

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company DONNA IDA LIMITED	Company number 05788197
In the HIGH COURT OF JUSTICE	Court case number 2773 of 2014

(a) Insert full name(s) and address(es) of administrator(s)

I, Lane Bednash, of Valentine & Co, 3rd Floor, Shakespeare House, 7 Shakespeare Road, London, N3 1XE

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

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

(b) Insert date

(b) 21 May 2014

Signed

Administrator

Dated

21.5.14

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.

	Tel
DX Number	DX Exchange



A04 23/05/2014 #266
COMPANIES HOUSE

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

**Administrator's
Statement of Proposals pursuant to
Paragraph 49 of Schedule B1**

Donna Ida Limited - In Administration

21 May 2014

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DONNA IDA LIMITED - IN ADMINISTRATION

1 Statutory Information

- 1.1 The registered number of Donna Ida Limited (the Company) is 05788197
- 1.2 The principal trading address of the Company was 106 Draycott Avenue, Chelsea, London, SW3 3AE. The business trades under the name Donna Ida.
- 1.3 The registered office of the Company has been changed from 145-147 Hatfield Road, St Albans, Hertfordshire, AL1 4JY to c/o Valentine & Co, 3rd Floor, Shakespeare House, 7 Shakespeare Road, London, N3 1XE.
- 1.4 Details of the Company's directors and secretary are as follows:

	Date appointed	Date resigned	Shares held
Director			
Robert Walton	8 September 2008		81
Karl Michael Bistany	11 September 2006	-	150
Donna Ida Thornton	20 April 2006	-	378
Russell William Kilpatrick	1 January 2010	20 January 2014	162 (held jointly)
Kimberley Draper	17 September 2009	7 September 2012	-
Mark Anthony Fenwick	19 March 2007	15 August 2011	-
Jessica Kilpatrick	11 September 2006	1 January 2010	162 (held jointly)
Bradley Johnson	11 September 2006	9 June 2009	
Allana Hilda Reynolds	11 September 2006	9 June 2009	
Secretary			
Rothman Panthall (Sutton) Limited	7 September 2012	-	-
Kimberley Draper	1 February 2008	7 September 2012	-
Elizabeth Blanchfield	1 September 2006	30 January 2007	-
Marcelle Louise Gammal	20 April 2006	11 September 2006	-

2 Background to the Administration

- 2.1 The Directors established the Company in 2006 and, together with a group of investors, opened the first Donna Ida store in Draycott Avenue in Chelsea to retailer of high-end, branded fashion.
- 2.2 As well as stocking branded labels, the Company also owns the eponymous Ida brand which is marketed as an expression of Donna Ida herself.

DONNA IDA LIMITED - IN ADMINISTRATION

- 2 3 The business started to gather momentum and, in 2008, a second store was opened at the Westfield shopping centre, London, followed by a third store in Belgravia in February 2010 and a fourth and final store in Guildford in December 2010. All stores traded under the Donna Ida brand name.
- 2 4 The Company launched its website towards the end of 2008 and towards the latter part of 2012, the Director launched the Ida denim based clothing line, which has just completed its third season.
- 2 5 The Directors advise that until year ended January 2012, the Company traded profitably although trading throughout the year to January 2013 proved challenging due, in the main, to the unsuccessful Westfield store. The Company made a loss of c£76,000 against a profit in 2012 of c£2,500.
- 2 6 We are advised that trading since February 2013 proved to be even more challenging with the Guildford and Westfield stores trading at a loss. Whilst there have been historic profits overall, the Westfield store has proved significantly problematic. The reason for this is that the rent of £115,000pa was considered, in hindsight, to be excessive due to the lack of footfall at its position in 'The Village' section. In addition to the rent, the rates and service charges meant the annual overhead costs for Westfield alone, were in excess of £200,000.
- 2 7 The Chelsea store has always been the flagship store and, although the Belgravia store is relatively close, it has always been successful and the general opinion is that this will continue to be the case not only as the economy improves but also because high-end designer brands are moving in to the area and enhancing the area as a shopping destination.
- 2 8 The Company has been unable to recover from the underperformance of the Westfield store. Management Accounts for the 11 months to 31 December 2013 show turnover of £3,003,590, equivalent to £3,276,643 on an annualised basis (excluding any uplift from January sales) which would be a fall from the previous 12 months. Furthermore, administrative expenses continue to exceed gross profits and the accounts show a pre-tax loss of £243,709 after interest, depreciation and amortisation.
- 2 9 The Company sought to close the Westfield store. However, since the Directors told by Westfield that no one in the centre would be given a break clause, they could only exit the lease with the agreement of Westfield. Meanwhile, it seemed to the Directors that, at the 5 year anniversary, key retailers in the Village section appeared to be closing due to them exercising a break clause in their contracts. These retailers were key to the success of the Company as they were reputable high street names that attracted shoppers to the Village.

section The Directors firmly believe that, without their presence, the footfall in the Village section would further deteriorate

- 2 10 In February 2014, the Company signed its first franchise agreement, utilising the Guilford store We are advised that the Franchisee paid a one-off franchise fee of £5,000, £50,000 towards leasehold improvements, £60,000 for stock and £20,000 to cover the Company's rent deposit In addition, the Franchisee was required to pay a royalty payment on turnover
- 2 11 The Company relies heavily on the presence of Donna Ida Thornton who is known for her brand of jeans and for conducting personal clinics with her customers It is due to her direct involvement with the business and the story behind its establishment, that has helped to establish and develop the Donna Ida brand It was considered highly unlikely that the high value attributed to goodwill could be achieved without the Director's close personal involvement
- 2 12 The two largest selling brands are J Brand and Ida which, we are advised, account for 40% of all sales The agents were advised that without the involvement of Donna Ida Thornton in the business, J Brand would not guarantee to supply a successor business in the future The J Brand distributors have verbally confirmed that, whilst they would continue to supply the business if Donna Ida Thornton retained an involvement with the business, they were unlikely to do so without her
- 2 13 In April 2014, the Company vacated its head office premises in Phoenix Brewery It was considered an unjustifiable overhead The expense of maintaining an independent head office could no longer be justified so the premises were vacated, and the administration moved to the Belgravia store
- 2 14 Independent agents were instructed and met with the Directors on Monday 31 March 2014, with a view to carrying out a valuation of the assets including goodwill The detailed valuation was concluded on 10 April 2014
- 2 15 Following a Board meeting held on 8 April 2014, a Notice of Intention to Appoint an Administrator was filed in the High Court of Justice by the Directors on 9 April 2014 The Notice of Appointment of An Administrator was filed in the High Court on 24 April 2014
- 2 16 As a result, Lane Bednash of Valentine & Co, 3rd Floor, Shakespeare House, 7 Shakespeare Road, London, N3 1XE, a licensed insolvency practitioner, was appointed Administrator of the Company by the directors on 24 April 2014
- 2 17 The Administration is registered in the High Court of Justice, under reference number 2773 of 2014

- 2 18 The EC Regulation on Insolvency Proceedings 2000 applies to the Administration. The proceedings are main proceedings as defined by Article 3 of the Regulation. The Company is based in the United Kingdom.

