

AM23

Notice of move from administration to dissolution



Companies House

THURSDAY



A20 *A7L60MQ0* 20/12/2018 #666
COMPANIES HOUSE

1 Company details

Company number 0 6 0 1 3 9 8 0

Company name in full Import Fashion Solutions Limited
(formerly trading as "Moda in Pelle")

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Court details

Court name High Court of Justice, Chancery Division,
Leeds District Registry

Court number 4 5 2 0 1 7

3 Administrator's name

Full forename(s) Howard

Surname Smith

4 Administrator's address

Building name/number 1 Sovereign Square

Street Sovereign Street

Post town Leeds

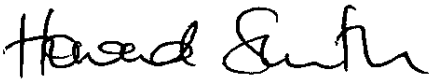
County/Region

Postcode L S 1 4 D A

Country

AM23

Notice of move from administration to dissolution

5	Administrator's name ¹																	
Full forename(s)	James Ronald Alexander	¹ Other administrator Use this section to tell us about another administrator.																
Surname	Lumb																	
6	Administrator's address ²																	
Building name/number	1 Sovereign Square	² Other administrator Use this section to tell us about another administrator.																
Street	Sovereign Street																	
Post town	Leeds																	
County/Region																		
Postcode	L S 1 4 D A																	
Country																		
7	Final progress report																	
	<input checked="" type="checkbox"/> I have attached a copy of the final progress report																	
8	Sign and date																	
Administrator's signature	Signature X  X																	
Signature date	<table border="1"><tr><td>d</td><td>1</td><td>d</td><td>7</td><td>m</td><td>1</td><td>m</td><td>2</td><td>y</td><td>2</td><td>y</td><td>0</td><td>y</td><td>1</td><td>y</td><td>8</td></tr></table>	d	1	d	7	m	1	m	2	y	2	y	0	y	1	y	8	
d	1	d	7	m	1	m	2	y	2	y	0	y	1	y	8			

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Notice of move from administration to dissolution



Presenter information

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

Contact name	Matthew Herbert
Company name	KPMG LLP
Address	1 Sovereign Square
	Sovereign Street
Post town	Leeds
County/Region	
Postcode	L S 1 4 D A
Country	
DX	
Telephone	Tel +44 (0) 161 246 4000



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



Joint Administrators' final progress report for the period 11 July 2018 to 12 December 2018



Import Fashion Solutions
Limited (formerly trading as
"Moda in Pelle") - in
Administration

17 December 2018

Notice to creditors

This progress report provides a final update on the administration of the Company.

We have included (Appendix 2) an account of all amounts received and payments made since our previous progress report.

We have also explained the exit route from the administration and the outcome for each class of creditors.

You will find other important information in the document such as the costs we have incurred.

A glossary of the abbreviations used throughout this document is attached (Appendix 6).

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following website, <http://www.insolvency-kpmg.co.uk/case+KPMG+IH109E2627.html>. We hope this is helpful to you.

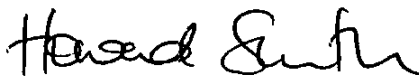
Please also note that an important legal notice about this report is attached (Appendix 7).

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1 Executive summary

- This final progress report covers the administration of Import Fashion Solutions Limited (the 'Company') and includes movements in the period from 11 July 2018 to 12 December 2018 (the 'Period').
- Please note that on 31 August 2018 an order was made in the High Court appointing James Lumb as Joint Administrator of the Company in place of Jonathan Marston, following Jonathan Marston's resignation from KPMG LLP. In accordance with the order, creditors were given notice of the replacement of Jonathan Marston as Joint Administrator by advertisement in the London Gazette.
- All assets have been realised and no further monies will be collected. In addition, all costs have been settled (Section 2 - Progress to date).
- At the date of our appointment the Secured creditor, Brightlark Limited ('Brightlark') was owed approximately £853,000 according to the Director's Statement of Affairs. A total of £508,858 has been distributed to the Secured creditor from across the Group, of which £251,973 has been distributed from the Company. This includes £4,530 distributed to Brightlark during the Period. The Secured creditor has suffered a significant shortfall on its lending to the Group (Section 3 – Outcome for creditors).
- A dividend of £36,030 has been distributed to the preferential creditors of the Company. This is the equivalent to 100p in the £. Preferential claims have been repaid in full in the administration (Section 3 – Outcome for creditors).
- A distribution to unsecured creditors via the Prescribed Part, totalling £38,127, has been made in the Period. This is equivalent to 1.23p in the £. The Prescribed Part fund of £43,127 was subject to the deduction of costs and expenses associated with the agreement of unsecured claims and making the distribution, which totalled £5,000. No further funds were available to distribute (Section 3 – Outcome for creditors).
- We have filed a copy of this final progress report with the Registrar of Companies together with the requisite notice. The administration will cease to have effect when the Registrar of Companies registers these documents. The Company will be dissolved three months after that date.
- Please note: you should read this progress report in conjunction with our previous progress report(s) and proposals issued to the Company's creditors. <http://www.insolvency-kpmg.co.uk/case+KPMG+IH109E2627.html>. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



