**Rule 2.117A** **Form 2.34B**

The Insolvency Act 1986

# Notice of move from administration to creditors' voluntary liquidation

# 2.34B

| Name of Company | Company number |
|---|---|
| Visit London Limited | 00761149 |

| In the | Court case number |
|---|---|
| High Court of Justice, Chancery Division (full name of court) | 2528 of 2011 and 4849 of 2011 |

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

I/We (a) Stephen Robert Cork
Cork Gully LLP
52 Brook Street
London
W1K 5DS

Joanne Elizabeth Milner
Cork Gully LLP
52 Brook Street
London
W1K 5DS

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

having been appointed administrator(s) of (b) Visit London Limited c/o Cork Gully LLP, 52 Brook Street, London, W1K 5DS

(c) Insert date of Appointment

on (c) 1 April 2011

by (d) the directors of the company and subsequently by an order of the High Court

(d) insert name of applicant/ appointer

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) Stephen Robert Cork and Joanne Elizabeth Milner, both of Cork Gully LLP, 52 Brook Street, London, W1K 5DS will be the liquidator(s) of the company (IP No(s) 8627 & 8761)

Signed ______________________
Joint / Administrator(s)

Dated 13 September 2011

**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

| | |
|---|---|
| Stephen Robert Cork<br>Cork Gully<br>52 Brook Street<br>London<br>W1K 5DS | |
| DX Number | 020 7268 2150<br>DX Exchange |

WEDNESDAY

*AA90OXJX*
A37 14/09/2011 126
COMPANIES HOUSE

de

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**

CORK GULLY

# Visit London Limited (in Administration)

Joint Administrators' final progress report for the period from 1 April 2011 to 13 September 2011 pursuant to Rules 2 47 and 2 110 of the Insolvency Rules 1986

Cork Gully LLP

September 2011

# Contents

# Definitions

"the Company
Visit London Limited (in Administration)

"the Administration"
The appointment of Administrators under Schedule B1 of the Insolvency Act 1986 on 1 April 2011

"the Joint Administrators"
Stephen Cork and Joanne Milner of Cork Gully LLP, 52 Brook Street, London W1K 5DS

"the Act'
The Insolvency Act 1986 (as amended)

"the Rules
The Insolvency Rules 1986 (as amended)

"PPF'
The Pension Protection Fund

"GLA
Greater London Authority

"L&P'
London and Partners Limited

"Preferential creditor
Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Insolvency Act 1986

# 1. Joint Administrators' final progress report

**Introduction**

This report is addressed to the creditors of the Company and forms the Joint Administrators' final progress report This report is a statutory requirement as part of the conversion to a creditors' voluntary liquidation process and contains important information for creditors

The Administration process was necessary in order to deal with the Company's affairs The Company is insolvent notwithstanding the pension scheme rescue agreement, which was completed in June 2011 The Company remains liable for amounts due to the pension scheme (estimated to be between £7m to £9m) As part of the pension scheme rescue agreement this claim has been assigned to the GLA The GLA has agreed to subordinate its claim against the Company, in order that all other creditors may be paid in full

The Joint Administrators have undertaken all necessary work to deal with the Company's assets and affairs

The Joint Administrators consider that the objective set out in Paragraph 3(1)(b) of Schedule B1 of the Act has been achieved As a result the Joint Administrators have ended the Administration and converted it to a creditors' voluntary liquidation as originally proposed The conversion is effected under the provisions of Paragraph 83 of Schedule B1 of the Act

The conversion is necessary in order to declare and pay a dividend to unsecured creditors Further detail on this process is contained later in this report Further information to creditors will also follow from the liquidators in due course

The liquidators are required to convene a meeting of creditors, for the purpose of obtaining formal approval to various resolutions These resolutions include

- To confirm that the Joint Administrators be discharged from liability
- Sanction to pay unsecured creditors in full
- Authority to pay accrued costs of the Administrators for work undertaken before their appointment
- Authority to pay any accrued time costs of the Administrators that remain outstanding
- To confirm the basis of the liquidators' fees and authority to draw fees on account of time costs incurred
- To confirm that the liquidators may act jointly and severally

Creditors should note that specific sanction to pay unsecured claims in full is required by Schedule 4 of the Act The liquidators propose to seek all of the above resolutions in order to hold specific creditors authority although the Act and Rules do provide for some continuity of existing authorities as part of the conversion process Formal notice of the meeting of creditors and the resolutions will follow under separate cover

