Rule 2 47 Form 2 24B

The Insolvency Act 1986

Administrator's progress report 2.24B

Name of Company	Company Number
New Jarrold Printing Limited in Administration	04976866

In the	Court case number
High Court of Justice, Chancery Division, Companies Court (full name of court)	5504 of 2006

We Stephen Mark Oldfield, Colin Michael Trevethyn Haig and David Christian Chubb of PricewaterhouseCoopers LLP, The Atrium, St Georges Street, Norwich, NR3 1AG, Administrators of the above company attach a progress report for the period

from	to
1 August 2006	31 January 2007

Signed ____________
Joint / Administrator

Dated 30 MARCH 2007

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

Shirley V Grose
PricewaterhouseCoopers LLP, Hill House, Richmond Hill, Bournemouth BH2 6HR
Tel 01202 294621
DX Number 141500 DX Exchange Bourne 17

'hen you have completed and signed this form please send it to the Registrar of Companies at

ompanies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff

PRICEWATERHOUSECOOPERS

New Jarrold Printing Limited – in Administration
High Court of Justice, Chancery Division, Companies Court
Case No. 5504 of 2006

Joint Administrators' progress report for the six months ended 31 January 2007

30 March 2007

Contents

S M Oldfield, C M T Haig and D C Chubb were appointed joint administrators of New Jarrold Printing Limited on 1 August 2006 The administrators act as agents of the company without personal liability All administrators are licensed to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales

1. Joint Administrators' progress report for the six months ended 31 January 2007

Introduction

In accordance with Rule 2 47 of the Insolvency Rules 1986 ("IR86"), the Joint Administrators ("the Administrators") write to provide creditors with details of the progress of the Administration of New Jarrold Printing Limited ("the Company") in the six months since the Administrators' appointment on 1 August 2006

Background information and initial actions taken by the Administrators

As at the date of the Administrators' appointment on 1 August 2006 the position as regards the Company was as follows -

- The Company was a web offset printer of consumer magazines and directories
- The Administrators' appointment arose as a consequence of the Company's balance sheet being likely to show a net liabilities position during August 2006 and the uncertainty concerning sufficient cash flow being available to fund the payroll costs for August
- Key issues facing the Company were as follows -
  - Significant cumulative losses totalling £2 4million
  - Trading losses due to the loss of the Company's major contract with EMAP in January 2006
  - Exceptional costs incurred in unsuccessful attempts to relocate the business to new premises

Following an initial review, the Administrators concluded that the most appropriate strategy was to trade the business as a going concern, whilst seeking a buyer for its business and assets This was undertaken with the intention of maximising realisation of the Company's principal assets and preserving the jobs of the Company's employees This corresponds with the purpose of the Administration as set out in the Administrators' proposals dated 22 September 2006 This being that the Administrators would continue to manage and finance the Company's business, affairs and property from trading revenue/asset realisations in such manner as they consider expedient with a view to achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration)

Immediately following their appointment, the Administrators took steps to protect and preserve the Company's assets Assets comprised

- Plant and machinery
- Debtors
- Cash at bank
- Stock and work in progress

Trading and debtors

The Administrators report that in the trading period which concluded during November 2006, a loss was incurred amounting to approximately £260,000 (this includes a provision for costs not yet paid) Trading of the business was essential, not only in order to try and attempt a going concern sale and preserve jobs (mitigate employee claims) but also to avoid breach of customer contracts which would have severely impacted upon debtor realisations and work in progress This enabled an increase in debtor realisations of approximately £700,000 compared with ceasing to trade on appointment

Sale of business and assets

Despite discussions being held with many parties interested in acquiring the business as a going concern, it was not ultimately possible to achieve a sale of the business The challenge for potential buyers of finding alternative premises was soon followed by the Company's largest customer, National Magazines, placing its magazine printing with a different supplier during September 2006 Consequently, interested parties withdrew leaving the Administrators with no alternative but to wind down the business

1. Joint Administrators' progress report for the six months ended 31 January 2007

Realisation of assets

The directors estimated in their statement of affairs that plant and machinery would realise £1,670,000 The Administrators appointed agents, Henry Butcher, to market and sell the Company's plant and machinery and have realised £2,134,275 gross, however, this excludes very significant costs of removal in total amounting to in excess of £500,000 (shown in the attached receipts and payments, in section 3, as fixed charge payment) ie Approximating to the Director's Statement of Affairs estimate