Howard Smith
Joint Administrator

2 Progress to date

This section provides a final update on the strategy for the administration and on the progress made. It follows the information provided in our previous progress report.

2.1 Strategy and progress to date

Strategy

Please note that on 31 August 2018 an order was made in the High Court appointing James Lumb as Joint Administrator of the Company in place of Jonathan Marston, following Jonathan Marston's resignation from KPMG LLP. In accordance with the order, creditors were given notice of the replacement of Jonathan Marston as Joint Administrator by advertisement in the London Gazette.

All assets have been dealt with, no further monies will be collected and all costs have been settled.

A dividend of £36,030 has been distributed to the preferential creditors of the Company. This is the equivalent to 100p in the £. Preferential claims have been repaid in full in the administration.

A distribution to unsecured creditors via the Prescribed Part, totalling £38,127, has been made in the Period. This is equivalent to 1.23p in the £. The Prescribed Part fund of £43,127 was subject to the deduction of costs and expenses associated with the agreement of unsecured claims and making the distribution, which totalled £5,000. No further funds were available to distribute.

There are no further distributions to be made to any class of creditor.

We consider that our original Proposals have now been completed. There have been no amendments to or major deviations from our original Proposals, as approved.

We have filed a copy of this final progress report with the Registrar of Companies together with the requisite notice. The administration will cease to have effect when the Registrar of Companies registers these documents. The Company will be dissolved three months after that date.

2.2 Asset realisations

Realisations during the Period are set out in the attached receipts and payments account (Appendix 2).

A summary of the only realisation made during the Period is provided below.

Bank interest

Bank interest of £254 has been received in the Period.

2.3 Costs

Payments made in the Period are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant payments made during the Period are provided below.

Administrators' fees

£134,901 has been paid in administrators' fees in the final period. This includes £5,000 in relation to costs and expenses directly associated with the agreement of unsecured claims and making the distributions.

Legal fees and disbursements

Legal fees of £20,620 and disbursements of £110 have been paid in the Period for legal assistance during the administration.

Statutory advertising

£71 has been paid in advertising costs in the Period in relation to the distribution to unsecured creditors of the Company from the Prescribed Part.

Bank charges

Bank charges of £20 have been incurred and paid in relation to the final distribution to the Secured creditor.

2.4 Schedule of expenses

We have detailed the costs incurred during the Period in the schedule of expenses attached (Appendix 3).

3 Outcome for creditors

3.1 Secured creditors

Brightlark was the Company's sole Secured creditor by virtue of a debenture dated 14 October 2014. Brightlark was also the sole Secured creditor of the other Companies within the Group. According to the Director's Statement of Affairs, Brightlark was owed £853,000 by the Group at appointment.

During the Period, we have distributed £4,530 to Brightlark - all of which relates to floating charge realisations. A total of £251,973 has been distributed by the Company in the administration.

Distributions made to Brightlark from the Group total £508,858. Brightlark has suffered a significant shortfall on its lending to the Group.

3.2 Preferential creditors

The preferential claims have been agreed at £36,030.

A first and final dividend to preferential creditors of 100p in the £ was declared on 5 November 2018 and paid during the Period.

The preferential creditors have now been repaid in full.

3.3 Unsecured creditors

The unsecured claims of the Company were been agreed at £3,090,482.

A first and final dividend to unsecured creditors of 1.23p in the £ was declared on 8 November 2018 and paid during the Period.

