

The Insolvency Act 1986

Statement of administrator's proposals 2.17B

Name of Company CanDu Entertainment Group Limited	Company number 05415747
In the High Court of Justice, Chancery Division, Companies Court <small>[full name of court]</small>	Court case number 2456/08

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

I / We (a) Alan Hudson and R Hunter Kelly
Ernst & Young LLP, No 1 Colmore Square, Birmingham, B4 6HQ

*Delete as applicable attach a copy of ~~my~~ our proposals in respect of the administration of the above company

A copy of these proposals was sent to all known creditors on

(b) Insert date

(b) 8 May 2008

Signed



Joint / Administrator(s)

Dated 9 May 2008

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.

Hannah Namih	
Ernst & Young LLP, No 1 Colmore Square, Birmingham, B4 6HQ	
	Tel 0121 535 2244
DX Number	DX Exchange



A50 10/05/2008 66
 COMPANIES HOUSE

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 Statement of Proposals

In accordance with Paragraph 49 of Schedule B1 to the Insolvency Act, A Hudson and R H Kelly, the Joint Administrators of the Companies, make to the creditors the following proposals for achieving the purpose of the Administration Orders dated 20 March 2008

The Administrators propose that:

- 1 that the Joint Administrators continue to manage the affairs, business and property of the Companies in order to achieve the purpose of the Administrations,
- 2 that the Joint Administrators sell the property and assets of the Companies either as a whole or by constituent parts for the best price obtainable (taking into account the costs and likelihood of achieving a sale) whether by private sale, public auction or by any other means whatsoever all on such terms and conditions as the Joint Administrators may in their sole discretion determine,
- 3 that the Joint Administrators realise debts due to the Companies, if necessary, by negotiating commercial compromises and / or settlements,
- 4 that the Joint Administrators reach commercial compromises and / or settlements with creditors claiming security (including but not limited to liens and retention of title claims),
- 5 that the Joint Administrators issue or defend court proceedings if this is felt to be in the interest of the Administrations;
- 6 that the Joint Administrators be authorised to acquire property either heritable, freehold, leasehold and / or moveable if such acquisitions in the sole discretion of the Joint Administrators make the sale envisaged in paragraph 1 above more attractive,
- 7 that the Joint Administrators be authorised and empowered to do any act or acts which in their sole discretion they may consider to be desirable or expedient for the purposes of carrying these proposals into effect or which may be incidental thereto and, without prejudice to the foregoing generality, the Joint Administrators be authorised to exercise any of the powers containing in Schedule 1 of the Insolvency Act 1986 at any time,
- 8 that the Joint Administrators investigate and if appropriate pursue any claims that the Companies may have against any person, company or corporation whomsoever and may bring raise or defend Court action or proceedings,
- 9 that as we believe there may be no funds available for ordinary unsecured creditors the Joint Administrators propose that their remuneration be approved by both of the secured creditors,
- 10 that should there be insufficient funds available for a cost effective distribution to unsecured creditors, the Joint Administrators will make an application to the Court under section 176A(5) of the Insolvency Act 1986 for an order not to distribute the Prescribed Part,

Statement of Proposals

11 that the Joint Administrators –

- a when they have fulfilled the objectives of the Administrations, serve appropriate notices to bring the Administrations to an end with the Companies being deemed to be dissolved three months thereafter, or
- b should it become clear that it would be beneficial to have the Companies placed into liquidation, that the Joint Administrators are empowered to place the Companies into Creditors Voluntary Liquidation with A Hudson and R H Kelly to act as Liquidators

12 that on the conversion of either one or both of the Administrations to Liquidation, the Joint Administrators are discharged from liability pursuant to paragraph 98 of Schedule B1 of the Insolvency Act 1986



A Hudson and R H Kelly
Joint Administrator

The Association of Chartered Certified Accountants authorises A Hudson and The Institute of Chartered Accountants of Scotland authorises R H Kelly to act as Insolvency Practitioners under section 390(2)(a) of the Insolvency Act 1986

The affairs, business and property of the Companies are being managed by the Joint Administrators, A Hudson and R H Kelly, who act as agents of the Companies only and without personal liability

**CanDu Entertainment Group Limited
CanDu Entertainment Limited
(Both In Administration)**

**Administrators' Statement of Proposals
Pursuant to Paragraph 49 of Schedule B1 to the Insolvency Act 1986**

Name of Court High Court of Justice, Chancery Division, Companies Court
Court References 2456/2008 and 2457/2008