3 Administration Strategy and Objective

- 3 1 The Administrator must perform his functions with the purpose of achieving one of the following objectives:

- rescuing the Company as a going concern,
- 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
- realising property in order to make a distribution to one or more secured or preferential creditors.

Further information on the pursuance of the above objectives is detailed below.

- 3 2 A sale of the Company's business and assets was concluded on 25 April 2014 to Brookman Investments Limited. A pre-packaged sale was considered necessary to retain the value of the goodwill of the business and achieve the best result for the creditors.
- 3 3 In agreeing to the pre-packaged sale, The Administrator has considered the purpose of the Administration as 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).
- 3 4 Following the completion of the pre-packaged sale of the Company's business and assets, the Administrator sent a letter to creditors on 6 May 2014 to provide further information on the sale pursuant to the requirements of Statement of Insolvency Practice No 16. Whilst the information contained within the report was immediately available after the appointment, the Administrator had been prevented from issuing his report to creditors expeditiously due to delays in producing the final creditors list.
- 3 5 A copy of the report is attached at Appendix F for your information.

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3 6 In summary, The following assets were sold as part of the Sale Agreement,

Details of Assets	Price Apportionment (£)	Fixed or Floating Asset
All Intellectual Property of Donna Ida Limited and IDA Trading Limited (100% subsidiary), the brands known as Donna Ida and IDA, and any other Asset not otherwise mentioned and sold to the Buyer under this agreement	60,000	Fixed
All outstanding rent deposits	20,000	Floating
All unencumbered Stock	50,000	Floating
TOTAL	130,000	

4 Administrator's Receipts and Payments

- 4 1 There have been no receipts and payments for the Administration period from the date of my appointment to 21 May 2014
- 4 2 Hamlins LLP are holding the sum of £50,000, being the first payment due from the packaged sale. This sum is to be paid into the Administration bank account shortly.

5 Financial Position

- 5 1 A Statement of the Company's Affairs has not yet been received, despite a number of requests. The Directors are finalising the Statement and have confirmed that they will issue it shortly. Attached as Appendix B is a summary of the Estimated Financial Position of the Company as at 24 April 2014, together with a list of creditors names and addresses along with details of their debts (including details of any security held by them).
- 5 2 It should be noted, that the Estimated Financial Position is based on the assets sold as part of the pre-packaged sale. Creditor information is as provided by the Directors and actual claims received from creditors.

6 Proposals

- It is proposed that the Administrator will continue to manage the affairs of the Company in order to achieve the objective of the Administration. In the circumstances it is proposed that
- 6 1 As the Administrator thinks that a distribution will be made to the unsecured creditors, he proposes filing a notice with the Registrar of Companies which will have the effect of bringing the appointment of the Administrator to an end and will move the Company automatically into Creditors' Voluntary Liquidation (CVL) in order that the distribution can be made. In

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these circumstances, it is proposed that the Administrator will become the Liquidator of the CVL

- 6.2 Alternatively, the Administrator may consider making an application to court to seek permission to make a distribution to the unsecured creditors in the Administration. If permission is granted, the Company will exit into dissolution once the distribution has been made and the Administration concluded.
- 6.3 See Section 7 below on **Exit Routes** for further information on this process.
- 6.4 The Administrator shall do all such other things and generally exercise all of his powers as contained in Schedule 1 of the Insolvency Act 1986, as he considers desirable or expedient to achieve the statutory purpose of the Administration.
- 6.5 The creditors consider establishing a Creditors' Committee and that if any such Committee is formed they be authorised to sanction the basis of the Administrator's remuneration and disbursements and any proposed act on the part of the Administrator without the need to report back to a further meeting of creditors generally, to include any decision regarding the most appropriate exit route from the Administration.
- 6.6 The basis of the Administrator's remuneration may be fixed as one or more of the following bases and different bases may be fixed in respect of different things done by him
- as a percentage of the value of the assets he has to deal with, or
 - by reference to time properly spent by the Administrator and his staff managing the Administration, or
 - as a set amount
- 6.7 In accordance with Statement of Insolvency Practice No 9, issued by the Association of Business Recovery Professionals, the Administrator be authorised to draw Category 2 disbursements as and when funds are available, in accordance with his firm's published tariff. Details of Category 2 disbursements charged by the firm can be found in Appendix D.
- 6.8 Where no Creditors' Committee is appointed, the remuneration and disbursements of the Administrator shall be fixed by resolution of a meeting of creditors or where the Administrator thinks that the company has insufficient property to enable a distribution to be made to the unsecured creditors (other than via the prescribed part), approval will be sought from the secured and (if necessary) the preferential creditors in accordance with R2.106 of the Insolvency Rules 1986. The Administrator will also seek approval for any unpaid pre-administration costs detailed in this report and his discharge from liability in the same manner.

- 6 9 In this case, the Administrator is seeking to approve the basis of his remuneration by reference to the time properly spent by the Administrator and his staff in attending to matters arising in the Administration
- 6 10 The Administrator be authorised to draw remuneration as and when funds are available
- 6 11 The Administrator will be discharged from liability under Paragraph 98 of Schedule B1 to the Insolvency Act 1986 immediately upon his appointment as Administrator ceasing to have effect

7 Exit Routes

Creditors Voluntary Liquidation

- 7 1 Based on present information, the Administrator thinks a dividend will be paid to the unsecured creditors. As a result, the Administrator will either make an application to court to enable him to make a distribution to unsecured creditors in the Administration or he will 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 (CVL) to facilitate this distribution. It is proposed that the Administrator will also become the Liquidator of the CVL.
- 7 2 Creditors have the right to nominate an alternative liquidator of their choice. To do this, creditors must make their nomination in writing to the Administrator prior to these proposals being approved. Where this occurs, the Administrator will advise creditors and provide the opportunity to vote. In the absence of a nomination, the Administrator will automatically become the Liquidator of the subsequent CVL.