The liquidators will simultaneously issue a notice of intended dividend, as part of the process to pay the outstanding creditor claims Payment will be made to creditors with agreed claims after 21 days from the date of this notice

Any creditor that has not provided full details of its claim against the Company should do so immediately in writing Claims should be addressed to the liquidators at the address listed in this report

**Background information & initial actions taken by the Administrators**

A full description of the circumstances giving rise to the appointment of Administrators was provided in the Administrators' proposal document dated 20 May 2011

# 1. Joint Administrators' final progress report

In October 2010 the Company was informed that the GLA intended to create a new agency to undertake promotion of London with the benefit of grant funding It was proposed that the new agency would take on all assets, liabilities and staff of the Company The GLA registered a new company, L&P in January 2011 for this purpose

Various discussion and negotiations took place in the period leading up to the L&P proposed commencement date regarding the Company's liability to the British Tourist Board Staff Pension Scheme As a result of a decision that the liability would not be adopted by L&P, the directors concluded that they had no alternative but to place the Company into Administration

On 1 April 2011 the directors of the Company appointed Stephen Robert Cork and Joanne Elizabeth Milner as Joint Administrators to safeguard the assets of the Company in the interests of creditors generally This appointment was subsequently ratified by the High Court by way of an order dated 3 June 2011

The employees and property lease had been transferred to L&P on 31 March 2011, which meant that the Joint Administrators were not able to trade the Company

The Joint Administrators were able to maintain the existing contracts to run the website, thereby preserving value attributable to the website, domain name Visit London brand, and associated intellectual property These assets were subsequently marketed for sale by the Administrators

By maintaining the website the Administrators also ensured that all accrued income could be invoiced and that the debts owed to the Company remained recoverable The Administrators issued invoices totalling £119,811 plus VAT, in respect of accrued income that was unbilled at March 2011

The Administrators secured the Company's financial records by using computer forensic accountants

Hilco Appraisal, a firm of professionally qualified agents, was instructed to prepare an inventory of all of the Company's tangible assets With assistance from the directors the Joint Administrators also prepared an inventory of the Company's intangible assets

Harbottle & Lewis, a firm of solicitors, was instructed to act for the Administrators on various matters Initially this work involved a review of the grant agreements and various contracts operated by the Company in order that the Joint Administrators could identify ownership and any third party rights or restrictions over the Company's assets Subsequent work involved advice on the Administrators' ability to sell Company assets and the preparation of asset sale agreement documents

The Administrators have undertaken a full sale process for the Company assets, utilising the services of both Hilco Appraisal and Harbottle & Lewis

The Administrators have undertaken initial investigations into the affairs of the Company and events leading up to the Administration This work will be continued by the liquidators

The Administrators have obtained a statement of affairs from the directors of the Company This statement was incorporated into the Administrators' proposal document dated 20 May 2011

The Joint Administrators issued a Notification of Insolvency to the PPF As previously reported, the Trustees of the pension scheme ("the Scheme") reached a settlement agreement with the GLA to rescue the Scheme As part of this agreement the Trustees of the Scheme assigned their claim against the Company to the GLA The GLA has further agreed to subordinate its rights to those of other unsecured creditors, to the extent that all other unsecured creditors receive a dividend of 100 pence in the pound

# 1. Joint Administrators' final progress report

The Joint Administrators' proposals, with modifications, were agreed by creditors at a meeting held on 20 June 2011 This meeting was originally convened on 6 June 2011 and adjourned A summary of the Administrators' proposals and the subsequent modifications applied is contained at Appendix 1 to this report

**Realisation of assets**

- Sale of assets to L&P

A sale of certain assets to L&P was completed on 18 July 2011 The total sale consideration was £475,000 The tangible assets sold included office furniture and computer equipment The sale also included intangible assets, including the website, domain names and associated intellectual property

The book value of these assets and equipment was £239,193 No estimated realisation value was provided by the directors in their statement of affairs The sale to L&P was conducted on the basis of a full marketing process, undertaken with the assistance of Hilco Appraisal and with the benefit of a professional valuation The L&P offer was the best offer received by the Administrators

In addition, AV / Audio / TV equipment was sold for £27,000 This sale was also undertaken with the assistance of Hilco Appraisal

There are no further assets in this category to be dealt with by the liquidators

- Cash at bank

The Company's banking facilities were provided by HSBC Bank plc ("HSBC") The balance held in the Company's bank account at 1 April 2011 was £4,471,511 53 HSBC deducted amounts due in respect of corporate credit cards and paid the remaining balance to the Administrators A total of £4 439,048 38 has been realised

