

The Insolvency Act 1986

Notice of move from administration to creditors' voluntary liquidation

Name of Company
Elevation Events Group Plc

Company number
05118013

In the
High Court of Justice, Chancery Division, Companies Court

Court case number
5282/06

- (a) Insert name(s) and address(es) of administrator(s) We A P Beveridge, A J Pepper and P M Saville of Kroll Limited, 10 Fleet Place, London, EC4M 7RB, having been appointed administrators of Elevation Events Group Plc, c/o Kroll Limited, 10 Fleet Place, London, EC4M 7RB by the directors of the Company on 28 July 2006, hereby give notice that the provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply, and it is proposed that A P Beveridge and P M Saville of Kroll Limited, 10 Fleet Place, London, EC4M 7RB will be the liquidators of the company (IP No's 8991 & 9029)
- (b) Insert name and address of registered office of company
- (c) Insert date of appointment
- (d) Insert name of applicant / appointor We attach a copy of the final progress report - 6 \ 3
- (e) Insert name(s) and address(es) of liquidator(s)
- Signed Joint Administrator
- Dated 11/07/07

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.

Ms K Moore, Kroll Limited, 10 Fleet Place, London, EC4M 7RB

Tel 020 7029 5105

DX Number

DX Exchange



WEDNESDAY

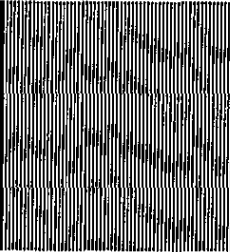
When you have completed and signed this form please send it to the Registrar of Companies at
Companies House, Crown Way, Cardiff, CF14 3UZ
DX 33050 Cardiff

**Joint Administrators'
Final Progress Report**

**For the Period
28 July 2006 to 11 July 2007**

**Elevation Events Group Plc
- In Administration**

13 July 2007



KROLL

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1 Statutory Information

- 1 1 I was appointed Joint Administrator of Elevation Events Group Plc (the **Company**) together with Alastair Paul Beveridge and Andrew John Pepper on 28 July 2006 by the High Court of Justice, Chancery Division. The application for the appointment of an Administrator was made by the Directors of the Company.
- 1 2 This Administration is being handled by Kroll Limited's London office, situated at 10 Fleet Place, London, EC4M 7RB.
- 1 3 The Administration is registered in the High Court of Justice, Chancery Division, under reference number 5282 of 2006.
- 1 4 The trading address of the Company was Bignell Park Barns, Chesterton, Oxfordshire OX26 1TD.
- 1 5 The Company was the parent of Elevation Events Production Limited, Elevation La Dolce Vita Limited and Elevation La Dolce Vita International Limited. It should be noted that I was also appointed Joint Administrator of these companies together with Alastair Paul Beveridge and Andrew John Pepper on 28 July 2006.
- 1 6 The registered office of the Company is c/o Kroll Limited, 10 Fleet Place, London, EC4M 7RB and its registered number is 05118013.
- 1 7 The Joint Administrators act jointly and severally so that all functions may be exercised by either Joint Administrator.

2 Administrators' Proposals

- 2 1 As previously advised, the Joint Administrators must perform their functions with the purpose of achieving one of the following objectives:
- rescuing the Company as a going concern,
 - 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), or
 - realising property in order to make a distribution to one or more secured or preferential creditors.

- 2 2 Following the filing of Notices of Intention to Appoint Administrators and the appointment of Joint Administrators, we contacted a number of potential interested parties. However, due to the fact that the Company relied upon certain key personal relationships with third parties it became clear that the business would be very difficult to sell as a going concern and despite some initial interest, no formal offers were forthcoming from these parties.
- 2 3 The Directors made an offer to acquire the business and assets, however the offer received was deemed by the secured creditor to be too low and was subsequently rejected.
- 2 4 As a sale of the business and assets was not possible and no funding was available, the Joint Administrators considered that the first objective outlined above could not be achieved. Consequently, soon after our appointment as Joint Administrators, our staff attended the Company's office in Chesterton and began an orderly wind down of the business.
- 2 5 Therefore the strategy adopted focused on achieving the third objective, being realising property in order to make a distribution to one or more secured or preferential creditors.

3 Progress of the Administration

- 3 1 Attached at Appendix A is my Receipts and Payments Account for the period from 28 July 2006 to 11 July 2007.
- 3 2 We provide below a summary of our realisation strategy for the Company's various assets since the date of the Administrators' proposals.