Dissolution of the Company

- 7 3 If the Administrator thinks that the Company has no property which might permit a distribution to its unsecured creditors, it is proposed that he file a notice together with his final progress report at Court and with the Registrar of Companies for the dissolution of the Company. He will send copies of these documents to the Company and its creditors. The Administrator's appointment will end following the registration of the notice by the Registrar of Companies.

8 Pre-administration Costs

8.1 Pre-appointment fees charged and expenses incurred by the administrator are as follows

Supplier to	Brief description of services provided	Pre-appointment estimate	Amount paid	The estimate made by	Amount paid
Valentine & Co	Correspondence and meetings with directors, company accountant Franchisee, solicitors and agents	7,500.00	Nil	N/A	7,500.00
Williams and Partners	Valuation of assets and business	2,000.00	Nil	N/A	2,000.00
Hamblins LLP	Legal work re pre-pack	4,342.50	Nil	N/A	4,342.50

8.2 The payment of the unpaid pre-administration costs set out above as an expense of the Administration is subject to the approval of creditors, separately to the approval of the Administrator's proposals. This approval will be the responsibility of the Creditors' Committee if one is appointed or alternatively by resolution of a meeting of creditors where there is no Committee.

9 Administrator's Remuneration

9.1 The Administrator's time costs at 21 May 2014 are £12,611.25. This represents 51.7 hours at an average rate of £243.92 per hour. As noted in the Proposals section above, the Administrator is seeking to fix the basis of his remuneration by reference to the time properly spent by the Administrator and his staff in attending to matters arising in the Administration. Appropriate approval will be sought as outlined in section 6 of this report.

9.2 A copy of "A Creditors' Guide to Administrators' fees" is available on request or can be downloaded from www.valentine-co.com > Technical Resources. If you would prefer this to be sent to you in hard copy please contact this office.

9.3 Attached as Appendix C is a Time Analysis which provides details of the activity costs incurred by staff grade to the above date.

9.4 Attached as Appendix D is additional information in relation to my firm's policy on staffing, the use of sub-contractors, disbursements and details of our current charge-out rates by staff grade.

9.5 The time spent on this case since appointment relates to the following matters:

- Finalising the pre-packaged sale of the business and assets

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- Attending to correspondence and telephone calls with creditors
- Recording and acknowledging creditors' claims
- Investigations into the affairs of the Company
- Preparation and submission of statutory reports
- Obtaining bonding and completing bond reviews to enable the Liquidator to continue to act
- Cashiering and updating insolvency computer system
- Reviews of case
- Statutory compliance which includes submissions to Companies House
- Liaising with valuation agents
- Liaising with solicitors/counsel

10 Estimated Outcome

- 10 1 An estimate of the outcome of the Administration as at 21 May 2014 is attached as Appendix E This indicates that ordinary unsecured creditors may receive a dividend of 1 77 pence in the pound
- 10 2 The Company granted a floating charge to Coutts and Company on 10 February 2010 Section 176A of the Insolvency Act 1986 requires the Administrator/Liquidator to set aside a prescribed amount of the Company's "net property" towards the satisfaction of unsecured debts Net property is the amount that would otherwise be available for the satisfaction of holders of debentures secured by, or holders of, any floating charge created after 15 September 2003 (a qualifying floating charge) Net property is calculated after accounting for preferential debts and the costs of realisation
- 10 3 In accordance with Section 176A(3)(a) of the Insolvency Act 1986, the prescribed part will be disappplied, as the Net Property is below £10,000

11 Next Report

- 11 1 The Administrator is required to provide a progress report within one month of the end of the first six months of the Administration

12 Meeting of Creditors

- 12.1 An initial meeting of the Company's creditors is being convened to approve the Administrator's proposals. The meeting will be held on 21 May 2014 at 12.00 noon at the offices of Valentine & Co, 3rd Floor, Shakespeare House, 7 Shakespeare Road, London, N3 1XE.
- 12.2 Further information on the meeting is contained in the letter accompanying this report.

For and on behalf of
Donna Ida Limited


Lane Bednash
Administrator

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**Receipts and Payments Account for the Period from 24 April 2014 to
21 May 2014**

Appendix A

**Donna Ida Limited
(In Administration)
Administrator's Abstract of Receipts & Payments**

Statement of Affairs	From 24/04/2014 To 21/05/2014	From 24/04/2014 To 21/05/2014
	<u>NIL</u>	<u>NIL</u>
REPRESENTED BY		<u>NIL</u>



Lane Bednash
Administrator

Donna Ida Limited - In Administration
Estimated Financial Position
As at 24 April 2014

<u>Assets Subject to Fixed Charge</u>	<u>Total (£)</u>
Goodwill, Intellectual Property, Website Development	60,000
Less Due to Coutts and Company	<u>(64,345)</u>
Deficiency carried down	<u>(4,345)</u>
<u>Assets Subject to Floating Charge</u>	
Rent Deposits	20,000
Funds held by Valentine & Co	10,000
Unencumbered Stock	<u>50,000</u>
Funds Available to Preferential Creditors	80,000
Preferential Creditors	<u>0</u>
Funds Available to Floating Chargeholders	80,000
Coutts and Company - brought down	<u>(4,345)</u>
Funds Available to Unsecured Creditors	75,655
<u>Unsecured Creditors</u>	
Trade and Expense Creditors	(398,452)
HM Revenue & Customs	<u>(89,304)</u>
Total Unsecured Creditors	<u>(487,756)</u>
Deficiency as regards unsecured creditors	(412,101)
<u>Shareholders</u>	
Ordinary shares	(975)
Share premium	<u>(191,925)</u>
	<u>(192,900)</u>
Deficiency as regards members	<u>(605,001)</u>