The Administrators have kept the Company's bank account open for the purpose of facilitating a more efficient debt collection exercise The account has been reconciled and debtor records updated

Control of the bank account has now passed to the liquidators The account will be closed shortly

- Book debts

Debts owing to the Company were recorded on the directors' statement of affairs as £331 653 To date, £112,162 80 has been collected by the Administrators A number of potential set-offs have been identified by the Administrators and it is unlikely that the debts will be recovered in full

The outstanding debts will be dealt with in the liquidation by a specialist collector, to be appointed

- Accrued income / invoices issued by the Administrators

Accrued income due to the Company of £119,811 plus VAT, was invoiced by the Administrators in April 2011 Collections to date total £23,097

The outstanding balance will be dealt with in the liquidation by a specialist collector, to be appointed

- Prepayments

The directors' statement of affairs identified prepayments of £307 694, which had been made by the Company but that were believed to be unrealisable

The Administrators have been able to obtain refunds of legal fees totalling £7,681 04

As previously advised, the Joint Administrators identified that the rent on the Company's leasehold premises was paid for the period 25 March to 23 June 2011, prior to

# 1. Joint Administrators' final progress report

its transfer to L&P on 31 March 2011 L&P has paid the Company £208,780 38 to reflect its period of occupation

L&P has obtained the benefit of the rent deposit of circa £305,000, which was also transferred Discussions regarding the repayment of this amount continue and will be dealt with in the liquidation

- Investment in and loan to London Restaurant Festival Limited

The shares in London Restaurant Festival Limited ("LRFL") were realised at par value in accordance with the terms of the shareholder agreement The sum of £300 was received for the shares

The outstanding loan of £50,000 to LRFL has not been recovered, due to the absence of clear repayment and default conditions in the loan agreement

This unrealised asset will be dealt with in the liquidation process

- Leasehold premises

The lease over the property occupied by the Company was transferred on 31 March 2011, before the appointment of Administrators Payments made by the Company in respect of the lease will be dealt with in the liquidation (see prepayments section, above)

**Cash in hand**

The net realisations achieved by the Joint Administrators total £4,951,180 20 These funds are held on an interest bearing deposit account and will transfer to the control of the liquidators The liquidators will deal with any outstanding payments or undertakings on behalf of the Administrators, including payment of outstanding remuneration and pre-appointment costs

Once all of the costs and expenses of the Administration have been paid, the funds will become available for distribution to creditors

**Approval of the Administrators' proposals**

The Administrators circulated their proposals for dealing with the Company's assets and affairs to all known creditors on 20 May 2011

A summary of the Administrators proposals is contained within Appendix 1 of this report

The Administrators convened an initial meeting of creditors on 6 June 2011 for the purpose of obtaining creditors' approval to the proposals This meeting was adjourned and reconvened on 20 June 2011, where creditors approved modified proposals

A summary of the modifications applied to the Administrators' proposals is contained within Appendix 1 of this report

No other revisions or modifications to the Administrators' proposals have been made during the period of the Administrators' office

**Final receipts and payments account**

Attached at Appendix 2 is a summary of the receipts and payments account from the period of the Administration, 1 April 2011 to 13 September 2011

**Expenses statement**

A statement of the expenses incurred by the Administrators during the period of the Administration is included at section 3 of this report This statement is required by Rule 2 47 of the Rules

Expenses are incurred and paid by the Administrators with the primary objective of

# 1. Joint Administrators' final progress report

achieving the purpose of the Administration and with the eventual benefit to creditors in mind

Creditors should note that no Category 2 disbursements (as defined by Statement of Insolvency Practice 9("SIP9')) have been charged Administrators' expenses (Category 1 disbursements) of £1,060 52 have been charged as reimbursement of travel and external printing and design work

**Administrators' remuneration**

The basis for the Administrators' remuneration under Rule 2 106, IR86, is fixed by reference to the time properly given by the Administrators and the various grades of their staff according to their firm's usual charge out rates for work of this nature Disbursements for services provided by the Administrators' own firm (defined as Category 2 disbursements in SIP 9) are charged in accordance with the Administrators' firm's policy

Approval for the Administrators' fees and disbursements was sought and agreed by way of a resolution of creditors, which was obtained at the meeting of creditors held on 20 June 2011 subject to a reduction in this firm's normal charge out rates Full details are shown in Appendix 3

