

2.24B**Administrator's progress report**

Name of Company Landround Marketing Limited	Company number 02688821
In the Manchester County Court [full name of court]	Court case number 4072 of 2008

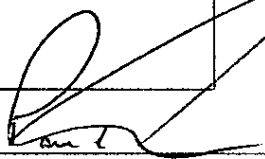
We
Paul Andrew Flint
KPMG LLP
St James' Square
Manchester
M2 6DS
United Kingdom

Brian Green
KPMG LLP
St James' Square
Manchester
M2 6DS
United Kingdom

Administrators of the above company attach a progress report for the period

from	to
10 June 2009	30 November 2009

Signed


Joint Administrator

Dated

30 November 2009

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

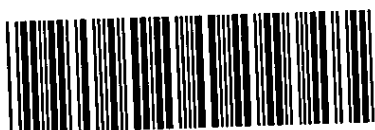
Louise Rigby KPMG LLP St James' Square Manchester M2 6DS United Kingdom DX Number DX 724620 Manchester 42	Tel 0161 246 4875
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When you have completed and signed this form, please send it to the Registrar of Companies at:-

Companies House, Crown Way, Cardiff CF14 3UZ

DX 33050 Cardiff

TUESDAY



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COMPANIES HOUSE



**Landround Marketing Limited
(in Administration)**

**Report to Creditors pursuant
to Rule 2.110 of the
Insolvency Rules 2003**

KPMG LLP

30 November 2009

This report contains 9 pages

The appendices contain 6 pages

PF/AB/LR



Report to Creditors pursuant to Rule 2.110 of the Insolvency Rules 2003

KPMG LLP

30 November 2009

Notice: About this report

This Report has been prepared by Paul Andrew Flint and Brian Green, the Joint Administrators of Landround Marketing Limited, solely to comply with their statutory duty to report to creditors under the Insolvency Rules 1986 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 Landround Marketing Limited.

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 1986 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.

Paul Andrew Flint and Brian Green are authorised to act as Insolvency Practitioners by the Institute of Chartered Accountants in England & Wales.

The Joint Administrators act as agents for Landround Marketing Limited 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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Appendices

- 1 Joint Administrators' receipts and payment in the period 10 June 2009 to 30 November 2009.
- 2 Joint Administrators time costs, disbursements and charge out rates to 27 November 2009.
- 3 Joint Administrators' original proposals.

1 Glossary

Joint Administrators	Paul Andrew Flint and Brian Green of KPMG LLP, St James' Square, Manchester, M2 6DS
Administration	The Administration granted by the High Court of Justice, Chancery Division, Manchester District Registry in respect of Landround Marketing Limited dated 10 December 2008. Court case number 4072 of 2008
Company	Landround Marketing Limited (in Administration)
Group	Landround Plc and its 100% subsidiaries (Landround Marketing Limited, Travel Offers Limited, Landround Travel Limited, Fixed Fee Plus Limited, White Label Rewards Limited, Compra y Vuela SL and Travel Rewards AB Limited)
HSBC	HSBC Bank plc
Agents	Sanderson Weatherall
Solicitors	Eversheds LLP
SIP	Statement of Insolvency Practice
Act	Insolvency Act 1986
EC Regulations	Council Regulations (EC) No. 1346/2000

2 Other information required by Rule 2.47 of the Insolvency (Amendment) Rules 2003

Date of appointment	10 December 2008
Company registered number	02688821
Previous registered office	The Quadrant, Sealand Road, Chester, CH1 4QR
Present registered office	KPMG LLP, St James' Square, Manchester, M2 6DS
Appointor	The directors of the Company

3 Introduction

Further to my report dated 1 July 2009, I write to provide the final report on the outcome of the Administration in accordance with Rule 2.110 of the Insolvency (Amendment) Rules 2003.

The original proposals agreed by the creditors are attached at Appendix 3. In accordance with Rule 2.110 of the Insolvency (Amendment) Rules 2003, the outcome of the Administration is detailed in this, my final report. There have been no notable deviations from the Joint Administrators' proposals.

For your information, an abstract receipts and payments account for the period 10 June 2009 to 30 November 2009 is attached at Appendix 1.

There are no funds remaining in this case.

4 Progress of the Administration to 30 November 2009

4.1.1 Progress of the Administration

4.1.2 Pre appointment Spanish VAT

As detailed in the Joint Administrators' Proposals and in my report dated 1 July 2009, input VAT in relation to pre-appointment purchases for the period 31 December 2007 to 7 July 2008 had not been reclaimed by the Company from the Spanish tax authorities.