NOTE

The above information has been collated from the asset sale values as part of the pre-packaged sale
Creditor information is based on information provided by the Directors or as per actual creditor claims received
The above does not include any potential employee claims
The above does not include the costs of Administration/Liquidation
The funds held by Valentine & Co are in a general client account and are yet to be paid into a designated
Administration account

Time Analysis for the Period from 24 April 2014 to 21 May 2014

Appendix C

Administration & Planning	Includes case planning, statutory returns, maintenance of bank accounts and estate records, matters relating to tax, general correspondence, legal advice, meetings, employee matters, Court application for extension, legal advice regarding Agency issues
Investigations	Includes Statutory duty of investigation into Company's affairs under Statement of Insolvency Practice (SIP2)
Realisation of Assets	Includes dealing with the sale of the business and the assets of the Company, dealing with Solicitors, collecting book debts
Creditors	Includes correspondence with preferential and unsecured creditors, pensions and employees
Trading	Includes time on site, dealing with matters arising relating to ordering and the supply of goods, completion of WIP, supervision of staff

Time Entry - SIP9 Time & Cost Summary

D334 - Donna Ida Limited

Project Code POST

From 24/04/2014 To 21/05/2014

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	10.20	0.00	0.00	17.50	27.70	5,855.00	211.37
Case Specific Matters	3.00	0.00	0.00	0.00	3.00	1,125.00	375.00
Creditors	12.10	0.00	0.00	8.00	20.10	5,283.75	263.37
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.90	0.00	0.00	0.00	0.90	337.50	375.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	26.20	0.00	0.00	25.50	51.70	12,611.25	243.93
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

**Additional Information in Relation to Administrator's Fees Pursuant to
Statement of Insolvency Practice 9**

Appendix D

**ADDITIONAL INFORMATION IN RELATION TO LIQUIDATOR'S FEES
Pursuant To Statement Of Insolvency Practice 9 (SIP 9)**

Policy

Detailed below is Valentine & Co's policy in relation to

- staff allocation and the use of sub-contractors,
- professional advisors, and
- disbursements

Staff Allocation and the use of Sub-contractors

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case

The constitution of the case team will usually consist of a Partner, Senior and Administrator. The exact constitution of the team will depend on the size and complexity of the assignment and on larger, more complex cases, several staff may be allocated to meet the demands of the case.

With regard to support staff, time spent by cashiers in relation to specific tasks on an assignment is charged. Only if there is a large block of time incurred by a member of the secretarial team, will this be charged.

We are not proposing to utilise the services of any sub-contractors in this case.

Professional Advisors

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
Hamlin LLP (legal advice)	Hourly rate and disbursements
Williams and Partners (valuation and disposal advice)	Set fee plus disbursements

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.

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Disbursements

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement generally comprise of external supplies or incidental services specifically identifiable to the case, such as postage, advertising, invoiced travel, external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

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.

Disbursement rates are charged as follows - Post liquidation creditors circulars including director's reports, creditor questionnaire and claims forms £2.25 each, Annual meeting circulars £1.75 each, final meeting circulars £1.75 each. Room hire, where applicable £10.00 per hour. Insurance and bonding is recharged to the Company/insolvent estate at 100% of sum billed to the office holder from the provider of the surety or broker. Travel charges, where any staff of office holder of Valentine & Co utilises their own vehicle are charged at 40 pence per mile. Other travel charges are recharged at 100% of the fare/cost incurred by the office holder, his staff or relevant party. Subsistence and any other miscellaneous disbursements, where appropriately incurred, are charged/recharged at 100% of the cost incurred by the office holder, his staff or relevant party. Valentine & Co reserve the right to alter their charge rates without notice from time to time.

We would confirm that no Category 2 disbursements have been charged on this case.

Charge-out Rates

Details of the firm's current charge out rates are as follows (effective from 18 April 2011)		(Per hour) £
Managing Director		425
Other Director / Consultants		325-375
Manager		285
Senior Administrator		200
Administrator		100-150
Junior/Support		50-100

Please note that this firm records its time in minimum units of 6 minutes.

Donna Ida Limited - In Administration
Estimated Outcome Statement
As at 21 May 2014

<u>Assets Subject to Fixed Charge</u>	<u>To Date (£)</u>	<u>Future (£)</u>	<u>Total (£)</u>
Goodwill, Intellectual Property, Website Development	0	60,000	60,000
Less Due to Coutts and Company	0	(64,345)	(64,345)
Deficiency carried down	0	(4,345)	(4,345)
<u>Assets Subject to Floating Charge</u>			
Rent Deposit Surplus	0	20,000	20,000
Funds held by reporting accountant	10,000	0	10,000
Unencumbered Stock	0	50,000	50,000
Total Available Assets (bought down)	10,000	70,000	80,000
<u>Costs of Administration/Liquidation</u>			
Pre-Appointment Fees - Valuation Fees	0	(2,000)	(2,000)
Pre-Appointment Fees - Valentine & Co	0	(7,500)	(7,500)
Pre-Appointment Fees - Legal Fees	0	(4,343)	(4,343)
Administrator's Fees	0	(15,000)	(15,000)
Administrator's Disbursements	0	(1,000)	(1,000)
Legal Fees	0	(12,500)	(12,500)
Valuation Fees - 10% of realisations	0	(13,000)	(13,000)
Statutory Advertising	0	(300)	(300)
Bonding	0	(396)	(396)
Liquidator's Fees	0	(10,000)	(10,000)
Liquidator's Disbursements	0	(1,000)	(1,000)
Total Estimated Costs	0	(67,039)	(67,039)
Funds Available to Preferential Creditors	10,000	2,962	12,962
Preferential Creditors	0	0	0
Funds Available to Floating Chargeholders	10,000	2,962	12,962
Floating Chargeholder - Brought Down	0	(4,345)	(4,345)
Funds Available to Unsecured Creditors	10,000	(1,384)	8,617
<u>Unsecured Creditors</u>			
Trade and Expense Creditors	0	(398,452)	(398,452)
HM Revenue & Customs	0	(89,304)	(89,304)
Total Unsecured Creditors	0	(487,756)	(487,756)
Estimated Dividend to Unsecured Creditors (p/£)			1 77

NOTE

The above information has been collated from the asset sale values as part of the pre-packaged sale. Creditor information is based on information provided by the Directors or as per actual creditor claims received. Actual claims may be higher or lower than stated above. This will impact upon any dividend that may be payable to ordinary unsecured creditors.