6 May 2008



AJG

10/05/2008
COMPANIES HOUSE

67

Contents

Section	Page
Abbreviations	
Transmittal Letter	
1 Background and Circumstances Giving Rise to the Appointments	1
2 Purpose, Conduct and End of Administration	4
3 Statement of Affairs	8
4 Prescribed Part	9
5 Administrators' Remuneration and Disbursements	10
6 Other Matters	11
Appendices	
1 Statutory Information	12
2 Statement of Administrators Proposals	14
3 Directors' Statement of Affairs	16
4 Statement on Administrators' Remuneration Pursuant to Statement of Insolvency Practice No 9	30
5 Administrators' Receipts and Payments Account for the Period from 20 March to 20 April 2008	32
6 A Creditors' Guide to Administrator's Fees	34
7 Trading Sites	40
8 Form 2 21B	41

To All Known Creditors

6 May 2008

Ref
CAN/AH/DF/VM/PF11 1

Direct line: 0121 535 2389
Direct fax: 0121 535 2448

Dear Sir

**Candu Entertainment Group Limited and CanDu Entertainment Limited
Both in Administration (together "the Companies")**

I write further to my appointment as Joint Administrator of the Companies and attach a copy of my statement of proposals in accordance with paragraph 49 of Schedule B1 to the Insolvency Act 1986

As you will note from the proposals, there is no prospect of any funds becoming available to unsecured creditors other than by virtue of the prescribed part. As a consequence, I do not propose to summon a meeting of creditors. If, however, creditors whose debts amount to at least 10% of total debts of either company make a request in the prescribed form within 12 days of these proposals being sent out, a meeting will be held. A copy of the prescribed form (Form 2.21B) is enclosed in case you wish to request a meeting. I would draw your attention to the provisions of Rule 2.37 of the Insolvency Rules 1986 which provide that if a meeting is requested, it will only be held if the expenses of summoning and holding such a meeting are paid by the creditor or creditors making the request and if security is first deposited with me for payment. The meeting may subsequently resolve that the expenses of summoning and holding the meeting are paid out of the assets of that company as an expense of the administration.

In the event that a meeting is not held, the proposals will be deemed to be accepted. The Joint Administrators' remuneration will be agreed with the secured creditor in accordance with the provisions of Rule 2.106(5A) of the Insolvency Rules 1986.

Should you have any queries relating to this letter or any other aspect of the administration, please do not hesitate to contact Michael Surr of this office on the above direct line.

Yours faithfully
for the Companies



A Hudson
Joint Administrator

Encs: Form 2.21B and Statement of Proposals

The Association of Chartered Certified Accountants authorises A Hudson and The Institute of Chartered Accountants of Scotland authorises R H Kelly to act as Insolvency Practitioners under section 390(2)(a) of the Insolvency Act 1986.

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INVESTOR IN PEOPLE



COMPANIES HOUSE

The UK is a member of the OECD
and is a signatory to the OECD
Convention on Combating Bribery
of Foreign Public Officials in
International Business Transactions
The UK is also a member of the
OECD Convention on the Fight
Against Corruption in the Private
Sector.

Abbreviations

The following abbreviations are used in this report:

Group	CanDu Entertainment Group Limited
Candu or the Business	CanDu Entertainment Limited
the Bank or Barclays	Barclays Bank plc
the Secured Creditor or Agilo	Agilo Limited
the Administrators	A Hudson and R Hunter Kelly
the Companies	CanDu Entertainment Group Limited and CanDu Entertainment Limited
The Purchaser	Company Time Limited
ROT	Retention of Title

General

The Companies have common directors. Candu is a wholly owned subsidiary of Group and the Companies effectively trade as one business. Group has no assets except for an intercompany balance with Candu. All creditors can be found in Candu with the exception of the secured creditors whose liability is with Group, and subject to a cross guarantee.

As there are a number of issues common to both Companies, the Joint Administrators believe that it is helpful to creditors to cover both Companies within these proposals.

Background and Circumstances Giving Rise to the Appointments

Introduction

On 20 March 2008 the Companies entered administration and A Hudson and R H Kelly were appointed to act as Joint Administrators. This document, including its appendices, constitutes the Joint Administrators' statement of proposals to creditors pursuant to paragraph 49 of Schedule B1 to the Insolvency Act 1986 and Rule 2.33 of the Insolvency Rules 1986.