The Prescribed Part funds of £43,127 was subject to the deduction of costs and expenses directly associated with the agreement of unsecured claims and making the distribution, which totalled £5,000. A total of £38,127 was distributed to creditors.

No further funds were available to distribute.

4 Joint Administrators' remuneration and disbursements

4.1 Joint Administrators' remuneration and disbursements

Time costs

From 11 July 2018 to 12 December 2018, we have incurred time costs of £43,610. These represent 150 hours at an average rate of £290 per hour.

From the date of our appointment to 12 December 2018, we have incurred time costs of £341,649. These represent 1,140 hours at an average rate of £300 per hour.

Remuneration

During the Period, we have drawn remuneration of £134,901. Of this, £2,977 relates to fixed charge and £131,924 to floating charge. £5,000 of the floating charge remuneration was paid in association with the costs and expenses directly incurred in relation to the Prescribed Part distribution.

Disbursements

During the Period, we have incurred disbursements of £239.

Additional information

We have attached (Appendix 4) an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by KPMG for the period from 11 July 2018 to 12 December 2018. We have also attached our charging and disbursements policy.

4.2 Pre-administration costs

Pre-administration costs					
	Disclosed unpaid costs (£)	Approved (£)	Paid in the previous period (£)	Paid in the Period (£)	Outstanding (£)
Clarion fees and disbursements	38,050	38,050	38,050	-	-
Addleshaw Goddard fees and disbursements	1,733	1,733	1,733	-	-
Metis fees	1,550	1,550	1,550	-	-
Sanderson Weatherall fees	3,000	3,000	3,000	-	-
Total	44,333	44,333	44,333	-	-

We received approval from the Secured and preferential creditors, on 1 March 2017, to pay all of these pre-administration costs as an expense of the administration.

5 Conclusion of the administration

We now consider that our Proposals have been completed, a copy of which is shown in Appendix 5.

We have filed a copy of this final progress report with the Registrar of Companies together with the requisite notice.

The administration will cease to have effect when the Registrar of Companies registers these documents. The Company will be dissolved three months after that date.

We have already obtained our discharge from liability in respect of any action of ours as Joint Administrators from the Secured and preferential creditors. Discharge will take effect immediately upon our appointment as Joint Administrators ceasing to have effect.

Appendix 1 Statutory information

Company information

Company name	Import Fashion Solutions Limited (formerly trading as "Moda in Pelle")
Date of incorporation	29 November 2006
Company registration number	06013980
Present registered office	c/o KPMG LLP, 1 Sovereign Square, Sovereign Street, Leeds, LS1 4DA

Administration information

Administration appointment	The administration appointment granted in High Court of Justice, Chancery Division, Leeds District Registry, 45 of 2017
Appointor	QFC – Brightlark Limited
Date of appointment	11 January 2017
Joint Administrators' details	Howard Smith and James Lumb
Change of office holder	Please note that on 31 August 2018 an order was made in the High Court appointing James Lumb as Joint Administrator of the Company in place of Jonathan Marston, following Jonathan Marston's resignation from KPMG LLP. In accordance with the order, creditors were given notice of the replacement of Jonathan Marston as Joint Administrator by advertisement in the London Gazette.
Functions	The functions of the Joint Administrators have been exercised by them individually or together in accordance with Paragraph 100(2).
Current administration expiry date	10 January 2019
Values of the Net Property and Prescribed Part	Net Property was £200,634 The value of the Prescribed Part fund was £43,127
Prescribed Part distribution	The amount distributed to unsecured creditors during the administration by way of the Prescribed Part was £38,127 This figure was after the deduction of costs and expenses totalling £5,000 directly associated with the agreement of unsecured claims and making the distribution

