

**Return of Final Meeting in a
Creditors' Voluntary Winding up**
Pursuant to Section 106 of the Insolvency Act 1986

S.106

To the Registrar of Companies

Company Number

03177571

Name of Company

(a) Insert full name
of company(a) **EFFECTIVE COSMETICS RETAIL LIMITED**(b) Insert full name(s)
and addresses

I/We (b) **Harjinder Johal**
Ashcrofts
601 High Road Leytonstone
London
E11 4PA

(c) Delete as applicable

(d) Insert date

(e) The copy account
must be authenticated
by the written
signature(s) of the
liquidator(s)(f) Insert venue of the
meeting

- 1 give notice that a general meeting of the company was duly (c) [held on] ~~[summoned for]~~ (d) **11 September 2015** pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is ~~attached~~) (e) laid before it showing how the winding up of the company has been disposed of and (c) ~~[that the same was done accordingly]~~ [no quorum was present at the meeting],
- 2 give notice that a meeting of the creditors of the company was duly (c) [held on] ~~[summoned for]~~ (d) **11 September 2015** pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having the said account laid before it showing how the winding up of the company has been conducted and the property of the company has been disposed of and (c) ~~[that the same was done accordingly]~~ [no quorum was present at the meeting]

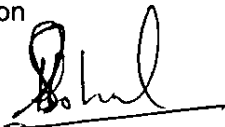
The meeting was held at (f) 601 High Road Leytonstone, London, E11 4PA

The winding up covers the period from (d) 26 April 2010 (opening of winding up) to 11 September 2015 the final meeting (close of winding up)

The outcome of any meeting (including any resolutions passed at the meeting) was as follows

- 1 That the Liquidator's receipts and payments account and draft final report be approved
- 2 That the Liquidator be granted his release
- 3 Authorisation for the disposal of the company's books and records 12 months after dissolution

Signed



Date 14 September 2015

Presenter's name,
address and reference
(if any)

Ashcrofts
601 High Road Leytonstone
London
E11 4PA

TUESDAY



A04

15/09/2015

#126

COMPANIES HOUSE



BUSINESS RECOVERY & INSOLVENCY

Your Ref

Our Ref E133TC

11 September 2015

PRIVATE AND CONFIDENTIAL

TO ALL CREDITORS AND CONTRIBUTORIES

Dear Sirs,

EFFECTIVE COSMETICS RETAIL LIMITED (IN LIQUIDATION)

The winding up of the company is now complete and I have held the final meetings of members and creditors on 11 September 2015. I confirm that no resolution was passed preventing me from obtaining my release as liquidator. I enclose a copy of my final report which was presented at the meeting.

On page 3 the report advises creditors and members of their rights regarding the liquidator's remuneration and expenses. I confirm that no creditor has exercised their right to challenge my remuneration or disbursements.

I also attach a copy of my receipts and payments account together with explanatory notes as appropriate for the period of the liquidation.

COMPANY AND LIQUIDATORS DETAILS

Company Name	Effective Cosmetics Retail Limited
Company Registered Number	03177571
Registered Office	601 High Road Leytonstone, London, E11 4PA
Date of Appointment	26 April 2010
Changes in Liquidator	Hasan Mirza of AG Associates was appointed liquidator on 26 April 2010. A block transfer order was made in the High Court of Justice, Companies Court No 8996 of 2013 ("the order") replacing Hasan Mirza as liquidator and appointing Harjinder Johal as liquidator in his place. On 21 February 2014 I was appointed the sole liquidator of the company.

CONDUCT OF THE LIQUIDATION

Effective Cosmetics Retail Limited was incorporated on 25 March 1996 and began trading as a cosmetics retailer in 1997 through both retail stores and home sales. The company was originally part of the Virgin Group of companies and was part of a sub-group dealing with cosmetics and clothing. The company also developed an internet sales system. The cosmetics and clothing sub-group was sold to Vie Cosmetics Group Limited ("VCG") on 24 December 2008. The company has had several changes of name over the years.