Section 176A of the Insolvency Act 1986 requires the Administrator/Liquidator to set aside a prescribed amount of the Company's "net property" towards the satisfaction of unsecured debts. Net property is the amount that would otherwise be available for the satisfaction of holders of debentures secured by, or holders of, any floating charge created after 15 September 2003 (a qualifying floating charge). Net property is calculated after accounting for preferential debts and the costs of realisation.

In accordance with Section 176A(3)(a) of the Insolvency Act 1986, the prescribed part will be disappplied, as the Net Property is below £10,000.

Administrator's statement on pre-packaged sale

Appendix F

Donna Ida Limited - In Administration (the Company)

Where a sale of all or part of a Company's business or assets is negotiated with a purchaser prior to the appointment of an Administrator and the Administrator effects the sale immediately on, or shortly after appointment, this is known as a pre-packaged sale

The statutory purpose of Administration is for an Administrator to perform his functions with the objective of either rescuing the Company as a going concern or achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up rather than being placed into Administration first. If neither of these objectives is reasonably practicable, the third objective of realising property in order to make a distribution to one or more secured or preferential creditors of the Company may be pursued providing the Administrator avoids unnecessarily harming the interests of the creditors as a whole.

In this case, the Administrator considered a pre-packaged sale to be necessary to retain the value of the goodwill of the business and achieve the best result for the creditors. This will achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up rather than being placed into Administration first.

Set out below is further information containing a summary of the circumstances relevant to the pre-packaged sale of the Company's business and assets to Brookman Investments Limited in accordance with the provisions of Statement of Insolvency Practice 16. In agreeing to the pre-packaged sale, I can confirm that I have considered the purpose of the Administration and the fulfilment of my statutory obligations to creditors under paragraphs 3(2) and 3(4) of Schedule B1 to the Insolvency Act 1986.

Background

The Directors established the Company in 2006 and, together with a group of investors, opened the first Donna Ida store in Draycott Avenue in Chelsea to retailer of high-end, branded fashion.

As well as stocking branded labels, the Company also owns the eponymous Ida brand which is marketed as an expression of Donna Ida herself.

The business started to gather momentum and in 2008 a second store was opened in Westfield, London, followed by a third store in Belgravia in February 2010 and a fourth and final store in Guildford in December 2010. All stores trade under the Donna Ida brand name.

The Company launched its website towards the end of 2008 and towards the latter part of 2012, the Director launched the Ida denim based clothing line which has just completed its third season.

The Directors advise that until year ended January 2012, the Company traded profitably although trading throughout the year to January 2013 proved challenging due, in the main, to the unsuccessful Westfield store. The Company made a loss of c£76,000 against a profit in 2012 of c£2,500.

We are advised that trading during 2013 (since the year-end) proved to be even more challenging with the Guildford and Westfield stores made a trading loss. Whilst there have been historic profits overall, the Westfield store has proved significantly problematic. The reason for this is that the rent of £115,000pa was considered, in hindsight, to be excessive due to the lack of footfall at its position in 'The Village' section. In addition to the rent, the rates and service charges meant the annual overhead costs for Westfield alone, were in excess of £200,000.

The Chelsea store has always been the flagship store and, although the Belgravia store is relatively close, it has been successful and the general opinion is that this will continue to be the case not only as the economy improves but also because high-end designer brands are moving in to the area and enhancing the area as a shopping destination.

The Company has been unable to recover from the underperformance of the Westfield store. Management Accounts for the 11 months to 31 December 2013 show turnover at £3,003,590, equivalent to £3,276,643 on an annualised basis (excluding any uplift from January sales) which would be a fall from the previous 12 months. Furthermore, administrative expenses continue to exceed gross profits and the accounts show a pre-tax loss of £243,709 after interest, depreciation and amortisation.

The Company sought to close the Westfield store. However, since the Directors advised that they were told by Westfield that no one in the centre would be given a break clause, they could only exit the lease with the agreement of Westfield. Meanwhile, it seemed to the Directors that, at the 5 year anniversary, key retailers in the Village section seemed to be closing due to them exercising a break clause in their contracts. These retailers were key to the success of the Company as they were reputable high street names that attracted shoppers to the Village section. The Directors firmly believe that, without their presence, the footfall in the Village section would deteriorate.

In February 2014, the Company signed its first franchise agreement, utilising the Guilford store. We are advised that the Franchisee paid a one-off franchise fee of £5,000, £50,000 towards leasehold improvements, £60,000 for stock and £20,000 to cover the Company's rent deposit. In addition, the Franchisee will pay a royalty payment on turnover, which will generate further income in future.

The Company relies heavily on the presence of Donna Ida Thornton who is known for her brand of jeans and for conducting personal clinics with her customers. It is partly due to her direct involvement with the business and the story behind its establishment, that has helped to establish and develop the Donna Ida brand. It was considered highly unlikely that the high value attributed to goodwill could be achieved without the Director's close personal involvement.

The two largest selling brands are J Brand and Ida which, we are advised account for 40% of all sales. The agents were advised that without the involvement of Donna Ida Thornton in the business, J Brand would not guarantee to supply the new business in the future. The JBrand distributors have verbally confirmed that, whilst they would continue to supply the business if Donna Ida Thornton retained an involvement with the business, they were unlikely to do so without her.

In April 2014, the Company vacated its head office premises in Phoenix Brewery. It was considered an unjustifiable overhead. The expense of maintaining an independent head office could no longer be justified so the premises were vacated, and the administration moved to the Belgravia store.

Independent agents were instructed and met with the Directors on Monday 31 March 2014 with a view to carrying out a valuation of the assets including goodwill. The detailed valuation was concluded on 10 April 2014.

Following a Board meeting held on 8 April 2014, a Notice of Intention to Appoint an Administrator was filed in the High Court of Justice by the Directors on 9 April 2014. The Notice of Appointment of an Administrator was filed in the High Court on 24 April 2014.

Coutts and Company have a debenture registered against the Company, created on 10 February 2014. They gave their written consent to the appointment on 11 April 2014.

Initial introduction

The Directors were introduced to Valentine & Co by Brookmans Accounting, the Company's accountants, on 17 March 2014.