Certain statutory information relating to the Companies and the appointment of the Joint Administrators is provided at Appendix 1.

Background

Group and Candu were incorporated on 6 April 2005 and 18 July 2003 respectively. Since formation, the Companies have operated in the late night leisure sector, owning, developing and operating theme bars and discotheques in locations in England and Wales. At the date of appointment the Companies held a portfolio of 40 sites across England, including 7 freehold premises, with the remaining premises held under leasehold.

Further details of the Companies' trading sites are provided at Appendix 7.

The recent financial results of the Companies can be summarised as follows:

Group

Period <i>Year or Period Ended</i>	Time Period	Type	Turnover £000	Net Loss After Tax £000	Net Assets/ (Liabilities) £000
30 April 2006	12 months and 24 days	Audited (Consolidated)	34,645	(17,981)	(16,445)
30 April 2007	12 months	Management	0	(2,301)	(9,520)
28 February 2008	10 months	Management	n/a	(2,658)	(12,186)

Candu

Period <i>Year or Period Ended</i>	Time Period	Type	Turnover £000	Net Profit/(Loss) After Tax £000	Net Assets/ (Liabilities) £000
30 April 2006	14 months	Audited	43,338	(23,602)	(9,225)
30 April 2007	12 months	Management	30,205	157	(9,068)
28 February 2008	10 months	Management	20,719	85	(8,983)

In June 2005, Close Brothers Private Equity LLP and Barclays backed a management buy out of Candu from Luminar. The buy out included a number of underperforming units. The strategy to turnaround performance involved both disposals of loss making sites and capital expenditure to re-invigorate trading performance in retained sites.

Unfortunately as the results above show, the Companies continued to make substantial losses, with a number of external factors also contributing to the businesses' continued

Background and Circumstances Giving Rise to the Appointments

underperformance. These included the introduction of license reforms in November 2005 and the smoking ban introduced in mid 2007.

As a result there were severe cash constraints in the business. Furthermore, trading forecasts for the Companies suggested that further losses would be sustained.

Circumstances Giving Rise to the Appointment of the Administrators

Early in 2008, Barclays engaged investigating accountants to assess the performance of the business and the options available to restructure the Companies.

Management's forecasts for the period to 30 April 2009 suggested that the Companies would incur losses in excess of £4m if they continued to trade in their current state. It was anticipated that significant additional funding would be required to support these losses and to provide ongoing capital expenditure to refurbish the underperforming sites. Barclays were not prepared to provide these funds without the businesses undergoing a substantial restructuring process and without performing a detailed assessment of all of the available options to enable this restructuring to take place.

As a result, the investigating accountants were engaged to advise Barclays on its available options and to undertake a marketing exercise to sell the business and assets of the Companies.

As part of the exercise, c 30 interested parties were contacted and provided with information on the business. A small number of indicative offers were received, however interest in the business was very limited.

The offers received ranged from £10 to £12m, with the offer at the high end of the range subject to further due diligence. All of the offers received were on the basis that only the business and assets of the Companies would be acquired debt free. This compared to total secured debt of c £25m.

During the sale process, an interested party, Agilo, made a firm offer to acquire Barclays' debt which Barclays' accepted. Barclays' total indebtedness was c £12.5m at the time. Agilo subsequently completed the acquisition of Barclays' debt on 18 March 2008. Following the transaction, the Companies required additional funding in the short term of c £1.1m to meet the March rent quarter payments. There were insufficient funds available to meet these payments and with the critical Easter trading period approaching, Agilo made the decision to appoint Administrators over the Companies on 20 March 2008 to protect the business and assets.

Immediately following the appointment on 20 March 2008, the business and assets of the Companies were sold to Company Time Limited for c £11.5m and all the staff and management were also transferred. Company Time Limited is controlled by Agilo.

An immediate sale was considered the best option to maximise realisations for the following reasons:

- The consideration received of c £11.5m was in excess of an independent valuation prepared by Christie & Co of £9.6m. This valuation assumed a minimum period of 3 months marketing for the business, and was towards the top end of indicative offers received prior to the insolvency.