Future Events

- 3 3 Following our appointment we reviewed the Company's future events book. From our investigations we discovered that the Company held no signed contracts for future events.

However we approached a former employee who expressed an interest in purchasing an event that the Company was in the process of delivering and following a period of negotiations between the landlord of the Chesterton office, the interested employee and ourselves, we were able to conclude the sale of the event to the former employee for £45,000 (which included £4,000 in respect of various fixtures and fittings). All of this consideration has now been received.

Trade Debtors

- 3 4 Debtors at the date of appointment totalled £26,400 of which we have collected the sum of £15,891. However due to various set off issues, incomplete services and insufficient supporting documentation, the balance of debtors proved to be uncollectible.

Cash at Bank

- 3 5 Immediately prior to our appointment we became aware of a number of bank accounts held by the Company at Barclays Bank PLC that we had not previously been made aware of. Following our appointment we arranged for the balances of these accounts, which totalled £202,981, to be transferred to the Administration bank account.

Fixtures and Equipment

- 3 6 Upon our appointment, we instructed Bache Treharne (our **Agents**) to prepare a valuation of the Company's assets.
- 3 7 As advised at 3 3, various fixtures and equipment were sold to a former employee for £4,000 under the terms of the Sale and Purchase agreement. Additionally, the Company's remaining fixtures and equipment and motor vehicle were sold for a sum of £7,156. Total realisations from this source exceeded our Agent's valuation by c£3,000.

Other Assets

- 3 8 We successfully completed a sale of the "Elevation" trademark that was registered to the Company for a sum of £2,000. The purchaser also agreed to pay a proportion of our legal fees in respect of this sale.
- 3 9 Further to the investigation and re-allocation of pre-appointment VAT, we submitted a revised pre-appointment VAT return for the Company which stated that a sum of £63,000 was due to the Company. HM Revenue & Customs subsequently agreed to this revised return but applied crown set off against this refund. As a result, we received a net VAT refund from HM Revenue & Customs of £10,044.

4 Assets still to be realised

- 4 1 As advised in our previous report, we were continuing to pursue a former director of Senta Limited who under the terms of a supplemental agreement dated 3 April 2006 in respect of

the Sale and Purchase Agreement relating to Senta Limited, dated 13 April 2005, owed the sum of £100,000

Further to our previous report we instructed our solicitors to assess the recoverability of this debt and were advised that whilst a recovery may be possible, the costs involved may be significant. In addition, we instructed Kroll Associates UK Limited to assist us in a tracing exercise to locate the current whereabouts of the director. This phase of work is currently ongoing and will be pursued by the subsequently appointed Joint Liquidators.

- 4.2 Finally, the Company owned the domain name promotions.co.uk which we have been marketing. To date we have not received a sufficient offer but we are continuing to market the domain name and anticipate a sale of this asset to be completed within the next three months in the Liquidation.

5 Administrators' Remuneration

- 5.1 Creditors approved the Joint Administrators' remuneration be fixed by reference to the time properly spent by them and their staff in managing the Administration.
- 5.2 The Joint Administrators' time costs at 11 July 2007 are £64,486. This represents 363 hours at an average rate of £178 per hour. Attached as Appendix B is a time analysis that provides details of the activity costs incurred by staff grade for the period since my last report together with a cumulative analysis for the entire Administration.
- 5.3 The total fees drawn are £64,486 plus disbursements of £3,243 against these time costs and I can confirm no further amounts will be drawn in respect of Joint Administrators' fees.
- 5.4 Attached as Appendix C is additional information in relation to our policy on staffing, the use of sub-contractors, disbursements and details of our current charge-out rates by staff grade.

6 Outcome for Creditors

- 6.1 We have distributed a total sum of £102,824 to the Bank of Scotland (the **Bank**), who are the first ranking secured creditor, distributing £35,566 under their fixed charge and £67,259 under their floating charge. The Bank has suffered a significant shortfall against its debt.
- 6.2 Preferential Claims totalling £11,587 have been agreed and the preferential creditors were paid a dividend of 100 pence in the pound against their preferential claims on 9 February 2007.

- 6 3 We have previously indicated that there may be a distribution to the unsecured creditors of the Company from the Prescribed Part. At present we are unable to comment on the quantum of the dividend that will be payable from the Prescribed Part as we are yet to ascertain the likelihood of further recoveries and the true position of total claims against the Company remains unclear.
- 6 4 As outlined in Section 7 of this report, the Joint Administrators propose filing a notice with the Registrar of Companies which will automatically move the Company into Creditors' Voluntary Liquidation (CVL), from which the distribution of the Prescribed Part fund to the unsecured creditors of the Company can be made.