During the period of the Administration, the Administrators have drawn fees of £192,213 75

Any outstanding fees due to the Administrators in relation to time incurred but not billed before the conversion to liquidation will be paid by the liquidator

A summary breakdown of the time incurred by the Administrators and the various grades of their staff in dealing with the matters arising in the Administration is provided in Appendix 3 to this report This breakdown is required to be given by SIP 9

The basis of the liquidators' remuneration will be the same as that of the Administrators, in accordance with the provisions of Rule 4 127(5A), Insolvency Rules 1986 This will be confirmed by a specific resolution of creditors at the forthcoming meeting The liquidators will report further time incurred and remuneration drawn as required by SIP 9 in their subsequent reports

**Pre-appointment costs**

The proposals document issued by the Joint Administrators contained no statement of pre-appointment costs charged or incurred This is a required by Rule 2 33(2)(ka) of the Rules A statement was not included due to the Joint Administrators' proposal that their remuneration be charged on the basis of the Statutory Scale (formerly known as the Official Receivers Scale) whereby remuneration was to be charged based on the level of asset realisations and distributions to creditors

Due to the modifications applied to the Administrators' proposals regarding the basis of their remuneration (see Appendix 1) the Administrators intend to recover costs that were incurred in the period leading up to their appointment Time costs have been incurred in the pre-appointment period between 29 March 2011 and 1 April 2011 totalling £9,980 00 and the requisite statutory statement is provided below

These costs have not been paid to date, nor has any fee been paid by any party for work undertaken during the period No other party has incurred time costs or expenses for the pre-appointment period

No time has been charged in respect of any pre-appointment period and no fee has been paid by any party for such work undertaken

The Joint Administrators' intention to recover these costs was communicated to the majority creditor, the GLA, in June 2011 The GLA has confirmed that it will approve the recovery of the pre-appointment costs

# 1. Joint Administrators' final progress report

The formal approval process and resolution will be undertaken by the liquidators at the forthcoming meeting of creditors Once approved by creditors' resolution the fees will be paid by the liquidators

These costs and expenses were incurred at the request of the Company's board of directors The board sought urgent professional advice concerning the solvency of the Company as a result of the decision that L&P would not adopt the pension scheme liability The initial meeting with the board took place on 29 March 2011

Work carried out by the proposed Administrators and their staff between 29 March 2011 and 1 April included

- Meetings with the board of directors and attendance at two board meetings
- Undertaking company searches and other research into the Company, its affairs, directors and relevant background matters
- Strategy planning and other preparation for appointment
- Provision of advice to the board regarding its options regarding the appointment of Administrators and dealings with L&P, GLA, pension scheme trustees and matters arising from the meeting with the Pensions Regulator on 30 March 2011
- Preparation of notice of intention to appoint and other appointment documents Making arrangements for requisite swearing of documents by the directors and attendance at Court for filing

It was necessary to undertake all of the above work before the Company entered Administration in order to ensure that the board took every step to protect the interests of creditors generally, having established that the Company was insolvent The work ensured that assets were not dissipated and that the Administrators were able to take charge of the Company's assets and affairs immediately upon appointment This resulted in continued service of the Company's website and preservation of value of the intangible assets (which were subsequently realised) The combined effect meant that the objective of Administration (a better result for creditors than would be achieved in a liquidation) was achieved, particularly in relation to the pension scheme rescue agreement that was negotiated with the GLA

| Pre-appointment costs & expenses | Amounts incurred but not paid (£) | Amounts already paid (£) |
|---|---|---|
| Fees charged by the Administrators | 9 980 00 | Nil |
| Expenses incurred by the Administrators | Nil | Nil |
| Fees charged (to the Administrators knowledge) by any other person qualified to act as an insolvency practitioner | Nil | Nil |
| Expenses incurred (to the Administrators' knowledge) by any other person qualified to act as an insolvency practitioner | Nil | Nil |

Payment of unpaid pre-administration costs as an expense of the Administration is subject to approval under Rule 2 67A, and is not part of the proposals subject to approval under Paragraph 53

# 1. Joint Administrators' final progress report

**Creditor rights**

A statement of creditors' rights in relation to the Administrators' remuneration and expenses is provided in Appendix 4, below

**Outcome for creditors**

- Secured creditors

There are no secured creditors of the Company

- Preferential creditors

There are no preferential creditors of the Company, as a result of all employee contracts being transferred to L&P with effect from 31 March 2011