Background and Circumstances Giving Rise to the Appointments

- Funding would have been required in the Administration to meet the ongoing rental commitments in excess of £1m for the various trading sites during the 3 month marketing period
- There would have been significant risks involved in trading the business whilst in Administration including potential ransom payments, control and security of cash and stock, and motivation of the employees and management

The immediate sale also allowed the preservation of employment of c 400 employees and significantly reduced the level of preferential claims in the Administration

Purpose, Conduct and End of Administrations

Purpose of the Administrations

An administration is an insolvency process in which a company's affairs, business and property are managed by one or more Administrators who are appointed to carry out the following statutory purpose

The Administrator of a company must perform his function with the objective of

- (a) Rescuing the Companies as a going concern, or
- (b) Achieving a better result for creditors as a whole than would be likely if the Companies were wound up (without first being in Administration), or
- (c) Realising property in order to make a distribution to one or more secured or preferential creditors

An Administrator is an officer of the court and performs his duties in the interests of the Companies creditors as a whole. An Administrator may be appointed by

- a) a court order
- b) the holder of a qualifying floating charge
- c) the company or its directors

The effect of the appointment of an Administrator is to freeze the assets and liabilities of the Companies and place the Companies under the control of the appointed Administrators for the purpose of achieving the statutory purpose. The directors' powers are suspended immediately upon the appointment. The Administrators perform their duties in the interest of the Companies creditors as a whole.

Following our appointment, we immediately sold the business and assets of the Companies with a view to achieving purpose (c) as outlined above. The rescuing of the Companies in their current form as outlined in (a) and (b) would not have been possible for the reasons outlined in the previous section and summarised below

- The level of forecast losses were substantial,
- Additional short term funding was not available to meet the March quarter rent payments,
- Onerous leasehold commitments following the management buy out from Luminar,
- No other indicative offers had been received in the period of marketing prior to the appointment, and
- The level of secured debt in Close Securities Limited, over and above that due to Agilo, together totalling c £25m, made a going concern sale impossible

Purpose, Conduct and End of Administrations

Conduct of the Administrations

Administration Strategy

As mentioned above, in order to maximise realisation and to achieve purpose (c) of the Administration, a sale of the business and assets of both Companies as a going concern was completed with Company Time Limited by the Joint Administrators on 20 March 2008

Sale of Business and Asset Realisation

Details of the consideration paid by the Purchaser for the business and assets are provided below

Fixed Charge Assets	£
Goodwill	2,914,375
Intellectual Property	1
Freehold Property	7,100,000
Leasehold Property	150,020
Customer List	1
	10,164,397
 Floating Charge Assets	
Fixtures and Fittings	366,098
Furniture and Equipment	258,624
IT Equipment	1
Stock	310,000
Cash Floats	166,000
Prepayments and Other Debts	200,000
	1,300,723
 Total Consideration Received	 11,465,120

Of the total consideration received, £10 164m was a deemed payment by the Purchaser of the business and assets subject to a fixed charge. A cash payment was not made by the Purchaser but £10 164m of indebtedness was rolled over to the Purchaser by Agilo.

Cash realisations of £1,300,723 were however received for the floating charge assets.

Further realisations may be achieved if the Purchaser decides that it no longer wishes to retain properties for which it was granted licenses to occupy as part of the sale agreement. This will enable the Joint Administrators to investigate whether there is any value in such leases with a view to selling them to interested parties. However, the potential for any such realisations is uncertain at this time.

Certain stock included in the sale is likely to be subject to ROT claims. As per the sale and purchase agreement, it will be the duty of the Administrators to settle any valid ROT claims as they arise. To date 5 ROT claims have been received. If the Joint Administrators are able to demonstrate that the claims are not valid, or where valid, negotiate a settlement at a level lower than that paid for by the purchaser, there may be recoveries from this source.

No further asset realisations are anticipated.