KPMG's VAT specialists submitted an 8th Directive VAT claim for €13,562 however payment has not been received and despite our efforts, there has been no response from the Spanish authorities, therefore we are not able to pursue this claim.

4.1.3 Leasehold Property

The Group operated from three units at leasehold premises, at the Quadrant, in Chester, the leases of which were in the name of the Company. All units were vacated immediately following our appointment.

Our Agents advised that there was no value in the leases and, with the assistance of our Solicitors, all three leases have been surrendered.

4.1.4 Third Party Funds

At appointment a total of £144,000 was held in a deposit account held by the Company under the terms of an agreement with a major customer.

Following confirmation from our Solicitors that the funds should be made available to the customer, this amount, less a contribution towards the Joint Administrators' costs was repaid in the period.

5 Receipts and Payments

An analysis of receipts and payments for the period 10 June 2009 to 30 November 2009 is attached at Appendix 1.

No funds remain in the case as at 30 November 2009

Receipts and payments in the period are commented on below.

5.1 Receipts

5.1.1 Cash at bank

Funds totalling £7,317 have been received from balances in the Company's pre-appointment bank accounts. This includes the contribution towards the Joint Administrators' costs, commented on in section 4.1.4 above.

5.2 Payments

5.2.1 Insurance

A sum of £450 has been paid in respect of insuring the Company's properties.

5.2.2 Bank charges

Charges of £27 have been paid in the period.

5.2.3 Administrators' fees

A first and final fee of £17,624 has been drawn in the period, as detailed further in section 6 below.

5.2.4 Administrators' expenses

Expenses of £446 have been drawn in the period.

5.2.5 Sundry refunds

An amount of £53 has been incurred in respect of a loss on a refund received in a foreign currency in the prior period.



5.2.6 VAT

VAT paid and received in the prior six month period has been accounted for with HMRC in the relevant return during this current period.

6 Joint Administrators' Fees

To date, the Joint Administrators have been engaged in:

- attending and securing the Company premises;
- dealing with employee matters;
- realising the Company's assets;
- dealing with creditor claims and queries;
- reporting to unsecured creditors;
- corresponding with our HSE (Health, Safety & Environment), VAT and Corporation Tax teams;
- liaising with the Landlord; and
- statutory issues associated with the Administration.

In accordance with rule 2.106 (9) of the Insolvency Rules 1986 (as amended), on 25 September 2009 the secured creditor agreed the following proposals in respect of the Joint Administrators' remuneration:

- The Joint Administrators will seek approval to draw fees on account from the assets of Landround Marketing Limited (in Administration) from time to time during the period of Administration based on time properly spent at the KPMG LLP charge out rates shown in Appendix 2. Also, the Joint Administrators will seek approval to draw disbursements from time to time; and
- that the costs of KPMG LLP in respect of HSE, Pension, Tax and VAT advice provided to the Joint Administrators be based upon time costs and shall be paid out of the assets of Landround Marketing Limited (in Administration).

The Joint Administrators' total time costs to 27 November 2009 are £64,328, of which £12,474 relates to the period 10 June 2009 to 27 November 2009. Fees and expenses of £17,624 and £446 respectively, have been drawn in the period.

A full analysis of the Joint Administrators' time costs for the period 10 June 2009 to 27 November 2009 in accordance with the provisions of the Statement of Insolvency Practice 9 is attached at Appendix 2, along with applicable charge out rates. A creditors' guide to fees can be found at:



[http://www.r3.org.uk/uploads/sip/SIP9_v%20April_2007\(1\).pdf](http://www.r3.org.uk/uploads/sip/SIP9_v%20April_2007(1).pdf), however, if you are unable to access this guide and would like a copy please contact Louise Rigby.

The Joint Administrators have instructed KPMG LLP HSE (Health Safety & Environment), Pension, Corporation Tax and VAT specialists to carry out assessments of the Company's position. Time in relation to these matters is also included in the analysis at Appendix 2.

7 Other Matters

The EC regulation on Insolvency Proceedings 2000 will apply in this matter and these proceedings are the main proceedings as defined in Article 3 of the EC Regulation. The Company's registered office and centre of main interests are in the United Kingdom.