Appendix 2 Joint Administrators' receipts and payments account

Import Fashion Solutions Limited (formerly trading as "Moda in Pelle") - in Administration			
Abstract of receipts & payments			
Statement of affairs (£)		From 11/07/2018 To 12/12/2018 (£)	From 11/01/2017 To 12/12/2018 (£)
FIXED CHARGE ASSETS			
1.00	Insurance claim	NIL	1 00
2 00	Shares and investments	NIL	2 00
1.00	Customer Lists & Contracts	NIL	1.00
	Included Sales Receipts	NIL	1.00
99,997 00	Goodwill & Intellectual property	NIL	99,997.00
	Bank interest, gross	3.27	29.47
		3.27	100,031 47
FIXED CHARGE COSTS			
	Administrators' fees	(2,976 96)	(2,976.96)
	Legal fees	(750 00)	(1,250.00)
	Pre-admin legal fees	NIL	(500.00)
	Bank charges	NIL	(80.00)
	Pre-Admin Agents Fees	NIL	(1,550.00)
		(3,726.96)	(6,356 96)
FIXED CHARGE CREDITORS			
(853,000.00)	Fixed charge creditor	NIL	(94,379 00)
		NIL	(94,379.00)
ASSET REALISATIONS			
10,000.00	Computer Equipment	NIL	10,000.00
22,500.00	Furniture & equipment	NIL	22,500 00
21,000.00	Motor vehicles	NIL	24,600 00
15,307.00	Stock	NIL	15,307.00
276,848 00	Concession debts	NIL	301,500.58
	Cash at bank	NIL	120,808.24
		NIL	494,715.82
OTHER REALISATIONS			
	Bank interest, gross	250.39	899 30
	Third party funds received	NIL	30,521.53
	Sundry refunds	NIL	272 55
		250.39	31,693 38
COST OF REALISATIONS			
	Repayment of third party funds	NIL	(30,521 53)

Import Fashion Solutions Limited (formerly trading as "Moda in Pelle") - in Administration

Abstract of receipts & payments

Statement of affairs (£)		From 11/07/2018 To 12/12/2018 (£)	From 11/01/2017 To 12/12/2018 (£)
	Land registry search	NIL	(11 00)
	Agents' disbursements	NIL	(597.45)
	Statement of affairs work	NIL	(4,000 00)
	Pre-Admin Agents Fees	NIL	(3,000.00)
	Administrators' fees	(131,923.60)	(131,923.60)
	Debt collection costs	NIL	(60,300.13)
	Agents'/Valuers' fees	NIL	(250.00)
	Pre-admin Legal Fees	NIL	(39,283.00)
	Legal fees	(19,870.00)	(22,120.00)
	Legal disbursements	(110.00)	(361 65)
	IT Costs	NIL	(450.00)
	Re-direction of mail	NIL	(175.00)
	Statutory advertising	(71.00)	(278 00)
	Insurance of assets	NIL	(542 30)
	Bank charges	(20 00)	(140.00)
		(151,994.60)	(293,953.66)
	PREFERENTIAL CREDITORS		
	Subrogated EP(C)A claim	(14,672.23)	(14,672 23)
(65,088.00)	Employees' wage arrears & holiday pay	(21,358.11)	(21,358.11)
		(36,030 34)	(36,030 34)
	FLOATING CHARGE CREDITORS		
(753,000 00)	Floating charge	(4,530.00)	(157,594.00)
		(4,530.00)	(157,594.00)
	UNSECURED CREDITORS		
(1,072,190.00)	Trade & expense	(7,118.32)	(7,118.32)
(244,346.00)	Employees	(3,024.19)	(3,024.19)
	EP(C)A bal & redundancy	(518.22)	(518 22)
(1,100,000 00)	Banks/Institutions	NIL	NIL
	Corp tax etc/nonpref PAYE	(6,978.12)	(6,978.12)
	Non VAT liabilities	(1,814.17)	(1,814.17)
(1,600,000.00)	Non-preferential VAT	(18,575.88)	(18,575 88)
	Non-preferential Irish VAT	(97.81)	(97 81)
		(38,126.71)	(38,126 71)
(5,241,968.00)		(234,154.95)	NIL

REPRESENTED BY

Import Fashion Solutions Limited (formerly trading as "Moda in Pelle") - in Administration**Abstract of receipts & payments**

Statement of affairs (£)	From 11/07/2018	From 11/01/2017
	To 12/12/2018 (£)	To 12/12/2018 (£)
Floating ch VAT rec'able		52,643.66
Fixed charge current		NIL
Floating charge current		NIL
Fixed charge VAT rec'able		1,114.49
Floating ch. VAT control		(52,643.66)
Fixed charge VAT control		(1,114.49)
		<hr/>
		NIL
		<hr/>