Purpose, Conduct and End of Administrations

Future Conduct of the Administrations

With the exception of their statutory duties, the other key areas of work undertaken by the Joint Administrators going forward are summarised below

Short term licenses to occupy have been granted to the Purchaser in relation to the leasehold properties. The Purchaser has committed to meet the lease obligations as they fall due by putting the Administrators in funds to meet the rent payments

Negotiations with the landlords have already commenced with a view to assigning the leases to the properties from the Companies to the Purchaser and the Joint Administrators will facilitate the assignment process when required. In the interim, the Joint Administrators will continue to manage the rent payments in relation to the properties subject to licenses

Should any properties not be required by the Purchaser or if the landlords do not agree to an assignment or the granting of a license, then such properties will either be surrendered to the landlord or assigned to other interested parties

It should be noted that the process regarding the assignment or surrender of the Properties is likely to be lengthy due to the complexity of completing the necessary legal documents

The Administrators will also perform a review of the conduct of directors that have held office of the Companies in the 3 years prior to the appointment. This review takes place in every Administration and the resulting report will be sent to the Secretary of State at the Department of Trade and Industry. The Report is entirely confidential

If the Administrators' proposals are approved, it is proposed that the Administrators will continue to manage the affairs, business and property of the Companies in the manner outlined above in order to achieve the purposes of the Administrations

Due to the significant deficiency with regards to secured creditors, which is detailed in the Statements of Affairs and attached at Appendix 2, the Joint Administrators **do not consider that there will be any funds available to the ordinary unsecured creditors with the exception of the prescribed part.**

Initial Meeting of Creditors

The Joint Administrators are of the opinion that the Companies have insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of the prescribed part. Consequently, in accordance with the provisions of paragraph 52(1) of Schedule B1 to the Act, they do not intend to call an initial creditors' meeting

The Joint Administrators will be obliged to call an initial meeting of creditors if it is requested by either of the creditors of the Companies whose debts amount to at least 10% of the total debts of that Company. The request must be made within 12 days of the date on which these proposals are sent out (or such longer period as the court may allow) and must be in the prescribed form. The creditor summoning the meeting must lodge with the Joint Administrators a deposit as security for the expenses of summoning and holding the meeting. Further information is provided in the transmittal letter accompanying these proposals

Purpose, Conduct and End of Administrations

The End of the Administrations

It is proposed that if at the end of the Administration the Companies have no property which might permit a distribution to its creditors with the exception of the prescribed part, the Joint Administrators will send a notice to that effect to the Registrar of Companies. On registration of the notice the Joint Administrators' appointment will come to an end. In accordance with the provisions of paragraph 84(6) of Schedule B1 to the Insolvency Act 1986 the Companies will be deemed to be dissolved three months after the registration of the notice.

Statement of Affairs

The Directors have submitted their Statement of Affairs for the Companies as at 20 March 2008, copies of which have been attached at Appendix 2. The Joint Administrators comments on the Statement of Affairs are also attached for your information.

Secured Creditors

Agilo, the Group's principal secured lender, has fixed and floating charges over the Group assets. At the date of appointment Agilo's indebtedness totalled £11.925m.

Close Securities Limited have second ranking fixed and floating charges over the Group with a total indebtedness of £14m.

Agilo also holds third ranking charges of £546k which ranks behind Close Securities Limited which is included in the total indebtedness above of £11.925m.

Therefore, based on the Statement of Affairs there will be an estimated shortfall for the secured creditors of c. £16.614m.

Preferential Creditors

There are no preferential creditors of the Companies as all arrears of pay, accrued holiday pay and outstanding pension contributions were met by the Purchaser, Company Time Limited.

Unsecured Creditors

Whilst unsecured creditor claims continue to be submitted, it is currently estimated that total unsecured claims will be in the region of c. £2.141m based on the Statement of Affairs.

It is unlikely that there will be sufficient asset recoveries to enable a dividend to be paid to the unsecured creditors other than by virtue of the prescribed part.

Prescribed Part

The prescribed part is a proportion of floating charge assets set aside for unsecured creditors pursuant to section 176A of the Insolvency Act 1986. The prescribed part applies to floating charges created on or after 15 September 2003.

Whilst the Joint Administrators are not in a position to finalise the prescribed part at this stage based on asset realisations to date and the creditors per the Statement of Affairs, they estimate that £195,000 will be available. This is based on the Company's net property of £960,000.

The Joint Administrators do not currently intend to make an application to the court under section 176A(5) of the Insolvency Act 1986 for an order not to distribute the prescribed part. However, if it is later ascertained that such a distribution is not appropriate on the basis that the benefit of making the distribution is disproportionate to the costs of doing so, then an order will be sought.

