20	HA8 8BP	None	
E Lloyd & Co	Unit D5, Bramtree Road Industrial	5,817.10	HA4 0EJ	None	
H A Light Findings Ltd	Rical Group	2,436.37	B65 1NY	None	
Harland Corporation Limited	Unit 13 Enterprise Court	0.00	SF7 0PS	None	
Hawkesworth Appliances Testing	Guidance House	178.99	YO7 3BT	None	
Hj Galeley Waring	One Eleven	13,554.20	B3 2JU	None	
J.C.H.F. Ltd	Domarc House	3,265.00	BK23 5HW	None	
Investlec Asset Finance plc	Windrush Court	22,735.00	OX14 1SY	None	
J Rani	26 Wyndwood Avenue	229.60	HA8 6TH	None	
K & J Packaging	Dearden Works	2,705.14	CW7 3DL	None	
K. Swannathan	30 Stanley Park Drive	123.70	HA0 1SG	None	
Kellinait Ltd	Imaje House	4,129.25	WD6 4RT	None	
Kims Trading Co	Room 611, Mokyeon Bldg 94-9,	2,211.29	W1B 5NH	None	
King Sturge Up	Allen Anna Butler	18,506.12	HA0 2NP	None	
Laxmi Hirani	82 Elms Lane	444.24	SL1 4AA	None	
Leaseplan	165 Bath Road	2,725.16	HA1 2DT	None	
Lombard	Vehicle Management	0.00	B1 2TZ	None	
London Borough Of Harrow	Business Rates Office	21,560.00	C89 7XU	None	
Lynvale Ltd	Unit 6 Urne Grove Ind Est.	426.00	NW2 4QJ	None	
Manakshi Patel	22 Stanley Gardens	256.63	SG12 9EN	None	
Mobile Account Solutions	Sucklings Yard	343.22	EN3 7PX	None	
Mondial Forwarding Ltd	46 Lockfield Avenue	54.00	HA0 4JH	None	
Mr P Rathod (Hansa)	8 Kathleen Avenue	20.00	SS11 8QU	None	
Norman Knights Ltd	Unit 1 Russell Court	593.63	KY14 7SY	None	
Oldtown Agencies	Bill Gillan	1,452.43	CF83 9DD	None	
Orvak Environmental Services	Po Box 146	346.96	SS14 3ET	None	
Paradise	1 Olympic Business Centre	927.45	CW19 5LS	None	
Phillips Fells Ltd	Po Box 4238	303.12	HA3 9SW	None	
Piney Boxes Ltd	32 Imperial Way	462.61	SG1 4DX	None	
Pravina Patel	Ophelobra 3197	193.53	BT41 2DU	None	
Pracosa, A S	Unit 2 24-26 Boulton Road	158.10	HP2 7DW	None	
Premier Tape Converters Ltd	2 Caulside Drive	185.47			
Primespac Ltd	Unit 9, Progression Centre	7,275.44			
Profile Co Uk	Unit 4, 19F, Kordak House 11,	6,558.73			
Reform Plastic & Metal Factory Ltd		41,679.92			

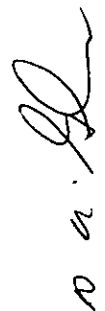
Signature

Date

Impex Creative Crafts Limited  
Company Creditors

Note You must include all creditors under hire-purchase, chattel leasing or conditional sale agreements services and creditors claiming retention of title over property in the company's possession