Appendix 3 Schedule of expenses

Schedule of expenses (11/07/2018 to 12/12/2018)			
Expenses (£)	Incurred and paid in the period (£)	Incurred in the period not yet paid (£)	Total (£)
Fixed charge costs			
Legal fees	750.00	0.00	750.00
Cost of realisations			
Legal fees	8,510.00	0.00	8,510.00
Legal disbursements	110.00	0.00	110.00
Statutory advertising	71.00	0.00	71.00
Bank charges	20.00	0.00	20.00
TOTAL	9,461.00	0.00	9,461.00

Please note: As per the final R&P in the administration, an additional £11,360 has been paid in legal fees in the Period. However, this relates to legal assistance on work carried out in a previous period in the administration.

Requests for further information and right to challenge our remuneration and expenses

Creditors' requests for further information

If you would like to request more information about our remuneration and expenses disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report.

Requests from unsecured creditors must be made with the concurrence of at least 5% in value of unsecured creditors (including, the unsecured creditor making the request) or with the permission of the Court.

Creditors' right to challenge our remuneration and expenses

If you wish to challenge the basis of our remuneration, the remuneration charged, or the expenses incurred during the period covered by this progress report, you must do so by making an application to Court within eight weeks of receiving this progress report.

Applications by unsecured creditors must be made with concurrence of at least 10% in value of unsecured creditors (including the unsecured creditor making the challenge) or with the permission of the Court.

The full text of the relevant rules can be provided on request by writing to Matt Herbert on KPMG LLP, 1 Sovereign Square, Sovereign Street, Leeds, LS1 4DA.

Appendix 4 Joint Administrators' charging and disbursements policy

Joint Administrators' charging policy

The time charged to the administration is by reference to the time properly given by us and our staff in attending to matters arising in the administration. This includes work undertaken in respect of tax, VAT, employee, pensions and health and safety advice from KPMG in-house specialists.

Our policy is to delegate tasks in the administration to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

A copy of "A Creditors' Guide to Joint Administrators' Fees" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available at:

<https://www.r3.org.uk/what-we-do/publications/professional/fees/administrators-fees>

If you are unable to access this guide and would like a copy, please contact Matt Herbert on 0161 246 4010.

Hourly rates

Set out below are the relevant charge-out rates per hour worked for the grades of our staff actually or likely to be involved on this administration. Time is charged by reference to actual work carried out on the administration; using a minimum time unit of six minutes.

All staff who have worked on the administration, including cashiers and secretarial staff, have charged time directly to the administration and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the administration but is reflected in the general level of charge-out rates.

Table of charge-out rates

Charge-out rates (£) for: Restructuring	
Grade	From 01 Nov 2016 £/hr
Partner	625
Director	560
Senior Manager	510
Manager	425
Senior Administrator	295
Administrator	215
Support	131

Policy for the recovery of disbursements

We have recovered neither Category 1 nor Category 2 disbursements from the estate.

For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

Category 1 disbursements: These are costs where there is specific expenditure directly referable to both the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

Category 2 disbursements: These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Category 2 disbursements charged by KPMG Restructuring include mileage. This is calculated as follows:

Mileage claims fall into three categories:

- Use of privately-owned vehicle or car cash alternative – 45p per mile.
- Use of company car – 60p per mile.
- Use of partner's car – 60p per mile.

For all of the above car types, when carrying KPMG passengers an additional 5p per mile per passenger will also be charged where appropriate.

The following disbursements have been incurred in the Period:

SIP 9 - Disbursements					
Disbursements	Category 1		Category 2		Totals (£)
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)	
Courier & delivery costs	6.07		NIL		6.07
External printing	25 20		NIL		25.20
Postage	207 38		NIL		207.38
Total	238.65		NIL		238.65

We have the authority to pay Category 1 disbursements without the need for any prior approval from the creditors of the Company.

Category 2 disbursements have been approved in the same manner as our remuneration.