The Administrator does not believe that there is any significant personal or professional relationship between the Company or its directors and Valentine & Co and carried out the appropriate conflict review prior to accepting the appointment. I would confirm that I was formally engaged by the Company on 8 April 2014.

Pre-appointment considerations

The Administrator provided advice as to the options available to the Company, prior to his appointment. He was involved in instructing the valuation of the business and negotiating a pre-packaged sale of the business.

The following courses of alternative action were considered with management prior to the Administrator's appointment and the pre-packaged sale

Re-finance the Company

It was estimated that the immediate cashflow requirements of the business would be in the region of £200,000 - £250,000. The Directors advised that they were unwilling to raise or inject personal funds to refinance the Company. Moreover, the Company too had insufficient assets or prospects of recovery to render it an attractive proposition for either capital investment or loans.

Finally, the lease at the Westfield store could not be surrendered or disclaimed if the Company was to continue. That alone would add £200,000 of unsustainable overhead.

Administration to rescue the Company as a going concern

This was not seen to be likely to be achieved as there was no certainty that the Company could trade in the short to medium term, given immediate funding requirements. In particular, the excessive overhead cost relating to the Westfield store and the Head Office could not be maintained. Furthermore, there were substantial accrued debts due to various creditors who the Directors considered were unlikely to be prepared to advance further funds to the Company after any scheme might be proposed. Given the trading position of the Company it was unlikely that any credible CVA proposal or scheme of arrangement could be formulated. Accordingly, this particular purpose of an administration was unlikely to be achieved.

CVA (Stand alone procedure without prior Administration)

Taking into account the trading history of the business and its results over the past year, along with the management's views as to future prospects for the business, it was felt unlikely that any credible scheme forming a realistic proposal could be constructed, that creditors would find sufficiently attractive to accept. Additionally, the interim period between circulating the proposals and holding a meeting of creditors would have significantly reduced the value of the business and any goodwill. Furthermore the lease at the Westfield Store could not be surrendered or disclaimed.

Distressed sale of the business and assets as a going concern by management

This would have rendered the Company unviable as a going concern and would not represent the best outcome for creditors. It was also unlikely that any significant sum would be realised as Donna Ida Thornton would no longer be involved.

Liquidation and subsequent forced sale of the Company's assets

The value of the business and assets sold in a liquidation scenario, on a forced sale/break up basis would be significantly lower than could be achieved by a pre-packaged sale, resulting in a far lower return to creditors.

Trading the business

The immediate funding requirements rendered it impossible for the Administrator to trade the business and market the business for sale as a going concern. Any break in trade would have been detrimental to the value of the goodwill of the Company. We were advised that trading the business whilst the Company was in Administration would prove detrimental since it could limit the parties interested in purchasing the business. This was, in part, due to the possibility that the brand's image could be tainted if parties were contracting with an insolvency firm.

No requests were made to potential third party funders to fund working capital requirements as part of the decision over whether it was viable to trade post appointment. The main Director had stated her intention not to work with any unknown third party, there was no value in commencing negotiations with such third parties.

Consultation with major creditors

The valuation agent spoke directly to the J Brand distributors who verbally confirmed that whilst they would continue to supply the business, if Donna Ida Thornton retained an involvement with the business, they were unlikely to do so without her

It was considered that discussions with any other creditors might jeopardise any potential sale particularly if suppliers demanded the return of stock under their Retention of Title clause or if the any negative information was fed through to the major department store

Comparative outcome

The Administrator is satisfied that the sale of the Company's assets under the terms of the pre-packaged sale has resulted in the best outcome obtainable for creditors in the circumstances. The following table provides a comparative outcome with a sale of the Company's assets in liquidation or through a restricted marketing period post Administration as against the outcome obtained via the pre-packaged sale

Details of Assets	Sale in Liquidation/under Restricted Marketing conditions (per valuation) £	Achieved in Pre-packaged sale in Administration £
Lease and Rent Deposits	Nil	20,000
Office Furniture & Equipment	Nil	Nil
Unencumbered Stock	12,756 to 19,134	50,000
Goodwill	12,000 to 22,000	60,000
TOTAL	24,756 to 41,134	130,000

Marketing of the business and assets

As with any potential pre-pack administration, we considered the obligation to market and advertise the business and came to the conclusion that, in this particular case, the public marketing and advertising of the business would not achieve the best outcome for creditors. This was due to the fact that the main director, Donna Ida Thornton, was very clear that she would not consider working with or for an independent third party purchaser that she did not know personally.

Notwithstanding the above, we did conduct negotiations with two separate parties, firstly, the franchisee and secondly, the Company's accountants. Both were aware of the Company's financial predicament and trading difficulties and of the cashflow requirements over the next 12 months.

Extensive and intense negotiations were conducted during the period of the Notice of Intention to Appoint. Despite their knowledge of the potential for the future of the business, the franchisee elected not to make an offer. We attended negotiations with the franchisee and his advisors who declared that, in their opinion, there was little, if any, value in the goodwill of the business and the ongoing funding requirements were too high. However, an informal offer was received but was conditional upon further due diligence. At the end of the due diligence process, no formal offer was received.

Meanwhile, an offer was tabled by Brookman Investments Limited which, after negotiations, was increased to £130,000. In light of the negotiations with the franchisee, we were advised that this offer was reasonable and should be accepted.

Valuation of the business and assets

The valuation of the business and assets was conducted by Williams & Partners, specialist Insolvency agents, who have confirmed their independence in this matter.