In accordance with section 176A of the Act, a prescribed part will be made available to unsecured creditors should floating charge realisations be sufficient on the basis that the floating charge in favour of the Bank was created after 15 September 2003.

The prescribed part is a proportion of the net floating charge realisations after preferential creditors have been paid in full, to be distributed exclusively to unsecured creditors.

The debenture was created on 19 April 2005, however, in this case, floating charge realisations are insufficient to enable a prescribed part payment to be made available to unsecured creditors.

8 Creditors

8.1 Secured Creditors

Approximately £19,500 was due to HSBC from the Company at the date of appointment of the Joint Administrators. However, as stated in the Joint Administrators' Proposals and in my report dated 1 July 2009, HSBC's security is such that it is able to apply cross guarantees to set off balances across the other Group companies, and, as such, on appointment there was no Group indebtedness to HSBC, with the exception of fees and charges.

There are no other secured creditors.



8.2 Preferential Creditors

There are insufficient realisations available to enable a distribution to preferential creditors.

8.3 Unsecured Creditors

There are insufficient realisations available to enable a distribution to unsecured creditors.

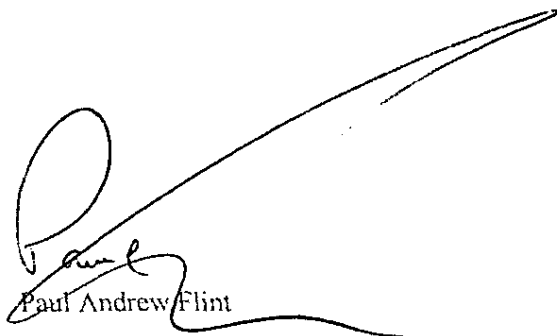
9 Conclusion of the Administration

The Joint Administrators' proposals have been completed.

The Joint Administrators have sought the dissolution of the Company pursuant to the provisions of paragraph 84 of Schedule B1 of the Act. A copy of Form 2.35B to this effect is enclosed.

The Company will be formally dissolved three months after the Form 2.35B is filed at Companies House.

There are no further matters to report to creditors and the Administration is deemed to be formally complete.



Paul Andrew Flint

Joint Administrator



Report to Creditors pursuant to Rule 2.110 of the Insolvency Rules 2003

KPMG LLP

30 November 2009

Appendix 1 – The Joint Administrators' receipts and payments for the period 10 June 2009 to 30 November 2009

ABSTRACT OF RECEIPTS AND PAYMENTS - 10/06/2009 to 30/11/2009
Landround Marketing Limited

Appendix to Form 2.24
Page 1

RECEIPTS		£
Brought forward from previous Abstract (if Any)		23,170.42
Cash at bank		7,317.08
Floating ch. VAT rec'able		375.00
Carried forward to * continuation sheet / next abstract		30,862.50
PAYMENTS		£
Brought forward from previous Abstract (if Any)		10,758.69
Bank charges		4.17
Sundry refunds		53.28
Administrators' fees		17,624.30
Administrators' expenses		446.30
Insurance of assets		450.17
Bank charges		22.98
Floating ch. VAT payable		1,502.61
Carried forward to * continuation sheet / next abstract		30,862.50

* Delete as appropriate

* Delete as appropriate

Note: The receipts and payments should be added up at the end of each month and the total carried forward to the next month's abstract. The total should be added up at the end of the period and the total should be added up at the end of the period.



Report to Creditors pursuant to Rule 2.110 of the Insolvency Rules 2003

KPMG LLP

30 November 2009

Landround Marketing Limited
(In Administration)
Administrators' Abstract of Receipts & Payments