The Administrators have realised £2,948,052 in respect of factored and non-factored debts This compares very favourably with the directors' estimate of £2,460,000 in their statement of affairs The increase is largely due to the Administrators' decision to trade the Company as a going concern which enabled debtor realisations to be enhanced The debt collection efforts are likely to continue until October 2007, when current re-payment plans for several of the outstanding debts will cease

The Administrators have recovered cash at bank of £5,556 and received bank interest of £6,289

The Administrators continued to trade the business and have achieved trading sales of £1,936,862 in respect of stock and work in progress Although physical trading ceased in September 2006, the final trading outcome is unlikely to be know before October 2007, when the current re-payment plan for several debtors expires Against these receipts, trading payments in excess of £2 million have been incurred to date with the final costs still to be settled Overall, trading is expected to result in a loss of c £260,000

Other issues

The administrators have settled retention of title claims amounting to £26,300 and made duress payments of £15,710 in order to continue to trade and utilise stock held by the Company at the date of appointment

Adoption of the Administrators' proposals

On 22 September 2006 the Administrators circulated to creditors their proposals for achieving the purpose of the Administration

The proposals were approved by creditors without modification at a meeting held on 9 October 2006

Creditors' committee

The creditors' meeting on 9 October 2006 voted to form a Creditors' Committee consisting of the following members

1 HM Revenue & Customs
2 SCA Graphics Sundsvall AB
3 Jarrold & Sons Limited

The Administrators have liaised with the creditors' committee to discuss issues and outline key decisions The Administrators last reported to the Creditors' Committee on 24 January 2007

Receipts and payments account

An account of the receipts and payments in the Administration for the six months to 31 January 2007 is set out in section 3 to this report

Total receipts in the period comprise -

- Sale of plant and machinery subject to a fixed charge £2,134,160,
- Debtors £2,948,052,
- Sale of plant and machinery subject to a floating charge £115,
- Cash at bank £5,556,
- Interest earned on funds invested £6,289,
- Post appointment trading sales £1,936,862

The principal payments include -

1. Joint Administrators' progress report for the six months ended 31 January 2007

Plant & Machinery Removal Costs

- Rent and service charge £116,623,
- Insurance £10,178,
- Legal fees £105,777,
- Cleaning and site clearance £16,568,
- Employee related costs £59,978,
- Utilities £64,166,
- Repairs and maintainance £9,518,

Other Costs

- Employee expenses and wages £1,141,454,
- Trading purchases £585,110,
- Heat, light and power £120,912,
- Transport and carriage £83,248,
- Rent £50,000,
- Agents' fees £21,839,
- Legal fees £19,868,
- Administrators' remuneration and disbursements of £445,000 and £22,197 respectively for the period

Outcome for creditors

The secured creditor, Venture Finance, has been repaid in full

The Administrators advised in their proposals that the dividend prospects for preferential creditors would depend on the outcome of the sale of the plant and machinery

Preferential creditors' claims were estimated to total £325,000 in the directors' statement of affairs The Administrators currently estimate that preferential creditors' claims will not exceed £360,000 At the present time claims of £192,177 have been admitted and a dividend of 20p in the £ was paid during March 2007 in respect of these claims Further claims with a value of £159,227, of which £115,345 is a claim by the Redundancy Payment Service, have been received, and the Administrators are currently reviewing and processing these claims as to admissability for dividend

Until all preferential creditors' claims have been finalised and debtor realisations completed, as reported above, the Administrators will be unable to advise the final quantum of the dividend for preferential creditors

The Administrators regret to advise that as indicated at the creditor's meeting and also in the creditor's committee meeting, there will not be a distribution to unsecured creditors

Please note that the guidance on dividend prospects given in this report is indicative only It should not be used as the sole or principal basis of any bad debt provision decision

Administrators' remuneration

The Adminstrators' remuneration is approved by the Creditors' Comittee To date the Administrators have drawn remuneration of £ 445,000

Details of subcontracted work

Payroll was sub-contracted during the Administration to Jarrold & Sons Limited in accordance with the existing practice of the Company prior to our appointment