- Unsecured creditors

As a result of the successful rescue of the pension scheme and the GLA subordinating its claim against the Company, unsecured creditor claims are expected to be paid in full

Adjudication of creditor claims will be undertaken by the liquidators Creditors will only be paid once the liquidators have reviewed and agreed their written claim Any creditor who has not submitted a written notice of claim, with supporting documentation, will not be entitled to participate in the subsequent dividend and should therefore submit their written claim immediately The liquidators will issue notice of intended dividend to creditors separately, in order to address the various statutory requirements for distributing funds to creditors and to set a 'bar date' after which no claims may be admitted

Upon receiving the requisite sanction required by Schedule 4 of the Act, the liquidators will settle agreed creditor claims by way of a first and final dividend Payment of claims will take place after 21 days from the date of the notice of intended dividend

# 1. Joint Administrators' final progress report

**Ending the Administration**

As described in the proposal document, Administrators do not have a general power to make a distribution to unsecured creditors and may only do so if the court gives permission It is considered that the court will only grant such permission in exceptional circumstances where the normal course for making distributions to unsecured creditors in a voluntary liquidation is inappropriate Additionally, there may be matters for enquiry concerning a company's affairs which are not within the scope of an Administrator's powers and which can only be properly dealt with by a liquidator

The Joint Administrators are satisfied that they have fully discharged their duties and that the purpose of the Administration has been fully achieved The Joint Administrators have implemented the provisions of Paragraph 83 of Schedule B1 to the Act Upon registration of the notice sent to the Registrar of Companies, the Joint Administrators' appointment ceased to have effect and the Company was automatically placed into creditors' voluntary liquidation

Paragraph 83(7) provides that the liquidators for the purpose of the winding up shall be-

a a person nominated by the creditors of the company in the prescribed manner and within the prescribed period, or

b if no person is nominated under paragraph (a), the Joint Administrators

There having been no other nominations under these provisions, the liquidators are Stephen Robert Cork and Joanne Elizabeth Milner For the purpose of the winding up, any act required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of the persons for the time being holding office

Stephen Cork

Joint Administrator

13 September 2011

Stephen Cork and Joanne Milner were appointed as Joint Administrators on 1 April 2011

The affairs business and property of the Company are being managed by the Joint Administrators who act as the Company's agents and without personal liability

The Joint Administrators final progress report has been produced for the sole purpose of advising creditors pursuant to the provisions of the Insolvency Act 1986 The report is private and confidential and may not be relied upon referred to reproduced or quoted from in whole or in part by creditors or by any other person for any purpose whatsoever

# 2. Statutory and other information

Court details for the Administration
High Court of Justice, Chancery Division, Companies Court, Number 2528 of 2011 and Number 4849 of 2011

Date of the Administration appointment
1 April 2011

Administrators' names and addresses
Stephen Robert Cork and Joanne Elizabeth Milner, both of 52 Brook Street, London, W1K 5DS

Name of Company
Visit London Limited

Date of Incorporation
16 May 1963

Company registered number
00761149

Company registered office
52 Brook Street, London, W1K 5DS

Former registered office
6th Floor, 2 More London
Riverside, London SE1 2RR

Trading address
6th Floor, 2 More London
Riverside, London SE1 2RR

Principal business activities
Promotion of London

Details of any extension(s) to the initial period of appointment
None

Changes in officeholders
None

Appointor s name and address
The directors of the Company 6th Floor, 2 More London, Riverside, London, SE1 2RR Appointment subsequently ratified by way of an order of the High Court

Objective achieved by the Administrators
Statutory objective (b) being a better result for company's creditors as a whole than would be likely if the company were wound up (without first being in Administration)

Division of the Administrators responsibilities
In relation to Paragraph 100(2) Sch B1 IR86, during the period for which the Administration is in force, any act required or authorised under any enactment to be done by an Administrator may be done by any one or more persons holding the office of Administrator from time to time

Directors as at date of Administration
Gary Mervin Beckwith
Sally Lynne Chatterjee
Sandra Dawe
Tamara Ingram
Paul Walter James
Denise Jones
Raymond Anthony Jones
Daniel James Ritterband
Martin John Singfield
Christopher Townsend
Simon Tucker

Company Secretary
HAL Management Limited

Shareholding
The Company is limited by guarantee and has no shareholders

# 2. Statutory and other information

Ending of the Administration
Conversion to creditors' voluntary liquidation under the provisions of Para 83, Schedule B1, Insolvency Act 1986