Narrative of work carried out for the period 11 July 2018 to 12 December 2018

The key areas of work have been:

Statutory and compliance	<ul style="list-style-type: none">■ preparing statutory receipts and payments accounts,■ arranging bonding and complying with statutory requirements,■ dealing with all closure related formalities,■ ensuring compliance with all statutory obligations within the relevant timescales.
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Strategy documents, Checklist and reviews	<ul style="list-style-type: none"> ■ dealing with queries arising during the appointment, ■ reviewing matters affecting the outcome of the administration; ■ complying with internal filing and information recording practices, including documenting strategy decisions.
Cashiering	<ul style="list-style-type: none"> ■ setting up administration bank accounts and dealing with the Company's pre-appointment accounts; ■ preparing and processing vouchers for the payment of post-appointment invoices; ■ reconciling post-appointment bank accounts to internal systems; ■ ensuring compliance with appropriate risk management procedures in respect of receipts and payments
Tax	<ul style="list-style-type: none"> ■ analysing VAT related transactions; ■ reviewing the Company's duty position to ensure compliance with duty requirements; ■ dealing with post appointment tax compliance.
General	<ul style="list-style-type: none"> ■ reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9; ■ drawing remuneration in accordance with the basis which has been approved by the Secured creditor, ■ locating relevant Company books and records, arranging for their collection and dealing with the ongoing storage
Employees	<ul style="list-style-type: none"> ■ dealing with issues arising from employee redundancies, including statutory notifications and liaising with the Redundancy Payments Office, ■ managing claims from employees;
Pensions	<ul style="list-style-type: none"> ■ ensuring compliance with our duties to issue statutory notices; ■ communicating with employees representatives concerning the effect of the administration on pensions and dealing with employee queries
Creditors and claims	<ul style="list-style-type: none"> ■ responding to enquiries from creditors regarding the administration and submission of their claims, ■ reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records, ■ agreeing Secured, preferential and unsecured claims; ■ arranging distributions to the Secured, preferential and unsecured creditors, ■ drafting our progress report.

Time costs

SIP 9 –Time costs analysis (11/07/2018 to 12/12/2018)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning			
Cashiering			
General (Cashiering)	6.50	1,632.00	251 08
Reconciliations (& IPS accounting reviews)	0.30	101.50	338 33
General			
Fees and WIP	6.60	2,058 00	311 82
Other office holders	0.90	193 50	215.00
Statutory and compliance			
Appointment and related formalities	1.20	258 00	215.00
Bonding & Cover Schedule	0.10	21 50	215 00
Checklist & reviews	3.00	645.00	215 00
Closure and related formalities	1.90	677.50	356 58

SIP 9 –Time costs analysis (11/07/2018 to 12/12/2018)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Reports to debenture holders	0.50	212.50	425.00
Statutory receipts and payments accounts	0.40	118.00	295.00
Strategy documents	6.10	1,416.50	232.21
Tax			
Post appointment corporation tax	0.20	43.00	215.00
Post appointment VAT	4.30	1,197.50	278.49
Creditors			
Creditors and claims			
Agreement of preferential claims	10.60	4,505.00	425.00
Agreement of unsecured claims	31.80	10,171.00	319.84
General correspondence	9.90	2,317.50	234.09
Payment of dividends	23.20	6,778.50	292.18
Secured creditors	4.50	1,203.00	267.33
Statutory reports	17.80	4,676.50	262.72
Employees			
Agreeing employee claims	10.70	2,447.50	228.74
DTI redundancy payments service	0.80	340.00	425.00
Pension funds	3.00	1,065.00	355.00
Pensions reviews	5.75	1,467.25	255.17
Realisation of assets			
Asset Realisation			
Freehold property	0.30	64.50	215.00
Total in period	150.35	43,610.25	290.06

Brought forward time (appointment date to SIP 9 period start date)	989.85	298,038.60
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	150.35	43,610.25
Carry forward time (appointment date to SIP 9 period end date)	1,140.20	341,648.85

All staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

All time shown in the above analysis is charged in units of six minutes

Appendix 5 Summary of Joint Administrators' proposals

As it was not possible to achieve a sale of business as a going concern, rescuing the Company in accordance with Paragraph 3(1)(a) is not achievable.

Therefore our primary objective is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up, in accordance with Paragraph 3(1)(b).

In addition to the specific itemised proposals below, this document in its entirety constitutes our proposals.

We propose the following:

General matters

- to continue to do everything that is reasonable, and to use all our powers appropriately, in order to maximise realisations from the assets of the Company in accordance with the objective as set out above;
- to investigate and, if appropriate, to pursue any claims the Company may have;
- to seek an extension to the administration period if we consider it necessary.