1. Joint Administrators' progress report for the six months ended 31 January 2007

Summary of legal and other professional firms instructed in the period 1 August 06 to 31 January 07

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Legal advice	Kennedys	Industry knowledge	Time costs
Legal advice	Eversheds	Industry knowledge	Time costs
Chattel agents and valuers	Henry Butcher	Industry knowledge	5% of realisations plus valuation fee and agreed realisation costs incurred

1. Joint Administrators' progress report for the six months ended 31 January 2007

Next report

The Adminstrators' next report to creditors will be at the earlier of the conclusion of the Administration or in approximately six months

S Oldfield
Joint Adminstrator
New Jarrold Printing Limited

2. Statutory and other information

Court details for the Administration	High Court of Justice Chancery Division, Companies Court 5504 of 2006
Full name	New Jarrold Printing Limited
Trading name	New Jarrold Printing Limited or NJP
Registered address	St James' Mill, Whitefriars, Norwich, Norfolk, NR3 1SH
Registered number	04976866
Company directors	Peter Michael Strong, Christopher John Doggett, David Elliot Medler, Ian Graeme Thorpe, Robert George Pitts
Company secretary	Gregory John Kane (resigned 1 February 07) in order to take a new appointment
Shareholdings held by the directors and secretary	Gregory Kane 40,000 ordinary shares, David Medler 40,000 ordinary shares, Robert Pitts 120,000 ordinary shares, Ian Thorpe 40,000 ordinary shares, Peter Strong 10,000 ordinary shares
Date of the Administration appointment	1 August 2006
Administrators' names and addresses	Stephen Mark Oldfield, Colin Michael Trevethyn Haig, David Christian Chubb of PricewaterhouseCoopers LLP, The Atrium, St George's Street, Norwich, NR3 1AG
Changes in office holder	N/A
Appointer's / applicant's name and address	Board of Directors, NJP Limited, c/o St James' Mill, Whitefriars, Norwich, Norfolk, NR3 1SH
Objective being pursued by the Administrators:	Achieving a better result for the 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 IA86, during the period for which the Administration is in force, any function to be exercised by the persons appointed to act as Administrators may be done by any or all of the persons appointed or any of the persons for the time being holding that office
Proposed end of the Administration.	Dissolution
Estimated dividend for unsecured creditors.	Nil
Estimated values of the prescribed part and the company's net property	Nil
Whether and why the Administrators intend to apply to court under Section 176A(5) IA86	N/A
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

3. Receipts and payments account for the period 1 August 2006 to 31 January 2007

	Account name	Total £
Fixed receipts	Plant and machinery	2,134,160 43
	Debtors	2,948,052 50
		5,082,212,93
Floating receipts	Plant and machinery	115 00
	Cash at bank	5,555 90
	Interest	6,289 46
		11,960 36
Trading receipts	Post appointment trading sales	**1,936,861 91**
VAT	Receivable	**93,649 93**
Fixed payments	Agents' fees	154,101 24
	Secured creditor	3,329,966 30
		3,484,067 54
Fixed plant and Machinery payment	Rent and service charge	116,623 38
	Insurance	10,178 00
	Legal fees	105,777 46
	Cleaning and site clearance	16,567 55
	Employee related costs	59,977 63
	Utilities	64,166 33
	Repairs and maintenance	9,517 66
		382,808 01
Total fixed payments		**3,866,875.55**

	Account name	Total £
Trading payments	Employee expenses and wages	1,141,453 55
	Purchases	585,110 45
	Duress payments	15,710 49
	Retention of title payments	26,300 55
	Heat, light and power	120,911 64
	Transport and carriage	83,248 19
	Rent	50,000 00
	Repairs and maintenance	1,048 02
	Leases	7,818 84
	Site cleaning	631 16
	Postage, printing and stationery	59 40
		2,032,292 29
Other floating payments	Bank charges	226 93
	Agents' fees	21,839 35
	Insurance	3,393 38
	Legal fees	19,868 50
	Office holders' fees	445,000 00
	Office holders' disbursements	22,197 00
	Statutory advertising	4,059 36
	Room hire and meeting costs	86 18
	Office costs	19 42
		516,690 11
Funds in hand		**708,827 18**