A summary of the valuation on the basis of a forced sale and willing buyer is as follows,

Details of Assets	Forced Sale £	Willing Buyer £
Lease and Rent Deposits	Nil	30,500
Office Furniture & Equipment	Nil	1,000 to 1,500
Unencumbered Stock	12,756 to 19,134	38,267 to 51,023
Goodwill	12,000 to 22,000	97,500 to 147,000
TOTAL	24,756 to 41,134	167,267 to 230,023

Below are extracts (*in italics*) from the valuation report which provides the rationale behind the above valuation figures -

Lease and Rent Deposits

Guilford From February, the Guilford premises were sublet to a Franchisee (see further details in the Goodwill section) and we have therefore excluded the lease from our valuation. However, as part of the franchise agreement, the franchisee paid a £20,000 rent deposit to the Company (as the Company had paid a rent deposit of a similar amount to the landlord). Whilst the rent deposit has no value on a forced sale basis, a willing buyer may be required to repay the rent deposit to the Company

Westfield As of Sunday, 6 April 2014, the Company is closing its Westfield London retail unit. We are advised that the Westfield store has never produced a profit since it was established. We are advised that this is firstly because the rent, rates and service charges are in excess of £200,000pa and secondly due to the lack of footfall as a consequence of its position in 'The Village' section which is known to suffer from more turnover of units than in any other part of the centre

The Westfield lease was taken out for 10 years in 2008 at a rent of £80,000pa subject to stepped increases to £115,000pa from June 2012. The lease provided for a review of the rent in July 2013. Whilst an increase was being sought by the landlords, this was still being challenged at the point of vacation

Whilst no premium was paid a rent deposit deed (£20,000) was signed. However, the deed does contain a clause allowing the landlord to offset the deposit against any unpaid rent

Given the known problems with the area known as 'The Village' within Westfield, we are of the view that there is unlikely to be any value in the lease

Draycott Avenue, Chelsea This is the Company's flagship store on which a 10 year lease was taken out from 19 January 2008. No premium was paid but a rent deposit of £56,250 was. Rent was set at £81,000 until the rent review on 19 January 2013, although we have no information as to whether the rent actually increased. We have received written confirmation between the Company and the landlord confirming that as at June 2013 the rent deposit was being returned over time as the rents were being paid as and when due. The landlord has agreed to keep a smaller rent deposit of £30,500

Given the generally depressed nature of the retail sector, we are of the view that it is unlikely that there will be any premium on the lease. However, high-end designer brands are moving in to the area and so enhancing the area as a shopping destination we would recommend instructing a quantity surveyor to provide a professional opinion. Notwithstanding this, we are of the view that whilst the value of the rent deposit on a forced sale basis would be nil, a willing buyer would be required to repay the rent deposit

Elizabeth Street, Belgravia The Company took out a 10 year lease on the premises from 11 January 2010. The rent is £33,000pa and there does not appear to have been a premium paid, but the Company did pay a rent deposit of £15,000. However, we are advised by the Director that due to rent arrears, the landlord has utilised the entire deposit against rent owed

Given the generally depressed nature of the retail sector, we are of the view that it is unlikely that there will be any premium on the lease, particularly as the premises are not situated in a mainstream shopping destination area and we are advised that there are usually one or two empty units in the

immediate vicinity. However, we would recommend instructing a quantity surveyor to provide a professional opinion. Notwithstanding this, we are of the view that whilst the value of the rent deposit on a forced sale basis would be nil, a willing buyer would be required to repay the rent deposit.

Office Equipment & Furniture

We are advised that the majority of the office furniture and equipment is subject to a 24 month finance agreement with Close Brothers Business Finance, for approximately £140,000. The finance agreement commenced on 26 February 2014 and a large element relates to the shopfit at the 5 retail stores (including Guilford) and the head office at the Phoenix Brewery. The schedule of assets listed as part of the shopfit is too extensive to list within this report but is very comprehensive and includes PC and Apple workstations, all fittings, furniture and furnishings, shelving, CCTV, white goods, sound systems, serving counters, security barriers, till and phone systems.

We are of the view that it is unlikely that there is any equity value in the assets as at the time of the finance agreement they were all used goods. Furthermore, it is unlikely that there are any unencumbered assets of any significant value, bearing in mind the date at which the finance agreement was executed and the comprehensive nature of the items listed. Both the Director and the Business Advisor have confirmed this to be the case. Notwithstanding this, we have made a small provision for a willing buyer value to cover any assets not caught by the provisions of the finance agreement.

Stock

The Director provided us with an EPOS generated stock figure as of £356,850.49 at cost as at 4 April 2014, broken down into stock value per supplier. We have also been provided with examples of invoices, order forms or terms of business from suppliers where possible (although we would note that not all of the information was available within the time frame).

According to the information we have received, of the £356,850.49 of stock at cost, £127,558.12 is not subject to retention of title and therefore owned by the Company.

NB Please note that we have excluded the stock we assess to have a potentially valid RoT from the above valuation, albeit that a proportion of this stock may not have a valid RoT on further investigation. Conversely, a proportion of the stock assessed as not having a valid RoT might, on further investigation, actually be valid. However, in the time frame available, we have excluded both possibilities from our valuation but any purchaser of the stock must be made aware of and purchase the stock subject to any potentially valid RoT claim.

Goodwill

For the purposes of this valuation we have set out under separate heading the various elements that we have considered within the valuation of the goodwill.

General Although the Director has created a retail business that in one aspect retails ladies fashion at the premium end of the fashion market, in another, and perhaps more relevant aspect, she has created a business with its own identifiable brand, namely *Ida*. According to the Director, the brand, through the retail stores, its online shop and social media outlets has created a strong base of loyal customers and fans who have embraced the concept of a specialist denim emporium. Furthermore, as a USP, the business offers in-store denim clinics that are attended by Donna *Ida* personally. With a business centred very heavily on customer focus and service, both the Director and the Business Advisor assert that the Director herself very much embodies the heart and soul of the brand.

The impact of a tie with major retailers cannot be underestimated as it goes to the heart of the reason for the creation of the brand. However, the Director advises us that the negotiations whilst still ongoing are highly dependent on her continued involvement with the Donna *Ida* retail business and the *Ida* brand precisely because she is seen as the embodiment of the spirit of the business. Whilst this is not something that we are able to verify, it is certainly true in general that eponymous fashion brands are highly dependent on their focus on, attachment to and involvement with the designer whose name the label bears.

On the basis of the above assertion it would seem clear that the ongoing negotiations can have no goodwill value on a forced sale basis but has a considerable future potential benefit to a willing buyer that retains the services of the Director in a significant operational capacity

Whilst the Ida brand could be purchased on a forced sale basis and continue to trade as a brand, the same rationale cannot be applied to the J Brand label. The Director advises us that in the course of dealings with the J Brand distributors, given the large amount due to them against unpaid invoices, the Director has advised them of the Company's ongoing attempts to restructure the business. We have received in writing from the Director confirmation that the distributors have agreed to continue to supply J Brand to Donna Ida on the basis that the Director continues her involvement with the Donna Ida not only in her capacity as CEO of a NewCo but also as the controlling shareholder. Whilst we have not been able to verify this, if accepted, it is our view that this would have a major impact on the value of the goodwill on a sale to a willing buyer other than to a business controlled by the Director as it would bring in to question the whole viability of Donna Ida being able to trade as a viable business.

