

The Insolvency Act 1986

Notice of move from administration to creditors' voluntary liquidation

2.34B

Name of Company Arongift Limited
--

Company number 03693768

In the High Court of Justice (full name of court)

Court case number 12144 of 2009

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

I/We (a) Mark S Goldstein
Mark Goldstein Associates
Kingswood Court
1 Hemlock Close
Kingswood
Surrey, KT20 6QW

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

having been appointed administrator(s) of (b) Arongift Limited
600 High Road Woodford Green Essex

(c) Insert date of
appointment

on (c) 3 April, 2009
by (d) High Court of Justice

(d) insert name of
appointor/applicant
(e) Insert name(s)
and address(es) of
liquidator(s)

hereby give notice that
the provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply, and it is
proposed that (e) Mark Stephen Goldstein, Kingswood Court, 1 Hemlock Close, Kingswood,
Surrey, KT20 6QW
will be the liquidator(s) of the company (IP No(s) 6880)

I attach a copy of the final progress report

Signed

Administrator

Dated

29th March 2010

Contact Details:

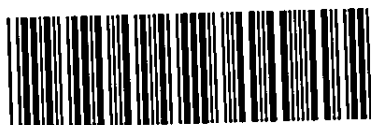
You do not have to give any contact
information in the box opposite but if
you do, it will help Companies House to
contact you if there is a query on the
form

The contact information that you give
will be visible to searchers of the
public record

Mark S Goldstein
Mark Goldstein Associates
Kingswood Court
1 Hemlock Close
Kingswood
Surrey, KT20 6QW

DX Number

01737 830763
DX Exchange



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COMPANIES HOUSE

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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

THURSDAY

To all creditors

29th March 2010

Dear Sir(s),

Aromgift Ltd — in administration

Company No: 03693768

Registered office: 600 High Road, Woodford Green, Essex IG8 0BS

High Court of Justice, Chancery Division, Companies Court No: 12144 of 2009

I am writing to inform you that the administration has now come to a conclusion and to provide you with my final progress report in accordance with Rules 2.47 and 2.110 of the Insolvency Rules 1986.

1. Background

1.1 I was appointed Administrator of the Company on 3rd April 2009 on the application of the directors pursuant to para 22 Sch B1 of the Insolvency Act 1986. Under my Proposals circulated on 6th July 2009, I was to realise the remaining asset of the Company — stock in trade — in order to make a distribution to the secured creditor. I have ascertained that there are no preferential creditors and, thus, the funds realised from the stock will be for the benefit of the secured lender, Hoppett Holdings Ltd. My Proposals also emphasised that I did not anticipate a surplus arising for the benefit of any other class of creditor, and I confirm that that outcome has not changed.

1.2 In my previous reports, I provided you with details of the following

- ❖ The events leading up to my appointment,
- ❖ Statutory information for the Company,
- ❖ The Company's assets and liabilities;
- ❖ The steps taken in the administration

If you require any further information, please contact me

2. Progress of the administration

2.1 Since my report of 2nd November 2009, I have established that there are no realisations to be made from any former customers. All stock has either been paid for or returned. I have not, however, received final accounts reconciling the intercompany balances, but I have been assured by the management team that there are no funds due from the associated/connected companies, as illustrated in their management figures.

- 2 2 My agents arranged to re-import the stock of jewellery in the latter part of November 2009. Since then, they have made efforts to attempt to maximise realisations. I would remind creditors that agents advised that the stock should realise £80,000 on a forced sale basis, but up to £160,000 on an open market valuation. My agents therefore made efforts to try to realise the stock for a figure in excess of £80,000, but made it clear that a figure of £160,000 would not be achievable on a sale undertaken either by auction or private treaty.
- 2 3 After the Christmas and New Year recess, my agents were unsuccessful in obtaining an offer in excess of the forced sale valuation of £80,000. As everybody is aware, the economic trading conditions at the moment are very difficult, and my agents advised that given more time they are hopeful that they may achieve a figure of £80,000 or above. I have accepted my agents' advice.
- 2 4 This will have to be an issue, however, to be concluded in the capacity of Liquidator as this is the only remaining outstanding realisation to be dealt with.
- 2 5 Under my Proposals circulated on 6th July 2009, I was to manage the Company's affairs with the objective of realising funds for the benefit of the secured lender. As I have explained, however, it has not been possible to dispose of the stock before the first anniversary of my appointment expires, and as a consequence it will be necessary for the Company to move from administration into Creditors' Voluntary Liquidation for the disposal of stock to be achieved. By filing a notice with the Registrar of Companies (attached as APPENDIX 1), the administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation and for me to become the Liquidator of the Voluntary Liquidation in accordance with the provisions of para 83(1) of Sch B1 to the Insolvency Act 1986. I have also filed a copy with the Court.