Name of Creditor or Claimant	Address -	Amount of Debt (£)	Details of Security held by Creditor	Date Security given	Value of Security
Roch UK Ltd	Roch House	69.98	None		
S B Concepts Ltd	Uiac Cottage	522.00	None		
Sandra B S P A	Strada Prov Le Per Busseto, 25	19,946.93	None		
Settech Adhesive Systems Ltd	Unit 1, Cambridam Commercial	11,882.16	None		
Seymour Direct	124-126 High Street	8.45	None		
Sid Limited	Units 5-8	545.58	None		
Stephen Arnold Ltd	1 Bedford Mews	11.00	None		
Summers Morgan	Siteration House	6,027.25	None		
Tawan Kantenan Inc	F1 5-1 No 137 Sec 4	27,379.77	None		
The Craft Business	Acseville Publications Ltd	0.00	None		
The Needle Company Ltd	Meadow Barn	364.25	None		
T Mobile	Bronel Drive	319.85	None		
Transglobal International	P O Box 186	211.61	None		
U P S	United Parcel Service	6,852.83	None		
Veolia Water	Tamblyn Way	4,555.15	None		
Vicking Direct	P O BOX 279	56.62	None		
W E Roberts (Corrugated) Limited	Thames Works	1,221.79	None		
		1,500.00	None		
		<u>£ 282,402.51</u>			
<b>Other Unsecured Creditors</b>					
HM Revenue & Customs	Insolvency Operations	47,241.28	None		
HM Revenue & Customs	Debt Management Enforcement & Insolvency	12,235.00	None		
Dave Goodrich	various	248,648.00	None		
Employee Unsecured Claims		127,188.00	None		
		<u>£ 435,312.28</u>			
		<u>£ 717,714.79</u>			
<b>Total Unsecured Creditor Claims</b>					
<b>Secured Creditors</b>					
Barclays Bank PLC	1 Churchill Place	9,547.00	All Assets Debiture	29/10/2008	All monies due
Aldermore Invoice Finance	A division of Aldermore Bank PLC	139,045.00	All Assets Debiture	14/04/2011	All monies due
		<u>£ 148,592.00</u>			

Signature 

Date 18.5.2011

**Impex Creative Crafts Limited  
Company Shareholders**

Name of Shareholder	Address (with postcode)	No of shares held	Nominal Value	Details of Shares held
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Sharmac Limited

1st Floor, Sheraton House, Lower Road, Chorleywood, Hertfordshire WD3 5LH

5,000      5,000.00      Ordinary

5,000	5,000
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18.8.2011

Signature *to a RL*      Date 18.8.2011

**Summary of Joint Administrators' Receipts and Payments Account  
from 14 July 2011 to 24 August 2011**

	Statement of Affairs £	Fixed £	Floating £	Total £
<b>RECEIPTS</b>				
Trademarks, Patents and Intellectual Property	7,500	7,500 00	-	7,500 00
Debtors	137,968	50,387 14	-	50,387 14
Stock	50,500	-	50,500 00	50,500 00
Fixtures and Fittings and Equipment	2,000	-	2,000 00	2,000 00
	<hr/>	<hr/>	<hr/>	<hr/>
	197,968	57,887 14	52,500 00	110,387 14
	<hr/>			
Sundry Refunds		-	1,686 92	1,686 92
VAT Payable		1,500 00	9,157 43	10,657 43
		<hr/>	<hr/>	<hr/>
		57,887 14	54,186 92	112,074 06
		<hr/>	<hr/>	<hr/>
<b>PAYMENTS</b>				
Solicitors' Fees and Expenses		500 00	3,532 00	4,032 00
Storage Charges		-	- 665 27	665 27
Other Professional Fees		-	1,800 00	1,800 00
Bordereau Fee		-	135 00	135 00
IT Licence Fee		-	75 00	75 00
Sundry Disbursements		-	5 60	5 60
		<hr/>	<hr/>	<hr/>
		500 00	6,212 87	6,712 87
		<hr/>	<hr/>	<hr/>
<b>DISTRIBUTIONS</b>				
Aldermore Invoice Finance		50,387 14	-	50,387 14
		<hr/>	<hr/>	<hr/>
<b>Balance in Hand</b>		7,000 00	47,974 05	<b>54,974 05</b>
		<hr/>	<hr/>	<hr/>