We are further advised by the Director in writing that she will not consider working for an unknown independent third party investor. As a consequence, we are of the opinion that should we rely on the information stated above, that there would be very little, if any, value in the goodwill on a forced sale basis and no value in the goodwill on a willing buyer basis unless the sale was to a business that retained the Director as a senior director and major shareholder.

Trademarks The Director advises us that the Company has registered trademarks for Donna Ida (Registration number EU008297541 registered on 13 May 2009) and Ida (Registration number EU011287687 registered on 23 October 2012).

Based on the general information above, it is our view that the only real value in both trademarks is to the Director herself as a willing buyer, albeit that the sale of both trademarks on a forced sale basis could generate some revenue to a buyer who is of the opinion that the trademarks may increase the value of an existing business or new venture. However, given the fact that the business now only trades from 3 stores and the value of the trademarks must be reduced accordingly.

Database We are advised that the Company owns a database of approximately 35,000 names of which 25,080 are email only addresses from the Company website (and 7,332 full details) and a further 9,977 contact details from the Westfield, Belgravia and Chelsea stores. Given that the demographic for the business is the highly sought after 18-34 year old woman with a good amount of disposable income, it is our view that a database of this type would be highly sought after on a forced sale basis and is the potential lifeblood of a willing buyer in terms of its ability to market new season stock, in-house and online promotions, sales, new stock arrivals, etc and would consequently attain a relatively high willing buyer value.

Notwithstanding the potential value in the data, it should be noted that marketing to the customers has suffered as the databases are not integrated and the Company has not had an overall plan to exploit the potential of the various databases.

Website & Domain Name The Company owns and operates a full e-commerce website that provides a good volume of information on the clothing for sale as well as providing suggestions on other items that would match the item of clothing selected. There is also a blog which is frequently updated providing unique content which will continue to improve search engine optimisation. The Company owns the domain names www.donnaida.com and www.donnaida.co.uk.

We are advised that the website was set up in 2008 and cost approximately £60,000 to build and although the Company employs an SEO company to assist with online marketing and ranking and the Company itself produces periodic newsletters, the performance of the website and the sales generated have continued to underperform, resulting in the Company investing in the form of a dedicated online marketing expert.

In response to the relatively poor metrics, towards the end of last year the Company commissioned a complete redesign at a cost in excess of £15,000 and it is ready to be rolled out as a full replacement to the current site with better functionality & greater speed which will ultimately enhance the customer experience and lead to an increase in page views and time spent on site, a lower bounce rate and, ultimately, increased sales.

As a consequence of the above, we are of the view that the website would have no value on a forced sale basis and little value to a willing buyer other than as an initial online presence before significant investment would have to be made in the new website that is ready to be launched

Franchise Agreement In February 2014, the Company signed its first franchise agreement, utilising the Guilford store. We are advised that the Franchisee paid a one-off franchise fee of £5,000 (as yet unpaid), £50,000 towards leasehold improvements, £60,000 for stock and £20,000 to cover the Company's rent deposit on premises. We are further advised that the Franchisee will pay a royalty payment on turnover.

Whilst the revenues generated for the business from this first franchise are not particularly aggressive, we understand from the Director that it is the intention to offer further franchises with potentially better terms and earnings potential for the Company. However, we are further advised by the Director (and we are awaiting confirmation from the franchisee) that the involvement of the Director in a personal capacity is essential to the success not only of this franchise but other future franchises. Whilst we have yet to receive the validation, the assertions being made would tend to correspond with the other information we have noted above in relation to the continued involvement of the Director in the business.

In conclusion, we are of the opinion that, notwithstanding the continued losses, there remains significant value in the goodwill. On a forced sale basis the Ida brand could and would continue, albeit in a different form, but that any value in the business and the brand would be severely diluted without the direct involvement of the Director. Given that we are advised that the Director will not work with a third party with whom she has no existing relationship, the only significant realisable value to the goodwill would be by way of a sale to a willing buyer that employed the Director in a significant capacity and continued to be involved in the day to day running of the business.

Extensive and intense negotiations were conducted during the period of the Notice of Intention to Appoint. Despite their knowledge of the potential for the future of the business, the franchisee elected not to make an offer. We attended negotiations with his advisors who declared that, in their opinion, there was little, if any, value in the goodwill of the business and the ongoing funding requirements were too high to make the business viable.

An offer was negotiated from the Company's accountant, via Brookman Investments Limited, in the sum of £130,000. The Guildford Franchise is also not included within the sale price. Although this sum is below the valuation obtained, the agents are confident that it represents the best outcome for creditors and has achieved a far greater return that would have been the case in the event of any other procedure or marketing strategy.

Details of the assets sold and the nature of the transaction

Purchaser and related parties

- The purchaser is Brookman Investments Limited, whose sole director is Shakiel Akhtar Zaman. Mr Zaman acted as the accountant for Donna Ida Limited.
- The Sale Agreement was entered into on 25 April 2014.
- No directors or former directors of Donna Ida Limited are officers of the purchaser, Brookman Investments Limited.
- We are not aware of any guarantees for amounts due from the Company to any prior financier.

Assets

- The following assets were sold as part of the Sale Agreement,

Details of Assets	Price Apportionment (£)	Fixed or Floating Asset
All Intellectual Property of Donna Ida Limited and IDA Trading Limited (100% subsidiary), the brands known as Donna Ida and IDA, and any other Asset not otherwise mentioned and sold to the Buyer under this agreement	60,000	Fixed
All outstanding rent deposits	20,000	Floating
All unencumbered Stock	50,000	Floating
TOTAL	130,000	

Sale consideration

- The total purchase price of £130,000 is payable as follows,
 - £50,000 on the date of completion
 - £5,000 per month from 30 May 2014 to 30 August 2015, inclusive, totalling £80,000
- Shakiel Akhtar Zaman is a guarantor for the purchase price