3. Debenture holder

- 3 1 I remind creditors that the realisations from the stock, after discharging the costs of sale and both the administration and the liquidation, will be passed to the debenture holder, Hoppett Holdings Ltd. There will be a shortfall to Hoppett Holdings Ltd, and therefore I reconfirm that there is no prospect of a payment to any other class of creditor.

4. Statement of Affairs

- 4 1 The director has still not submitted a formal Statement of Affairs, but I have not received any information that will substantially change the estimated Statement of Affairs that was produced at Section 6 and Appendix 2 of my Proposals.

5. Regulatory

- 5 1 As set out in my Proposals at para 10, I requested that my remuneration was fixed by reference to the time my staff and I spent attending to matters in the administration. If any creditor requires an additional copy of Proposals dealing with this, please let me know. Creditors approved that resolution by the requisite majority.
- 5 2 A summary of my time costs incurred to 12th March 2010 (the most convenient nearest date to the preparation of this report) and a summary of Category 1 and Category 2 disbursements is set out at APPENDIX 2. If you would like another copy

29th March 2010

of *A Creditor's Guide to Administrator's Fees* that was included with my Proposals, please let me know

- 5.3 The costs to date have been incurred primarily as a consequence of identifying the extent of the Company's assets and arranging for their disposal. The principal activities undertaken to date by me as Administrator have comprised
- ❖ Administration planning and regulatory,
 - ❖ Agreeing and implementing the strategy for the sale of stock with agents, this included dealing with a bonded warehouse, HM Revenue & Customs, and establishing the level of duty and VAT payable,
 - ❖ Dealing with insurance through my agents;
 - ❖ Dealing with the Company's former management to identify the extent of the Company's assets, liabilities and trading results,
 - ❖ Dealing with creditors: dealing with general and specific creditor calls and correspondence,
 - ❖ Dealing with the validity of Retention of Title claims lodged

I trust the foregoing summary and the attached appendices are sufficient for you to appreciate the extent of the work undertaken. If you require additional details, please do let me know

Conclusion

Now that the administration has concluded, my role as Liquidator is to complete the outstanding realisation of the stock and to pass the net realisations to the secured lender. I shall continue to keep creditors informed of developments

Yours faithfully,
for and on behalf of Aromgift Ltd — in administration



MARK S GOLDSTEIN
Administrator

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AROMGIFT LIMITED — IN ADMINISTRATION

APPENDIX 1 – NOTICE TO REGISTRAR OF COMPANIES

PURSUANT TO RULES 2.47 and 2.110 OF THE INSOLVENCY RULES 1986

The Insolvency Act 1986

Notice of move from administration to creditors' voluntary liquidation

2.34B

Name of Company

Aromgift Limited

Company number

0369768

In the

High Court of Justice, Chancery Division

(full name of court)

Court case number

12144 of 2009

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

I (a) Mark S Goldstein
Mark Goldstein Associates
Kingswood Court
1 Hemlock Close
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Surrey, KT20 6QW

(b) Insert name and
address of the
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company

having been appointed administrator of (b) Aromgift Limited
600 High Road Woodford Green Essex

(c) Insert date of
appointment

on (c) 3 April, 2009

(d) insert name of
appointor/applicant
(e) Insert name(s)
and address(es) of
liquidator(s)

by (d) The Director

hereby give notice that.

the provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply, and it is
proposed that (e) Mark Stephen Goldstein, Kingswood Court, 1 Hemlock Close, Kingswood,
Surrey, KT20 6QW
will be the liquidator(s) of the company (IP No(s) 6880)