The company was transferred from administration to creditors' Voluntary liquidation on 26 April 2010. Hasan Mirza also acted as administrator for the company. The sum of £182,019.02 was transferred at the completion of the administration into the liquidation.

My review of the liquidation has not identified any further matters for further investigation or assets to be realised in this liquidation.

*ASHCROFTS is the trading name of Ashcrofts Limited. Registered in England and Wales. No. 06375972

Registered Office: 601 High Road, Leytonstone, London, E11 4PA

Directors acting as Insolvency Practitioners contract without personal liability

601 High Road Leytonstone, London, E11 4PA
TEL +44 (0)20 8556 2888 / 0845 408 4217 (Local Rate) FAX +44 (0)20 8556 8886
EMAIL info@ashcrofts.co.uk WEB www.ashcrofts.co.uk

Harjinder S Johal FIPA FABRP and George N Michael FIPA FABRP
are authorised by the Department for Business, Innovation and Skills (BIS) to act as Insolvency Practitioners



ASHCROFTS**Continuation Sheet No. 1**

The receipts and payments account should be read in conjunction with the following notes

STOCK

The sum of £50,000 plus VAT was received in respect of the sale of stock. The stock was sold to VCG at the end of the company's trading

BOOK DEBTS

The sum of £293 78 was received from Hutchison 3G UK Lt in respect of the administration

ADMINISTRATION EFFECTIVE COSMETICS RETAIL LIMITED

The amount of £182,019 02 was transferred at the completion of the administration

GENERAL RATES REFUND

This relates to a refund from South Gloucester Council for an overpayment of business rates

SUNDRY RECEIPTS

The sum of £3 44 was received in respect of bank interest earned on the liquidators client account. And the sum of £500 00 was received from Mitchells Robertson LLP in respect of the renunciation agreement on the lease for the property at 74/75 Princes Street, Edinburgh

ADMINISTRATION RENTS PAYABLE

The sum of £71,744 50 was refunded in respect of rents due in the administration

BANK INTEREST

This relates to gross interest earned on the credit balance held in the liquidation account

VAT REPAYMENT

This relates to a repayment from H M Customs & Excise in respect of liquidation expenses

RECEIPTS AND PAYMENTS

Receipts and payments where applicable are shown net of VAT

INVESTIGATIONS

The liquidators have a statutory obligation under the Company Directors' Disqualification Act 1986 to consider the directors' conduct and submit a report and/or return to the Department for Business, Innovation and Skills (formerly the Department for Business, Enterprise & Regulatory Reform). We have completed our investigations and discharged our duties under the act. This was completed by Hasan Mirza prior to my appointment as liquidator

CREDITORS CLAIMS AND DIVIDENDS

Claims received in the liquidation

	<u>Preferential</u>	<u>Non-preferential</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Various unsecured creditors	Nil	£812,077 75	£812,077 75
	===	=====	=====

Cont...

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The claims from twenty nine unsecured creditors were acknowledged when received. However, due to insufficient funds available no dividends were paid to the unsecured creditors.

Preferential creditors in the Statement of Affairs represented accrued holiday pay and arrears of wages. These were paid in full by the administrator.

REMUNERATION AND DISBURSEMENTS

The Liquidators fees are based on time costs as agreed by resolution at the first meeting of creditors. I attach a copy of our charge out rates and disbursements for your information. A Creditors Guide to Liquidator's Fees, can be accessed at the website of the Association of Business Recovery Professionals at <http://www.r3.org.uk/publications/statements> (Statement of Insolvency Practice 9 – Remuneration of Insolvency Office Holders in England & Wales). Alternatively, I can provide you with a copy on written request to my office.