7 Ending the Administration

- 7 1 Please note that the Joint Administrators' Proposals stated that should there be funds available for a distribution to unsecured creditors from the Prescribed Part, the Joint Administrators would make an application to Court, under Paragraph 65(3) of Schedule B1, so allowing the Joint Administrators to make the distribution.
- 7 2 Despite the Joint Administrators' efforts, it has not proved possible to finalise all of the outstanding matters since the date of the last report. In order to bring the Company's outstanding matters to a conclusion, thus minimising further costs, and to make a distribution of the Prescribed Part Fund to the unsecured creditors of the Company, the Joint Administrators propose filing a notice with the Registrar of Companies which will have the effect of bringing the appointment of the Administrators to an end and will move the Company automatically into CVL.
- 7 3 The Joint Administrators believe that such a process will be the most expedient and cost effective method of resolving these matters. This process will enable the residual matters as outlined in Section 4 to be finalised, and the payment of a dividend distribution to the unsecured creditors from the Prescribed Part, prior to the Company being dissolved. Please note that Alastair P Beveridge and Peter M Saville will be appointed Joint Liquidators of the Company.
- 7 4 Pursuant to paragraph 83(3) of Schedule B1 of the Act, the Joint Administrators intend to file a notice with the Registrar of Companies in order that the Administration will cease and the Company shall be placed into CVL. A copy of this notice is attached at Appendix D.

ELEVATION EVENTS GROUP PLC - IN ADMINISTRATION

7.5 It is anticipated that the Company will be placed into CVL within the next two weeks and creditors will be updated on the progress of the CVL by the Joint Liquidators

For and on behalf of
Elevation Events Group Plc



P M Saville
Joint Administrator

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ELEVATION EVENTS GROUP PLC - IN ADMINISTRATION

Receipts and Payments Account for the Period 28 July 2006 to 11 July 2007

Appendix A

	Fixed Charge (£)	Floating Charge (£)	Total (£)
RECEIPTS			
Intellectual Property	2,000 00		2,000 00
Goodwill	41,000 00		41,000 00
Furniture & Equipment		6,855 63	6,855 63
Motor Vehicles		4,300 00	4,300 00
Book Debts		15,890 91	15,890 91
VAT Refund		10,044 45	10,044 45
Cash at Bank		202,980 61	202,980 61
Bank Interest Gross	728 58	5,524 26	6,252 84
VAT Payable	2,625 00	499 74	3,124 74
VAT Control Account		8,078 26	8,078 26
	<u>46,353 58</u>	<u>254,173 86</u>	<u>300,527 44</u>
PAYMENTS			
Office Holders' Fees	4,000 00	60,486 00	64,486 00
Office Holders' Expenses		3,243 09	3,243 09
Legal Fees	4,163 00	11,233 74	15,396 74
Consultancy Fees		683 40	683 40
Agents/Valuers Fees		2,903 00	2,903 00
Corporation Tax - Post Administration		1,199 52	1,199 52
Ransom Creditors		3,500 00	3,500 00
Payroll Services		900 00	900 00
Stationery & Postage		1,184 49	1,184 49
Re-Direction of Mail		22 40	22 40
Statutory Advertising		166 47	166 47
Insurance of Assets		301 35	301 35
Professional Fees		750 00	750 00
Sundry Expenses		85 00	85 00
PAYE & NI on Employees - Holiday Pay (100 pence in the £)		3,275 63	3,275 63
Employees - Holiday Pay (100 pence in the £)		8,311 64	8,311 64
Distribution to Secured Creditor	35,565 58	67,258 91	102,824 49
VAT Receivable	2,625 00	9,625 73	12,250 73
	<u>46,353 58</u>	<u>175,130 37</u>	<u>221,483 95</u>
Balances in Hand	0 00	79,043 49	79,043 49
	<u>46,353 58</u>	<u>254,173 86</u>	<u>300,527 44</u>

Time Analysis for the Periods 28 January 2007 to 11 July 2007 and 28 July 2006 to 11 July 2007