Distributions

- to make distributions to the secured and preferential creditors where funds allow;
- to make distributions to the unsecured creditors if funds become available, and to apply to the Court for authority to do so, where applicable.

Ending the administration

We might use any or a combination of the following exit route strategies in order to bring the administration to an end:

- apply to Court for the administration order to cease to have effect from a specified time and for control of the Company to be returned to the Directors;
- formulate a proposal for either a company voluntary arrangement (CVA) or a scheme of arrangement and put it to meetings of the Company's creditors, shareholders or the Court for approval as appropriate;
- place the Company into creditors' voluntary liquidation. In these circumstances we propose that we, Howard Smith and Jonny Marston, be appointed as Joint Liquidators of the Company without any further recourse to creditors. If appointed Joint Liquidators, any action required or authorised under any enactment to be taken by us may be taken by us individually or together. The creditors may nominate different persons as the proposed Joint Liquidators, provided the nomination is received before these proposals are approved;
- petition the Court for a winding-up order placing the Company into compulsory liquidation and to consider, if deemed appropriate, appointing us, Howard Smith and Jonny Marston, as Joint Liquidators of the Company without further recourse to creditors. Any action required or authorised under any enactment to be taken by us as Joint Liquidators may be taken by us individually or together;

- file notice of move from administration to dissolution with the Registrar of Companies if we consider that liquidation is not appropriate because (1) no dividend will become available to creditors, and (2) there are no other outstanding matters that require to be dealt with in liquidation. The Company will be dissolved three months after the registering of the notice with the Registrar of Companies.

Alternatively, we may allow the administration to end automatically.

Joint Administrators' remuneration and pre-administration costs

We propose that:

- our remuneration will be drawn on the basis of time properly given by us and the various grades of our staff in accordance with the fees estimate provided in Appendix 3 and the charge-out rates included in Appendix 5;
- disbursements for services provided by KPMG (defined as Category 2 disbursements in Statement of Insolvency Practice 9) will be charged in accordance with KPMG's policy as set out in Appendix 5; and
- unpaid pre-administration costs be an expense of the administration.

Discharge from liability

We propose that we shall be discharged from liability in respect of any action of ours as Joint Administrators upon the filing of our final receipts and payments account with the Registrar of Companies.

Appendix 6 Glossary

Brightlark/Secured creditor	Brightlark Limited
Company	Import Fashion Solutions Limited (formerly trading as "Moda in Pelle") - in Administration
Director	Mr Stephen Andrew Buck
Group	The Company together with; Direct Footwear (UK) Limited – previously in Administration, now in Dissolution Moda (CD) Limited - previously in Administration, now in Dissolution MIP (Yarn) Limited - previously in Administration, now in Dissolution Moda in Pelle Properties (14) Limited - previously in Administration, now in Dissolution Moda in Pelle Properties (34) Limited - previously in Administration, now in Dissolution Moda in Pelle Properties (53) Limited - previously in Administration, now in Dissolution
Joint Administrators/we/our/us	Howard Smith and James Lumb
KPMG	KPMG LLP
Period	11 July 2018 to 12 December 2018
Proposals	Our Proposals as circulated on 17 February 2017

Any references in this progress report to sections, paragraphs and rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency Rules (England and Wales) 2016 respectively.

Appendix 7 Notice: About this report

This report has been prepared by Howard Smith and James Lumb the Joint Administrators of Import Fashion Solutions Limited (formerly trading as "Moda in Pelle") – in Administration (the 'Company') solely to comply with their statutory duty to report to creditors under the Insolvency Rules (England and Wales) 2016 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company or any other company in the Group.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency Rules (England and Wales) 2016 does so at its own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

Howard Smith is authorised to act as an insolvency practitioner by the Insolvency Practitioners Association.

James Ronald Alexander Lumb is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in England & Wales.

We are bound by the Insolvency Code of Ethics.

The Officeholders are Data Controllers of personal data as defined by the Data Protection Act 2018. Personal data will be kept secure and processed only for matters relating to the appointment. For further information, please see our Privacy policy at – home.kpmg.com/uk/en/home/misc/privacy-policy-insolvency-court-appointments.html.

The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the administration.

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