As stated in my last report and prior to his resignation as liquidator Hasan Mirza's total time costs spent on the liquidation amounted to £113,399.00 for 313.94 hours which equated to £361.21 per hour. Attached is a time analysis which provides details of the activity costs incurred by Hasan Mirza and his staff during his period as liquidator. Hasan Mirza agreed to draw a further £10,000.00 plus VAT bringing his total fees drawn to £55,000.00 and write the remainder of his time costs off. The amount of £72.64 has been drawn in respect of disbursements.

I have now reviewed my time costs, and would report that my total time costs to date are £7,600.50 for 38.7 hours which equates to £196.38 per hour. As my total time costs are below £10,000 I have not prepared a more detailed analysis of my time cost to date, but records are held as required should this prove necessary. I have drawn £6,042.28 towards my fees and £325.63 towards disbursements.

My time costs incurred to date have arisen primarily as a result of the following:

- Reviewing documentation and other available information and determining the initial strategy upon my appointment.
- Maintaining the bank accounts and recording all transactions.
- The reconciliation of bank accounts and preparation of periodic Receipts and Payments account summaries.
- The preparation and circularisation of annual progress reports and final report.

In addition I have dealt with the statutory functions required under the Insolvency Act and Rules. Descriptions of the routine work undertaken in the liquidation are outlined in our charge out rates and disbursements attached.

ACCOUNTANTS FEES

Maurice J Bushell & Co were employed to deal with various paperwork and correspondence into the company's financial records. The fee of £9,915.00 plus VAT was paid for their professional services.

LEGAL FEES

Edwin Coe LLP were employed to review documentation and detailed complicated transactions and substantial payments between the companies and the intercompany position in general. The fee of £18,989.52 plus VAT was paid for their professional services in this matter.

ADMINISTRATION RENTS PAYABLE

The sum of £98,864.76 was paid in respect of rents due in the administration.

COSTS

Costs incurred in the period relating to the period of administration and liquidation. Costs totalling £240.05 were paid in respect of telephone and fax and £76.50 for statutory advertising. Bank charges amounted to £72.00.

Cont...

CORPORATION TAX

This relates to the corporation tax liability paid to HM Revenue and Customs on interest earned in the liquidation account

CREDITORS' RIGHTS

Pursuant to Rule 4 49E of the Insolvency (Amendment) Rules 2010, creditors and members are entitled to request information relating to the liquidators remuneration or expenses

An unsecured creditor may, with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question) request further details of the liquidator's remuneration and expenses, with 7 business days of receipt of this report Any secured creditor may request the same details in the same time limit

An unsecured creditor may, with the permission of the Court or with the concurrence of 10% in value of the creditors (including the creditor in question), request in writing to the liquidator for further information about remuneration or expenses within 21 days of receipt of this report Any secured creditor may request the same details in the same time limit

Yours faithfully,
for and on behalf of
Effective Cosmetics Retail Limited (In Liquidation)



Harjinder Johal
Liquidator

ENCS

EFFECTIVE COSMETICS RETAIL LIMITED (IN LIQUIDATION)
SUMMARY OF LIQUIDATORS FINAL RECEIPTS AND PAYMENTS ACCOUNT
FROM 26 APRIL 2010 (DATE OF APPOINTMENT) TO 11 SEPTEMBER 2015 (DATE OF FINAL MEETING)

<u>RECEIPTS</u>	<u>ESTIMATED TO REALISE AS PER STATEMENT OF AFFAIRS</u>	<u>REALISED</u>
	<u>£</u>	<u>£</u>
Stock		50,000 00
Book Debts		293 78
Administration Effective Cosmetics Retail Limited		182,019 02
General Rates Refund		2,455 80
Sundry Receipts		503 44
Bank Interest Gross		199 99
Administration Rents Payable		71,744 50
VAT Repayment		31,099 37
Output VAT		8,750 00

