

The Insolvency Act 1986

**Notice of move from administration to
creditors' voluntary liquidation****2.34B**

Name of Company Ciborio Limited	Company number 00501408
In the High Court of Justice <small>[full name of court]</small>	Court case number 17563 of 2009

(a) Insert name(s) and
address(es) of
administrator(s)We (a) William Matthew Humphries Tait and David Harry Gilbert of BDO LLP 2 City
Place, Beehive Ring Road, West Sussex, RH6 0PA(b) Insert name and address
of registered office of
companyhaving been appointed joint administrators of (b) Ciborio Limited whose registered office is
situated at 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA

(c) Insert date of appointment

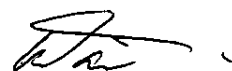
(d) Insert name of applicant /
appointorOn (c) 14 August 2009 by (d) the directors of the company

Hereby give notice that

(e) Insert name(s) and address(es)
of liquidator(s)The provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply, and it is
proposed that (e) William Matthew Humphries Tait and David Harry Gilbert of BDO LLP 2
City Place, Beehive Ring Road, West Sussex, RH6 0PAwill be the joint liquidators of the company (IP No(s) 9564 and 2376)

I/We attach a copy of the final progress report

Signed



W M H Tait - Joint Administrator

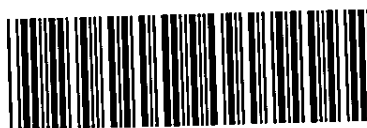
Dated

25 February 2010

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

BDO LLP, 2 City Place, Beehive Ring Road,	
Gatwick, West Sussex, RH6 0PA	
Our Ref MT/JRF/0144694/C15	Tel 01293 591 000
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



PKIZRHXY

PC3

01/03/2010

254

COMPANIES HOUSE

MONDAY



Tel +44 (0)1293 591000
Fax +44 (0)1293 591001
www.bdo.co.uk

2 City Place
Beehive Ring Road
Gatwick
West Sussex RH6 0PA

24 February 2010

Your Ref
Our Ref MT/JRF/0144694/A6

Please ask for John Francis
Direct line 01293 591012
E-mail john.francis@bdo.co.uk

TO ALL CREDITORS

Dear Sirs

Ciborio Limited - In Administration ("the Company")

It is now six months since my appointment in respect of the Company. In accordance with Rule 2.47 of the Insolvency Rules 1986 I am now reporting the progress made in implementing the approved proposals and achieving the statutory purpose of the administration.

I should also advise that it is now appropriate to exit Administration and enter into a Creditors' Voluntary Liquidation. I am therefore taking this opportunity to move the Company into liquidation and I enclose the relevant notices to implement this change.

I also enclose a summary of my receipts and payments account for the period from 14 August 2009 to date, showing a balance in hand of £110,194.

1 Statutory Information

The Joint Administrators are William Matthew Humphries Tait and David Harry Gilbert of BDO LLP, 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA and 55 Baker Street, London, W1U 7EU and they were appointed in respect of the above Company on 14 August 2009. Under the provisions of paragraph 100(2) of schedule B1 of the Insolvency Act 1986 the Joint Administrators carry out their functions jointly and severally and neither Administrator has exclusive power to exercise any function.

The Joint Administrators were appointed by the directors of the Company, pursuant to Paragraph 14 of schedule B1 of the Insolvency Act 1986. The Administration proceedings are dealt with in the High Court of Justice, Chancery Division and the Court case number is 17563 of 2009.

MT/JRF/0144694
g:\brs\clients\ciborio ltd\conversion to cvl docs\cvl931 progress report to creditors.doc



The Company's registered office is 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA and the registered number is 00501408

2 Receipts

The receipts shown are largely self-explanatory and details were provided in my report to creditors dated 6 October 2009. I would, however, comment specifically on the following

2.1 Advance from Secured Creditor

Upon the appointment of the Joint Administrators, GE Commercial Finance Limited ("GE") provided an advance of £3,285 in order to meet certain essential expenses required in order to maximise the value of the Company's assets. Such expenses included employee salaries, VAT due on alcohol sales and the discharging of motor vehicle finance agreements.

2.2 Motor Vehicles

The remaining motor vehicles have now been sold bringing total net realisations (after discharging outstanding finance liabilities) to £77,964.

2.3 Interest Gross

To date bank interest of £28 has been received

2.4 Directors' Loan Accounts

I previously advised that the directors' loan accounts had been reviewed and demands had been made for the repayment of such loans totalling £489,842. To date one payment of £64 has been received. In one case (where the claim is for £328,371) the quantum is being disputed and solicitors have been instructed to review. In all other cases, the quantum is not disputed but claims for set-off against potential entitlements arising from termination of employment upon the insolvency of the Company have been lodged. Solicitors have been instructed to review and advise on the validity of such claims.