Administrators' Remuneration and Disbursements

Remuneration

The statutory provisions relating to remuneration are set out in Rule 2.106 of the Rules. Further information is given in the Association of Business Recovery Professionals' publication *A Creditors' Guide to Administrators' Fees*, a copy of which is enclosed as Appendix 4 to this statement of proposals.

In the event that a creditors' meeting is not requisitioned and a Creditors' Committee is not formed, the Joint Administrators will seek to have their remuneration fixed by the secured creditor(s) in accordance with Rule 2.106(5A) of the Rules. The Joint Administrators will ask for their remuneration to be fixed on the basis of time properly given by them and their staff in dealing with matters arising in the Administration. Details of time spent and charge out rates will be provided to the secured creditor and will be made available to any other creditor upon written request to the Joint Administrators.

Disbursements

Statement of Insolvency Practice No. 9 ("SIP 9"), published by the Association of Business Recovery Professionals, divides disbursements into two categories.

Category 1 disbursements are defined as specific expenditure relating to the administration of the insolvent's affairs and referable to payment to an independent third party. Such disbursements can be paid from the insolvent's assets without approval from the Creditors' Committee or the general body of creditors. It is our policy to disclose Category 1 disbursements drawn but not to seek approval for their payment.

To date, category 1 disbursements of £1,216.40 have been incurred for the Joint Administrators' staff travel expenses in visiting the site in the first week of the Administration.

The Joint Administrators are prepared to provide such additional information as may reasonably be required to support the disbursements drawn.

Category 2 disbursements are charges made by the Joint Administrators' firm that include elements of shared or overhead costs. SIP 9 provides that such disbursements are subject to approval as if they were remuneration. The Joint Administrators do not intend to charge Category 2 disbursements in this case.

Other Matters

Administrators' Receipts and Payments

A summary of the Administrators' receipts and payments for the period from 20 March to 20 April 2008 is attached at Appendix 5

Directors Conduct

As discussed in Section 2, the Joint Administrators are required to prepare a report on those individuals who have been Directors or Shadow Directors of the Companies in the three year period prior to the appointment under Company Directors Disqualification Act 1986

If any creditor is aware of any matter which they believe should be brought to the Joint Administrators attention, then they should write to the Joint Administrators at the Ernst & Young LLP Birmingham office address providing appropriate details



A Hudson and R H Kelly
Joint Administrator

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Statutory Information

Company Information

Company Name	CanDu Entertainment Group Limited
Registered Office Address	Ernst & Young LLP, No 1 Colmore Square, Birmingham, B4 6HQ
Registered Number	5415747
Trading Name(s)	n/a
Trading Address(es)	n/a

Company Name	CanDu Entertainment Limited
Registered Office Address	Ernst & Young LLP, No 1 Colmore Square, Birmingham, B4 6HQ
Registered Number	4836872
Trading Name(s)	See Appendix 6
Trading Address(es)	See Appendix 6

Details of the Administrators and of their Appointment

Administrators	A Hudson and R H Kelly
Date of Appointment	20 March 2008
By Whom Appointed	The appointment was made by Agilo Limited, the Companies secured creditor
Court Reference	2456/2008 and 2457/2008

Any of the functions to be performed or powers exercisable by the administrators may be carried out/exercised by any one of them acting alone or by any or all of them acting severally

Statement Concerning the EC Regulation

The EC Council Regulation on Insolvency Proceedings does apply to this administration and the proceedings are main proceedings. This means that this Administration is conducted according to UK insolvency legislation and is not governed by the insolvency law of any other European Union Member State

Statutory Information

Directors and Secretary and their Shareholdings

Group

* - shares held jointly between S Dinnen and T Roberts

Name	Director or Secretary	Date Appointed	Date Resigned	Current Shareholding
M Bayshaw	Director	19 October 2007	-	Nil
T Roberts	Director	13 May 2005	-	10.5%
A Keane	Director	13 May 2005	3 January 2008	2.3%
S Dinnen	Director	10 June 2005	28 January 2008	9.1%*
B Ross	Director	15 February 2006	15 October 2007	Nil
C Grant	Director	13 May 2005	8 March 2007	Nil
Close Securities Ltd	-	-	-	78.1%