Statement of Affairs	From 10/06/2009 To 30/11/2009	From 10/12/2008 To 30/11/2009
FIXED CHARGE COSTS		
Bank charges	4.17	14.17
	(4.17)	(14.17)
ASSET REALISATIONS		
10,000.00 Plant & machinery	NIL	NIL
2,500.00 Stock	NIL	NIL
		10,017.39
3,000.00 Furniture & equipment	NIL	NIL
18,500.00 Other debtors	NIL	NIL
4,800.00 VAT refunds (pre-app'ent)	NIL	NIL
	7,317.08	7,755.62
	7,317.08	17,773.01
OTHER REALISATIONS		
Database recovery	NIL	2,000.00
Sundry refunds	(53.28)	8,362.74
	(53.28)	10,362.74
COST OF REALISATIONS		
Administrators' fees	17,624.30	17,624.30
Administrators' expenses	446.30	446.30
Agents'/Valuers' fees	NIL	650.00
Agents'/Valuers' Expenses	NIL	2,500.00
Legal fees	NIL	5,217.40
Statutory advertising	NIL	118.35
Insurance of assets	450.17	777.50
Bank charges	22.98	37.73
IT consultancy fees	NIL	750.00
	(18,543.75)	(28,121.58)
PREFERENTIAL CREDITORS		
(10,000.00) Employees' wage arrears	NIL	NIL
	NIL	NIL
UNSECURED CREDITORS		
(8,146,810.00) Trade & expense	NIL	NIL
	NIL	NIL
DISTRIBUTIONS		
(20,000.00) Ordinary shareholders	NIL	NIL
	NIL	NIL
(8,138,010.00)	(11,284.12)	0.00
REPRESENTED BY		
		NIL

Paul Andrew Flint
Administrator

Landround Marketing Limited (in Administration)

10 June 2009 to 27 November 2009

1 October 2008

Grade	Charge out rates £		
Partner/Director	400	to	400
Management	290	to	365
Administrators	150	to	205
Support	95	to	95

1 April 2009

Grade	Charge out rates £		
Partner/Director	440	to	515
Management	320	to	405
Administrators	165	to	225
Support	105	To	105

Category 1 expenses

Expense name	Expense amount £
Postage	73.12
Bonding	174.00
Mileage – tax free	110.40
Other travel costs	25.00
Other ICT costs	63.78
	<u>446.30</u>

Appendix 3 – The Joint Administrators’ Original Proposals

The Joint Administrators propose the following:

- to continue to do all such things reasonably expedient and generally exercise all their powers as Joint Administrators as they, in their discretion, consider desirable in order to maximise realisations from the assets of the Company;
- to seek an extension to the Administration period if deemed necessary by the Joint Administrators; firstly by consent from the secured creditors (and the requisite majority of preferential creditors if the Joint Administrators think that there will be a distribution to them) for a six-month period and, if further time is required, by an application to court under paragraph 76(2) of Schedule B1 to the Act;
- when it is considered that no further distributions to creditors will be made and that the Joint Administrators have concluded their duties, to take the necessary steps to move the Company from Administration to Dissolution, pursuant to paragraph 84 of Schedule B1 to the Act. If the Joint Administrators think that a distribution will be made to unsecured creditors, to take the necessary steps to move the Company into Creditors’ Voluntary Liquidation pursuant to paragraph 83 of Schedule B1 to the Act;
- if Creditors’ Voluntary Liquidation is deemed appropriate, the Joint Administrators will seek the appointment of Paul Andrew Flint and Brian Green of KPMG LLP as Liquidators of Landround Marketing Limited. In accordance with paragraph 83(7) of Schedule B1 to the Act and Rule 2.117(3) of the Insolvency Rules 1986, creditors may nominate a different person as the proposed liquidator, provided that the nomination is made after the receipt of the proposals and before the proposals are approved;
- if deemed appropriate to make an application to court under paragraph 79 of Schedule B1 to the Act to end the Administration and petition the court for the winding up of the Company. If appropriate, the Joint Administrators will apply to be appointed as Joint Liquidators under Section 140 (1) of the Act; and
- the Joint Administrators will seek a resolution from creditors to be discharged from liability upon cessation of their appointment, in respect of any action of the Joint Administrators pursuant to paragraph 98(1) of Schedule B1 to the Act.

In relation to Joint Administrators’ fees:

- that in the event that no creditors’ committee is formed, or if no determination of the creditors’ committee is reached, the Joint Administrators will seek approval from secured creditors (and the requisite majority of preferential creditors if the Joint Administrators think that there will be a distribution to them) in relation to the basis of their remuneration. The Joint Administrators will seek approval to draw fees on account from the assets of Landround Marketing Limited (in Administration) from time to time during the period of Administration based on time properly spent at the



Report to Creditors pursuant to Rule 2.110 of the Insolvency Rules 2003

KPMG LLP

30 November 2009

KPMG LLP charge out rates shown in Appendix 3. Also, the Joint Administrators will seek approval to draw disbursements from time to time; and

- that the costs of KPMG LLP in respect of HSE, Pension, Tax and VAT advice provided to the Joint Administrators be based upon time costs and shall be paid out of the assets of Landround Marketing Limited (in Administration).