2.5 Dimetrend Limited ("Dimetrend")

No sums have yet been received. The directors' estimated statement of affairs stated that they believed the debt due of £92,585 would be repaid in full. Dimetrend owned 3 residential properties and Dimetrend's advisors have confirmed that upon the Administration of Ciborio Limited, all 3 properties were offered for sale. They have since advised that 1 has been sold (we have requested details but these have

not yet been provided) and the other 2 are still being marketed. Based, however, on further information provided to us by Dimetrend's advisors, including the price at which these properties are being marketed and mortgage details, it appears that any recovery from this source should be considered highly unlikely.

3 Costs of the Administration

Again, I believe these to be in the main self explanatory, but would comment specifically on the following

3.1 Motor Vehicle Hire Purchase

The sum of £40,555 has been paid in order to discharge various motor vehicle purchase agreements which were in place at the time of my appointment. This followed advice from my instructed agents that certain vehicles subject to such agreements had equitable value and that discharging these agreements would maximise realisations.

3.2 Payment to Secured Creditor

The £15,000 received from the sale of the intellectual property has been paid to GE in accordance with the terms of their security.

3.3 IT Expenses

IT expenses of £7,398 have been paid in order to maintain and back up the company's computer software programmes, and to preserve the Company's accounting records.

3.4 Agent's Fees

As previously reported, agents were instructed to assist with the locating, preserving, and sale of the company's stock, plant & machinery, furniture & equipment and motor vehicles. Agent's fees and disbursements of £99,667 have been paid in relation to this, of which £48,216 were disbursements paid to third parties.

3.5 Legal Fees

Solicitors have been instructed to advise on matters arising in the Administration including recovering the outstanding directors' loan accounts. As advised above all such accounts are being pursued and we are hopeful of further recoveries. To date legal fees and disbursements of £20,894 have been paid.

3.6 Customs Duty

At the point of the Joint Administrators' appointment, VAT of £20,894 was due to HM Revenue & Customs in relation to the sale of the company's bonded alcohol. This was settled in full enabling the stock to be sold.

3.7 Storage Cost

Costs of £3,584 have been paid for storage of the company's significant books and records and to remove and destroy some of the company's surplus books and records. Storage costs will continue to be incurred during the course of the Administration and subsequent Liquidation.

3.8 Statutory Advertising

Statutory advertising costs of £1,284 have been paid.

3.9 Staff Wages

Wages paid relate to those staff retained by the Company following the Administrators' appointment. £55,873 has been paid during the Administration period. All staff have now been made redundant and there will be no further costs in respect of staff wages.

3.10 Pension Schemes Contributions

Employee pension contributions totalling £5,051 have been paid to pension scheme providers in respect of those staff retained following the Administrators' appointment.

4 Conversion from Administration to Liquidation

I would refer creditors to my report of 6 October 2009 which outlined the three statutory purposes of the Administration.

At that time, it was considered that the second objective of 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), would be achievable. This position has not changed and it is now appropriate to enforce this move and put the Company into Liquidation.

5 Prospects for Creditors

5.1 Secured creditors

GE Commercial Finance Limited

As previously reported to creditors, GE provided the Company with a confidential invoice discounting facility and a stock funding agreement of up to 60% of purchase price, secured by way of a debenture dated 8 November 2007 containing fixed and floating charges over the business, assets, and undertaking of the Company

Under the terms of this agreement the trade debts due to the Company are the property of GE. At the point of the Administration, the total owed to GE was £2 018m. As at 5 February 2010, GE had recovered £1 242m from the debtors, a further £158k was being held by Largo, their appointed debt collection agents, and sums totalling £88k had been promised to pay. Over and above these sums Largo estimated a further £135k as being collectable. A number of disputes regarding the debtors have arisen and solicitors have been instructed to advise.

Notwithstanding this, it is now apparent that there will be a substantial shortfall to GE.

National Westminster Bank Plc

As also previously reported, National Westminster Bank plc ("the Bank") provided a mortgage over the freehold property at Greenford, secured by a fixed charge over the property dated 17 October 2008, and an overdraft facility of £650k. At the point of Administration the indebtedness to the Bank was £3.4m.

As previously advised the Bank has appointed LPA Receivers. As at the date of this report we have not received notification of a sale of the property.

5.2 Preferential Creditors

Preferential creditor claims will be made up of unpaid wages and holiday pay accrued by members of staff who were made redundant upon the Administrators' appointment.