Dividend for unsecured creditors
100 pence in the pound where claims agreed

Values of the prescribed part and the Company s net property
Not applicable

Whether and why the Administrators intend to apply to court under Section 176A(5) IA86
Not applicable

The European Regulation on Insolvency Proceedings (Council Regulation (EC) No 1346/2000 of 29 May 2000)
The European Regulation on Insolvency Proceedings applies to this Administration and the proceedings are main proceedings within the meaning of Article 3 of the Regulation

# 3. Expenses incurred in the administration

| Nature of expense | Accrued and paid (£) | Accrued but unpaid (£) |
|---|---|---|
| Legal fees & expenses | 62 775 88 | 1,143 50 |
| Asset valuation & disposal fees | 25,254 65 | - |
| Asset bonding | - | 1 600 00 |
| Forensic services & data capture | 951 25 | - |
| Bank charges | 885 48 | - |
| Office holder fees | 192,213 75 | 36 00 |
| Office holder disbursements | 9 252 42 | - |
| Statement of affairs preparation | 4,407 69 | - |
| Advertising | 2,795 40 | - |
| Insurance | 540 51 | - |

The above expenses were incurred during the period of the Administration, 1 April 2011 to 13 September 2011

Expenses are shown net of VAT
VAT is recoverable in this case

Expenses accrued but not yet paid will be paid by the liquidators on behalf of the Administrators, during the course of the subsequent liquidation from funds in hand

# Appendix 1

**Extract from the Joint Administrators' proposals dated 20 May 2011**

The Joint Administrators propose that

i they continue to manage the Company's affairs and realise assets in accordance with objective 2 of the statutory purpose of the Administration,

ii they shall arrange for the Company to exit the Administration by way of a Creditors' Voluntary Liquidation and that Stephen Cork and Joanne Milner of Cork Gully LLP be appointed Joint Liquidators,

iii for the purpose of the winding up, any act required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of the persons for the time being holding office

iv creditors consider and if thought fit appoint a creditors' committee to assist the Joint Administrators (such committee must comprise between 3 and 5 creditors)

v the Joint Administrators be authorised to draw remuneration on the basis of the realisation scale set in accordance with the Statutory Scale previously known as the "Official Receivers Scale", as set out in the Determination of Insolvency Office Holder's Remuneration, Schedule 6 to the Insolvency Rules 1986 as defined within the report to creditors

vi the Joint Administrators be discharged from liability under the Administration in accordance with Paragraph 98 of Schedule B1 of the Insolvency Act 1986, 28 days after the Joint Administrators' filing their final report and sending it to creditors

**Modifications to the Joint Administrators' proposals as approved by creditors at the adjourned meeting of creditors held on 20 June 2011**

The Joint Administrators be authorised to draw remuneration by reference to the time properly spent by them and their staff in dealing with matters relating to the administration of the Company in accordance with the hourly rates set out below

| | |
|---|---|
| Partner | £445 |
| Director – Appointment taking | £378 |
| Director | £355 |
| Associate Director | £324 |
| Senior Manager | £306 |
| Manager | £279 |
| Assistant Manager | £252 |
| Senior Executive | £207 |
| Executive | £170 |
| Cashier | £135 |
| Support staff | £58 |

The proposal that the Joint Administrators be discharged from liability under the Administration in accordance with Paragraph 98 of Schedule B1 of the Insolvency Act 1986, 28 days after the Joint Administrators filing their final report and sending it to creditors was rejected

# Appendix 2

**Summary receipts and payments account for the period of the Administration, 1 April 2011 to 13 September 2011**

| | £ Statement of affairs* | | |
|---|---|---|---|
| **Receipts** | **Book Value** | **Est to realise** | **£ Receipts to date** |
| Furniture & equipment | 239 193 | unknown | 197,500 00 |
| Shares & investments | 300 | unknown | 304 00 |
| Goodwill and intangible assets | - | - | 299,996 00 |
| Debtors | 331 653 | 331 653 | 112 162 80 |
| Staff season ticket loan | 12,291 | nil | - |
| Sales/accrued income | 119,811 | 119,811 | 23 097 00 |
| Loan to LRF Limited | 50,000 | unknown | - |
| Prepayments | 307,694 | nil | 216,585 79 |
| Cash at bank | 4,472,784 | 4,472,784 | 4,439 048 38 |
| Debtor realisations due to L&P | - | - | 2,544 06 |
| Interest | - | - | 13,132 87 |
| | | | 5 304,370 90 |
| **Payments** | | | |
| Consultant fee for preparation of statement of affairs | | | 4,407 69 |
| Joint Administrators' fees | | | 192,213 75 |
| Joint Administrators' disbursements | | | 9,252 42 |
| Forensic data services | | | 951 25 |
| Agent / valuers fees | | | 25 254 65 |
| Legal fees | | | 61,422 00 |
| Legal expenses | | | 1,353 88 |
| Insurance premium | | | 540 51 |
| Advertising costs | | | 2 795 40 |
| Bank charges | | | 885 48 |
| | | | 299 077 03 |
| **Cash at hand** | | | |
| VAT recoverable | | | 54,113 67 |
| Cash at Bank | | | 4,951,180 20 |
| | | | 5,005,293 87 |