Appendix B

Time Analysis for the period 28 January 2007 to 11 July 2007							
	Partner (Hours)	Senior Associate (Hours)	Associate / Analyst (Hours)	Junior Analyst / Support (Hours)	Total Hours	Total Cost (£)	Avg Hourly Rate (£)
Administration & Planning	0 70	6 30	30 20	10 20	47 40	8,346 00	176
Investigations	0 00	0 00	0 10	0 00	0 10	20 00	200
Asset Realisation – Fixed Charge	0 00	0 00	1 30	0 00	1 30	260 00	200
Asset Realisation – Debtors	0 10	0 00	11 90	0 00	12 00	2,310 00	193
Asset Realisation – Floating Charge	0 00	0 20	9 40	0 70	10 30	1,863 00	181
Creditors	0 00	0 00	19 80	0 30	20 10	3,519 50	175
TOTAL	0 80	6 50	72 70	11 20	91 20	16,318 50	179

Time Analysis for the period 28 July 2006 to 11 July 2007							
	Partner (Hours)	Senior Associate (Hours)	Associate / Analyst (Hours)	Junior Analyst / Support (Hours)	Total Hours	Total Cost (£)	Avg Hourly Rate (£)
Administration & Planning	5 70	47 40	86 70	40 10	179 90	32,800 50	182
Investigations	0 40	1 70	7 60	4 10	13 80	2,327 00	169
Asset Realisation – Fixed Charge	0 70	8 80	2 00	0 00	11 50	2,818 50	245
Asset Realisation – Debtors	0 10	2 80	24 40	8 00	35 30	5,960 00	169
Asset Realisation – Floating Charge	0 00	5 60	21 40	11 90	38 90	6,404 00	165
Creditors	0 00	7 40	64 30	11 70	83 40	14,176 00	170
TOTAL	6 90	73 70	206 40	75 80	362 80	64,486 00	178

**Additional Information in Relation to Administrators' Fees Pursuant to
Statement of Insolvency Practice 9**

Appendix C

1 Policy

Detailed below is Kroll's policy in relation to

- staff allocation and the use of sub-contractors,
- professional advisors, and
- disbursements

1.1 Staff Allocation and the use of Sub-contractors

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case

The constitution of the case team will usually consist of a Partner, Senior Associate, Associate and Analyst. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and on larger, more complex cases, several Associates/Analysts may be allocated to meet the demands of the case

With regard to support staff, we would advise that time spent by cashiers in relation to specific tasks on an assignment is charged. Only if there is a large block of time incurred by a member of the secretarial team, eg, report compilation and distribution, do we seek to charge and recover our time in this regard

1.2 Professional Advisors

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis

Name of Professional Advisor	Basis of Fee Arrangement
Osborne Clarke (legal advice)	Hourly rate and disbursements
Alexander Forbes (insurance)	Hourly rate and disbursements
Bache Trehame (valuation and disposal advice)	Agreed fee and disbursements

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them

1.3 Disbursements

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

2 Charge-out Rates

A schedule of Kroll charge-out rates effective from 1 January 2007 is detailed below.

	(Per hour) £
Partner/Director	
Partner	300
Director	280
Senior Associate	
Senior Associate 1	260
Senior Associate 2	240
Associate/Analyst	
Associate	200
Analyst	180
Junior Analyst and Support Staff	
Junior Analyst	90
Experienced Cashier	140
Cashier	90
Assistant Cashier	65
Support	65

Form 2.34B Notice of Move from Administration to CVL

Appendix D

Rule 2.117

Form 2.34B

The Insolvency Act 1986

**Notice of move from administration
to creditors' voluntary liquidation**

Name of Company Elevation Events Group Plc

Company number 05118013

In the High Court of Justice, Chancery Division, Companies Court

Court case number 5282/06

(a) Insert name(s) and address(es) of administrator(s) We A P Beveridge, A J Pepper and P M Saville of Kroll Limited, 10 Fleet Place, London, EC4M 7RB, having been appointed administrators of Elevation Events Group Plc, c/o Kroll Limited, 10 Fleet Place, London, EC4M 7RB by the directors of the Company on 28 July 2006, hereby give notice that the provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply, and it is proposed that A P Beveridge and P M Saville of Kroll Limited, 10 Fleet Place, London, EC4M 7RB will be the liquidators of the company (IP No's 8991 & 9029)

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

(c) Insert date of appointment

(d) Insert name of applicant / appointor We attach a copy of the final progress report.

Signed _____
Joint Administrator

Dated 11/07/06

(e) Insert name(s) and address(es) of liquidator(s)

Contact Details.

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Ms K Moore, Kroll Limited 10 Fleet Place London EC4M 7RB	
Tel 020 7029 5105	
DX Number	DX Exchange

Companies House receipt date barcode

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