**Impex Creative Crafts Limited**  
(In Administration)

**Summary of Joint Administrators' Time Costs from 14 July 2011 to 19 August 2011**

	Director		Associate Director		Senior Manager		Manager		Senior Administrator		Administrator		Total		Average Hourly Rate £
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	
Statutory & Review	-	-	18	630 00	-	-	5	87 50	-	-	-	-	23	717 50	311 96
Receipts & Payments	-	-	-	-	-	-	-	-	10	150 00	-	-	10	150 00	150 00
Assets	10	450 00	-	-	-	-	-	-	150	2,250 00	-	-	160	2,700 00	168 75
Liabilities	-	-	-	-	-	-	-	-	25	375 00	-	-	25	375 00	150 00
Debenture Holder	-	-	-	-	-	-	-	-	15	225 00	-	-	15	225 00	150 00
General Administration	-	-	-	-	-	-	-	-	65	975 00	-	-	65	975 00	150 00
Appointment	-	-	-	-	-	-	-	-	80	1,200 00	118	1,180 00	198	2,380 00	120 20
Post Appointment Creditor Reporting	30	1,350 00	61	2,135 00	10	325 00	-	-	190	2,850 00	-	-	291	6,660 00	228 87
Investigations	-	-	-	-	-	-	-	-	20	300 00	-	-	20	300 00	150 00

Total	40	1,800 00	79	2,765 00	10	325 00	5	87 50	555	8,325 00	118	1,180 00	807	14,482 50	
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Average Hourly Rate (£)		450 00		350 00		325 00		175 00		150 00		100 00		179 46	
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All Units are 6 minutes

## APPENDIX E

### CHARGE OUT RATES AND POLICY REGARDING STAFF ALLOCATION, SUPPORT STAFF, THE USE OF SUBCONTRACTORS AND THE RECHARGE OF DISBURSEMENTS

The following information relating to the policy of Leonard Curtis is considered to be relevant

#### Charge out Rates

The following hourly charge out rates apply to all assignments undertaken by Leonard Curtis

Director	£450
Associate Director	£350
Senior Manager	£325
Manager 1	£250
Manager 2	£200
Manager 3	£175
Senior Administrator	£150
Administrator	£100
Support	£75

#### Staff Allocation, Support Staff and the Use of Subcontractors

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is charged. Details of any subcontractor(s) used are given in the attached report.

#### Professional Advisors

Details of any professional advisor(s) used are given in the attached report. Unless otherwise indicated the fee arrangement for each will be based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements.

The choice of professional advisors will be based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

#### Disbursements

Specific expenditure relating to the administration of a particular case is recoverable without approval and is referred to as a "category 1 disbursement". Category 1 disbursements will generally comprise supplies of incidental services specifically identifiable to the case, typically for items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses, including car mileage at 45p a mile, incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

Where we propose to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, documents storage or communication facilities provided by us) they must be disclosed and be authorised by those responsible for approving the administrators' remuneration. Such expenditure is referred to as a "category 2 disbursement". The following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision.

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Room Hire	£100
Storage of office files (6 years)	£88.75 per box

# Creditor's request for a meeting

Name of Company <b>IMPEX CREATIVE CRAFTS LIMITED</b>	Company number <b>01165448</b>
In the High Court of Justice <small>[full name of court]</small>	Court case number <b>5728 of 2011</b>

(a) Insert full name and address of the creditor making the request

I (a) \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

(b) Insert full name and address of registered office of the company

request a meeting of the creditors of (b) IMPEX CREATIVE CRAFTS LIMITED,  
One Great Cumberland Place, Marble Arch, London W1H 7LW

(c) Insert amount of claim

my claim in the administration is (c) \_\_\_\_\_

(d) Insert full name(s) and address(es) of creditors concurring with the request (if any) and their claims in the administration if the requesting creditor's claim is below the required 10%

(d) \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

concur with the above request, and I attach copies of their written confirmation of concurrence

(e) insert details of the purpose of the meeting

The purpose of the meeting is (e) \_\_\_\_\_  
 \_\_\_\_\_

Signed \_\_\_\_\_

Dated \_\_\_\_\_