NB Statement of affairs figures as at 1 April 2011 as prepared by the directors

# Appendix 3

**Joint Administrators' time costs and disbursements for dealing with matters in the Administration**

In accordance with SIP 9, the table below shows the breakdown of time charged to the case by the Administrators and the various grades of their staff during the period of the Administration

No remuneration has been drawn for any other period than that covered by this report The table below does not include time charged in respect of the pre-appointment period (see section 1 of the report)

| Classification of work function | Partners | Manager | Other Senior Professionals | Assistants & Support Staff | Total Hours | Time Cost (£) | Average Hourly Rate (£) |
|---|---|---|---|---|---|---|---|
| Administration & Planning | 43 00 | 114 00 | 34 55 | 20 40 | 211 95 | 71,693 00 | 336 76 |
| Creditors | 20 05 | 188 85 | 33 50 | 0 00 | 242 40 | 82 469 50 | 340 14 |
| Investigations | 17 00 | 18 10 | 1 95 | 0 00 | 37 05 | 14,017 50 | 378 34 |
| Realisation of Assets | 21 50 | 94 85 | 9 75 | 0 00 | 126 10 | 45,684 50 | 362 29 |
| Trading | 0 00 | 0 00 | 0 75 | 0 00 | 0 75 | 172 50 | 230 00 |
| Total hours | 101 55 | 415 80 | 80 50 | 20 40 | 618 25 | 214,037 00 | 346 20 |
| Agreed discount to date | - | - | - | - | - | 21,787 25 | - |
| Agreed fees to date | - | - | - | - | - | 192 249 75 | - |
| Total fees claimed and paid to date | - | - | - | - | - | 192 213 75 | - |

# Appendix 3

An overview and description of the work undertaken by the Joint Administrators and their staff is as follows -

**Administration and planning**

This work relates to dealing with the statutory or regulatory duties of the Administrators and case strategy of the Administration including, but not limited to

- Reporting to creditors, in particular notifying creditors of our appointment and preparing the Joint Administrators' report and statement of proposals,
- Complying with statutory advertising requirements and notice filing documentation,
- Case strategy matters, internal and external strategy meetings, including liaison with legal advisors, the LDA and L&P,
- Arranging full back up and download of the Company's computer systems,
- Correspondence with the London Assembly,
- Further reporting to creditors, implementing exit strategies and statutory documentation to exit the Administration
- Arrangement of suitable insurance cover over Company assets

**Realisation of assets**

This work involves the realisation of the relevant assets, in particular

- Instructions and liaison with chattel valuation agents,
- Site attendance to view security of assets and assist with valuations,
- Discussions with directors, previous legal advisors, LDA and L&P to identify and compile an extensive list of intangible assets,
- Various meetings with solicitors and LDA to ascertain rights of sales of various classes of assets,
- Preparation of advertisements and sales memorandum liaising with interested parties, providing additional information as available and requested,
- Debtor collection and invoicing of accrued income,
- Dealing with suppliers to maintain website access
- Negotiations for sale of assets,
- Issuing/reviewing sales contracts
- Completing the sale of assets, monitoring compliance with the terms of the sales contracts and dealing with sale considering, including accounting / apportionment matters

**Creditors**

This work is in respect of dealing with the Company's creditors, including

- Dealing with creditor enquiries and correspondence to include written and verbal communications, updating contact information initial dealings with creditor claims and disputed claims
- Recording and maintaining the list of creditors,
- Meetings regarding various supply contracts
- Dealing with retention of title claim,
- Issuing standard letters and noting of claims on the Insolvency Practitioner System,