5.3 Unsecured Creditors

To date unsecured creditor claims are being noted but are not being adjudicated on as it is uncertain if there will be sufficient funds available to make a distribution.

The likelihood of any distribution to the unsecured creditors will be dependant upon any realisations made in respect of the directors' loan accounts, as mentioned previously.

6 Joint Administrators' Remuneration

The creditors have already approved the Joint Administrators' remuneration on a time costs basis and to date I have drawn £25,000 in respect of remuneration as shown on the attached receipts and payments account

In accordance with the Statement of Insolvency Practice No 9, I attach a schedule which summarises the time that has been incurred to date and indicates the work that has been undertaken

7 Disbursements

Where disbursements are recovered in respect of precise sums expended to third parties there is no necessity for these costs to be authorised. These are known as category 1 disbursements. I therefore report that the sum of £373 has been drawn in respect of category 1 disbursements for travel and subsistence relating to the trading period of the administration

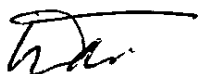
8 Exit from Administration into Creditors' Voluntary Liquidation

One of the approved proposals outlined in my report of 6 October 2009 was to exit Administration by way of a Creditors' Voluntary Liquidation and that William Matthew Humphries Tait and David Harry Gilbert be the Joint Liquidators.

The Liquidation of the Company shall be effective from the registration of this report with the Court and Companies House, at which point the Administration will be complete and the Company will be placed into Creditors' Voluntary Liquidation, with William Matthew Humphries Tait and David Harry Gilbert as Joint Liquidators

Should you have any queries regarding the above, please do not hesitate to contact John Francis on 01293 591 012

Yours faithfully
for and on behalf of
Ciborio Limited



Matthew Tait
Joint Administrator

CIBORIO LIMITED - IN ADMINISTRATION**Summary of Joint Administrators' receipts and payments****for the period 14 August 2009 (being the date of Administration) to 19 February 2010.**

Receipts	Estimated to realise per Statement of Affairs £	Realised to date £
Advance from GE Commercial Finance		3,285
Sale of Intellectual Property	-	15,000
Stock	245,000	185,000
Motor vehicles	14,373	118,519
Less finance settlement costs	-	-40,555
Furniture & equipment	-	63,090
Plant & machinery	-	30,000
Cash at bank	8,526	1,998
Directors' loan accounts	39,385	64
Dimetrend Limited	92,585	-
Non-trade debtors	27,380	-
Gross interest received	-	28
Sundry receipts	-	914
Output VAT	-	36,663
	<u>427,249</u>	<u>414,006</u>

Payments

GE - payment to secured creditor on account of fixed charge	15,000
Agents' fees & disbursements	99,667
Legal fees & disbursements	20,894
Joint Administrators' fees on account	25,000
Joint Administrators' disbursements	373
Allowance towards preparation of Statement of Affairs	1,000
Employment agents fees & disbursements	8,541
I T costs	7,398
Security costs	389
Payroll services	602
HMRC Duty payable	23,716
Wages & salaries, PAYE/NI, pension contributions	61,124
Storage costs	3,584
Statutory advertising	1,284
Bank charges	150
Input VAT	35,090
	<u>303,812</u>
Balance in hand	110,194
	<u>414,006</u>

Ciborio Limited - In Administration

Summary of Time Charged and Rates Applicable for the Period ending 19/02/2010

Description	PARTNER		MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL		AVERAGE RATE
	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£	
Steps on Appointment	14.5	6409	60.50	22,990.00	16.50	2,755.50	105.20	14,849.65			196.70	47,004.15	238.96
Planning and Strategy	20.75	9,171.50	14.50	5,510.00			18.60	2,694.30			53.85	17,375.80	322.67
General Administration			65.60	24,902.50	3.75	626.25	132.60	18,827.70	11.15	752.60	213.10	45,109.05	211.68
Assets Realisation	6.75	2,983.50	17.40	6,588.80			48.50	7,658.20			72.65	17,230.50	237.17
Trading Related Matters							1.10	203.70			1.10	203.70	185.18
Employee Matters			1.50	570.00			13.05	1,805.10			14.55	2,375.10	163.24
Creditor Claims			12.30	4,629.35			28.45	4,061.70	6.85	506.90	47.60	9,197.95	193.23
Reporting			24.50	9,310.00			36.35	5,496.45			60.85	14,806.45	243.33
Work	1.00	645.00					4.45	520.65	17.00	2,363.00	22.45	3,528.65	157.18
Total	28.50	12,800.00	196.30	74,500.65	20.25	3,381.75	283.10	41,267.80	35.00	3,622.50	682.85	156,831.35	229.67

Other Disbursements

3,072.14

Billed

-25,000.00

Grand Total

134,903.49