I attach a copy of the final progress report

Signed



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COMPANIES HOUSE

Dated

Administrator
29th March 2010

Contact Details:

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Mark S Goldstein
Mark Goldstein Associates
Kingswood Court
1 Hemlock Close
Kingswood
Surrey, KT20 6QW

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01737 830763
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AROMGIFT LIMITED — IN ADMINISTRATION

**APPENDIX 2 – CATEGORY 1 and CATEGORY 2 DISBURSEMENTS
PURSUANT TO RULES 2.47 and 2.110 OF THE INSOLVENCY RULES 1986**

Aromgift Limited — In Administration

In accordance with best practice I provide below details of policies of Mark Goldstein Associates in respect of fees and expenses for work in relation to the above insolvency for the period from 3rd April 2009 to 12th March 2010, being the latest practical date before the preparation of this report

The current charge-out rates per hour of staff within my firm who may be involved in working on the insolvency, follows

GRADE	£
Officeholder	210
Senior Administrator	180
Junior Administrator	125

The rates charged by Mark Goldstein Associates, Kingswood Court, 1 Hemlock Close, Kingswood, Surrey KT20 6QW, are reviewed in December and July each year and are adjusted to take account of inflation and the firm's overheads

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time Units of time can be as small as 6 minutes under the six categories recommended by the Recognised Professional Bodies who are responsible for licensing and monitoring insolvency practitioners

Where an officeholder's remuneration is approved on a time cost basis, the time invoiced to the case will be subject to VAT at the prevailing rate (17.5% as at January 2010)

Where remuneration has been approved on a time costs basis, a periodic report will be provided to any committee appointed by the creditors or in the absence of a committee to the creditors The report will provide a breakdown of the remuneration drawn and will enable the recipients to see the average rates of such costs

Other Costs

Where expenses are incurred in respect of the insolvent estate they will be recharged Such expenses can be divided into two categories

Category 1

This heading covers expenses where Mark Goldstein Associates has met a specific cost in respect of the insolvent estate where payment has been made to a third party Such expenses may include items such as advertising, couriers, travel (by public transport), searches at Companies House, land registry searches, fees in respect of swearing legal documents, external printing costs, etc In each case the recharge will be reimbursement of a specific expense incurred

A further disbursement under this heading is the cost of travel where staff use either their own vehicles or company cars in travelling connected with the insolvency In these cases a charge of 40p per mile is raised, which is the amount the firm pays to staff All other forms of travel are recovered at cost

Where applicable, disbursements will be subject to VAT at the prevailing rate (17.5% as at January 2010)

Category 2

Additionally, there is a recharge of expenses for postage, stationery, photocopying charges, telephone and fax costs, which cannot economically be recorded in respect of each specific case. Such expenses, which are apportioned to cases, require the approval of creditors before they can be drawn, and these are known as category 2 disbursements. Category 2 disbursements, because they are imprecise, require approval by the creditors before they can be drawn.

Classification of work function	Office Holder	Snr Support Staff	Total Hours	Time Cost £
Statutory regulatory & planning	17 39	2 72	20 11	3,991 90
Dealing with realisation of assets	13 10	2 60	15 70	3,076 00
Dealing retention of title creditors	2.30	0 00	2 30	483.00
Investigation & review of company's affairs	1 40	0 60	2 00	369 00
Correspondence with Director	1 60	0.00	1 60	336 00
Reports	17 20	0 90	18 10	3,724 50
General correspondence	1 40	3.10	4 50	681 50
Total	54.39	9.92	64.31	£12,661.90

Category 1 disbursements analysis

Disbursement	
Bond	£1,500 00
Printing circulars	£185 11
Postage	£29 00
Travel	£63 60
Company search fees	£3 00
Total	£1,780.71

Category 2 disbursements analysis

Disbursement	
Telephone & fax	£25 25
Postage	£25 08
Total	£50.33

The average hourly charge out rates, excluding VAT, were

Office holder £210
Senior support staff £125

MARK GOLDSTEIN ASSOCIATES

March 2010