

Mr V Walsh
HM Revenue and Customs
Pension Schemes Services
PO Box 175
Bootle
L30 4TX

Our Ref: L135H/RWD/443309

Your Ref: CFS499615

7 January 2013

Dear Sir

Kaystead Directors Pension Scheme – PSTR 00428451RM

Further to your correspondence with our client, Peter Stedman, and your recent conversations with our Kate Weller we are now in a position to supply you with much of the information that you have requested in respect of the Scheme.

Please see our comments below and the referred to attachments:

Pension Scheme Loan

- Please be advised that there was no Security Agreement in respect of the loan.
- No repayments of capital or interest have yet been made.
- A charge in respect of the loan was registered at Companies House and we enclose the Certificate of Registration for your information. It was a first charge but stood after the invoice finance provider, RBS IF.
- No funds have yet been received by the Scheme as part of the administration of The Loft Shop Limited we understand that a dividend will be paid to the secured creditors, albeit that the amount is not yet known.
- A copy of the debenture document is enclosed for your information.
- A copy of the loan agreement is enclosed for your attention.

Trademark

- The valuation was carried out by A&N Chartered Accountants. Our client's contact there was Mrs Anu Sharma. Their contact details are:

A&N Chartered Accountants
Aruna House
2 Kings Road

Haslemere
Surrey
GU27 2QA

01428 645398

- The instructions to A&N were verbal and so we are unable to provide a copy of the instruction.
- Please find enclosed a copy of the Licence Agreement between The Loft Shop Limited and the pension scheme. A copy of the Licence Agreement with Kaysted Ltd is to follow.
- Loft Shop Limited is shown as owing the Pension Scheme £137,668 at the date it entered liquidation. This figure comprises the outstanding loan balance of £100,000, accrued royalties from 21 January 2010 to the cessation of trade on 24 June 2011 and accrued interest on the unpaid loan balance.
- A royalty payment due to the pension scheme of £10,850 was accrued for in the accounts of Kaysted Limited for the period ended 31 May 2012.

Finally we also enclose a signed form 64-8 for your records.

We trust that this provides you with sufficient information to move forward with your enquiry. Should you have any queries then please contact Robert Dowling or Kate Weller of this office.

Yours faithfully

Carpenter Box LLP