		347,065 90
		=====
<u>PAYMENTS</u>		
Water & Sewerage		24 29
Liquidators Fees		61,042 28
Administration Fees		116,502 00
Liquidators Disbursements		425 63
Accountants Fees		9,915 00
Administration Rents Payable		98,864 76
Legal Fees		18,989 52
Telephone & Fax		240 05
Statutory Advertising		76 50
Bank Charges		72 00
Corporation Tax		1 60
VAT Payment		1,062 90
Input VAT		39,849 37

		347,065 90
		=====

Ashcrofts
601 High Road Leytonstone
London E11 4PA

Harjinder Johal - Liquidator

Time Entry - SIP9 Time & Cost Summary

EFF005 - Effective Cosmetics Retail Limited
Project Code POST
From 26/04/2010 To 21/02/2014

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	57.20	58.45	0.00	0.00	115.65	44,028.50	380.89
Case Specific Matters	0.00	1.55	0.00	0.00	1.55	480.50	310.00
Creditors	17.30	27.18	20.00	0.00	64.48	19,374.00	300.47
Investigations	30.70	41.62	0.00	0.00	72.32	26,965.50	372.86
Realisation of Assets	22.30	8.78	0.00	0.00	31.08	13,103.50	421.70
Trading	3.60	25.26	0.00	0.00	28.86	9,448.00	327.30
Total Hours	131.10	162.84	20.00	0.00	313.94	113,399.00	361.21
Total Fees Claimed						49,000.00	
Total Disbursements Claimed						0.00	

ASHCROFTS

Charge-out Rates and Disbursements Recovery Policies

In accordance with the provisions of **Statements of Insolvency Practice 9 (SIP 9)**, Ashcrofts charge-out rates applicable to this appointment are, exclusive of VAT as follows

Staff Rank	Hourly Fee (£) as at 01.01.2012
Partner	335
Manager	225
Senior Administrator	195
Administrator	155
Assistants and Support Staff	110

These rates are reviewed annually on the 1st of January, when rates are adjusted to reflect such matters as inflation, increases in direct wage costs, and changes to indirect costs such as Professional Indemnity Insurance. However, the rates may also be reassessed between review dates in circumstances where changes outside the firm's control affect the costs involved in the firm's appointment.

The work undertaken by the firm includes some, but not all, of the following

Administration and Planning	<ul style="list-style-type: none">- Compliance with regulatory requirements- Compliance with Statutory reporting duties- Case planning- Administrative set up- Appointment notification- Creation and maintenance of records
Asset Realisation	<ul style="list-style-type: none">- Identifying, securing and insuring assets- Retention of title- Debt collection- Sale of assets (including property and other business assets)- Corporation tax reclaim
Creditors	<ul style="list-style-type: none">- General communication with creditors- Handling of creditors' claims
Investigation	<ul style="list-style-type: none">- Undertaking the SIP 2 review- Making reports pursuant to the CDDA 1986- Undertaking investigations and challenging antecedent transactions
Case Administration	<ul style="list-style-type: none">- Management of business operations- Accounting for trading- On-going employment issues, including employee pension issues- Cheque requisitions- Tax issues- Bank reconciliation

Costs are assessed in two categories as defined in SIP 9

Category 1 disbursements: Direct Expenses

These are those costs which are specifically identifiable as to those relating to the administration of the case. These costs will be charged to the estate at costs. Such costs include but are not limited to such items as case advertising, storage, bonding and other insurance premiums and personal costs directly connected with the case.

Category 2 disbursements: Indirect Expenses

The firm may charge for indirect expenses involved in the administration of a case where appropriate. Such costs exclusive of VAT include, but are not limited by, the following

Postage and stationery

- Headed paper charged at 25p per sheet
- Photocopying charged at 6p per sheet
- Envelopes charged at 25p per sheet
- Postage charged at the cost of stamping

Meeting costs

- The use of meeting rooms is charged at £100.00 per session

Travel fees

- Private transport is charged to the estate at the HMRC approved rate of 40p per mile
- Public transport is charged to the estate at the cost of the ticket

Storage costs

- Storage is charged at £1 per box per month