# Appendix 3

- Statutory notifications to the Pensions Regulator and the Trustees, dealing with pensioner queries,
- Communications with the PPF and Trustees,
- Communications/meetings with any appointed creditors committee,
- Dealing with hire purchase/lease creditors and arranging assignments or novations of contracts as necessary

**Investigations**

- Statutory investigation, including CDDA reports on directors conduct,
- Review of directors questionnaires,
- Review of the Company's financial information
- Review of transaction involving the transfer of the Company's business and/or certain assets to L&P,
- Instructions to and meetings with solicitors/ counsel with respect to the above,
- Review of grant funding agreements

**Other**

- Preparation of corporation tax returns and calculations,
- VAT recording, preparation of VAT returns and co-ordinating de-registration,
- Complete pre- appointment employee returns for HMRC
- General cashiering functions, maintaining Insolvency Practitioner System records

A creditors' guide to Administrators' fees may be obtained at http //www r3 org uk/media/documents/technical_library/SIPS/SIP-9-EW-INTER pdf or will be provided by the Administrators, free of charge, upon request

# Appendix 4

**Statement of creditor rights**

The Insolvency Rules 1986 provide for creditors to request further information and challenge the Administrators' remuneration and expenses The relevant provisions are as follows -

Rule 2 48A - Creditors' request for further information

1 If—

a within 21 days of receipt of a progress report under Rule 2 47—

i a secured creditor, or

ii an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or

b with the permission of the court upon an application made within that period of 21 days, any unsecured creditor,

makes a request in writing to the administrator for further information about remuneration or expenses (other than pre-administration costs) set out in a statement required by Rule 2 47(1)(db) or (dc), the administrator must, within 14 days of receipt of the request comply with paragraph (2)

2 The administrator complies with this paragraph by either—

a providing all of the information asked for, or

b so far as the administrator considers that—

i the time or cost of preparation of the information would be excessive, or

ii disclosure of the information would be prejudicial to the conduct of the administration or might reasonably be expected to lead to violence against any person, or

iii the administrator is subject to an obligation of confidentiality in respect of the information,

giving reasons for not providing all of the information

3 Any creditor, who need not be the same as the creditor who requested further information under paragraph (1), may apply to the court within 21 days of—

a the giving by the administrator of reasons for not providing all of the information asked for, or

b the expiry of the 14 days provided for in paragraph (1),

and the court may make such order as it thinks just

4 Without prejudice to the generality of paragraph (3), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 2 109(1B) by such further period as the court thinks just

Rule 2 109 - Creditors' claim that remuneration is or other expenses are excessive

1 Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)

a Application may be made on the grounds that—

i the remuneration charged by the administrator,

ii the basis fixed for the administrator's remuneration under Rule 2 106, or

iii expenses incurred by the administrator,

is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate

# Appendix 4

b The application must, subject to any order of the court under Rule 2 48A(4), be made no later than 8 weeks after receipt by the applicant of the progress report which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")

2 The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss it without a hearing but it shall not do so without giving the applicant at least 5 business days' notice, upon receipt of which the applicant may require the court to list the application for a without notice hearing If the application is not dismissed the court shall fix a venue for it to be heard, and give notice to the applicant accordingly

3 The applicant shall, at least 14 days before the hearing, send to the administrator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it

4 If the court considers the application to be well-founded, it must make one or more of the following orders—

a an order reducing the amount of remuneration which the administrator was entitled to charge,

b an order fixing the basis of remuneration at a reduced rate or amount,

c an order changing the basis of remuneration,

d an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration,

e an order that the administrator or the administrator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify,

f and may make any other order that it thinks just but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report

5 Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the administration

# Appendix 5

## Form 2 24B - notice of Joint Administrators' progress report

Rule 2 47 | Form 2 24B

The Insolvency Act 1986

**Administrator's progress report**

| | |
|---|---|
| Name of Company<br>Visit London Limited | Company number<br>00761149 |
| In the<br>High Court of Justice Chancery Division (full name of court) | Court case number<br>2528 of 2011 and 4849 of 2011 |

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

I/We (a)

Stephen Robert Cork
Cork Gully LLP
52 Brook Street
London
W1K 5DS

Joanne Elizabeth Milner
Cork Gully LLP
52 Brook Street
London
W1K 5DS

administrator(s) of the above company attach a progress report for the period

(b) Insert date

| From | To |
|---|---|
| (b) 1 April 2011 | (b) 13 September 2011 |

Signed ______________________
Joint / Administrator(s)

Dated ______________________