Limited

Name	Director or Secretary	Date Appointed	Date Resigned	Current Shareholding
M Bayshaw	Director	19 October 2007	-	Nil
T Roberts	Director	23 July 2003	-	Nil
A Keane	Director	10 June 2005	3 January 2008	Nil
B Ross	Director	9 July 2007	15 October 2007	Nil
C Grant	Director	10 June 2005	9 July 2007	Nil
S Thomas	Director	23 July 2003	10 June 2005	Nil
G Brown	Director	18 June 2004	10 June 2005	Nil
A Marks	Director	18 June 2004	10 June 2005	Nil
H Willits	Director	18 June 2004	10 June 2005	Nil

The Company Secretary for the Companies at the date of appointment was Ovalsec Limited

Joint Administrators Statement of Proposals

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- 3 that the Joint Administrators realise debts due to the Companies, if necessary, by negotiating commercial compromises and / or settlements,
- 4 that the Joint Administrators reach commercial compromises and / or settlements with creditors claiming security (including but not limited to liens and retention of title claims),
- 5 that the Joint Administrators issue or defend court proceedings if this is felt to be in the interest of the Administrations,
- 6 that the Joint Administrators be authorised to acquire property either heritable, freehold, leasehold and / or moveable if such acquisitions in the sole discretion of the Joint Administrators make the sale envisaged in paragraph 1 above more attractive,
- 7 that the Joint Administrators be authorised and empowered to do any act or acts which in their sole discretion they may consider to be desirable or expedient for the purposes of carrying these proposals into effect or which may be incidental thereto and, without prejudice to the foregoing generality, the Joint Administrators be authorised to exercise any of the powers containing in Schedule 1 of the Insolvency Act 1986 at any time,
- 8 that the Joint Administrators investigate and if appropriate pursue any claims that the Companies may have against any person, company or corporation whomsoever and may bring raise or defend Court action or proceedings,
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- 10 that should there be insufficient funds available for a cost effective distribution to unsecured creditors, the Joint Administrators will make an application to the Court under section 176A(5) of the Insolvency Act 1986 for an order not to distribute the Prescribed Part,

Statement of Proposals

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- b should it become clear that it would be beneficial to have the Companies placed into liquidation, that the Joint Administrators are empowered to place the Companies into Creditors Voluntary Liquidation with A Hudson and R H Kelly to act as Liquidators

12 that on the conversion of either one or both of the Administrations to Liquidation, the Joint Administrators are discharged from liability pursuant to paragraph 98 of Schedule B1 of the Insolvency Act 1986



A Hudson and R H Kelly
Joint Administrator

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The affairs, business and property of the Companies are being managed by the Joint Administrators, A Hudson and R H Kelly, who act as agents of the Companies only and without personal liability

Rule 2 29

Form 2 14B

Name of Company CanDe Entertainment Limited	Company number 04856872
In the High Court of Justice Chancery Division Companies Court [full name of court]	Court case number

(iii) full name and address of registered office of the company;

Statement as to the affairs of (a) CanDu Entertainment Limited
Bloxham Mill, Barford Road, Bloxham, Oxford, OX15 4FF

(b) Insert date on the (b) 20 March 2008 the date that the company entered administration

Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named company as at (b) the date that the company entered administration

Full name MARTIN JOHN GRAYSHAW
Signed MJ Grayshaw
Dated 11/4/08

I SOLEMNLY AND SINCERELY AFFIRM THAT THIS IS MY TRUE NAME AND HANDWRITING AND THAT THIS CONTENT IS MY OWN AND TRUE

SWAN NCT002 12 P Williams pascua mltado, 30/11/2008

AT: 52-54 THE GREEN, HAWKINS, DAWN ON 16 9AS

11² APRIL, 2008

SPRATT ENDICOTT
52/54 THE GREEN
BANBURY
OXON OX16 9AB

А.Д.СЕРГЕЕВ

Directors Statement of Affairs

A - Summary of Assets

Assets					Book Value (£)	Estimated to Realise (£)
Assets subject to fixed charge						
	COST	DEPN	N.S.V.	REALISATION		
FREELANCE	7,135,739	2,032,351	5,103,388	7,100,000	7,686,652	10,199,520
LONG LEASEHOLD	2,198,413	1,639,604	558,809	150,000		
SHORT LEASEHOLD	5,010,973	2,482,523	2,024,455	-		
GOODWILL				3,039,520		
				7,636,652		
				10,289,820		
				90,000		
Assets subject to floating charge				10,199,520		
	COST	DEPN	N.S.V.	REALISATION		
FIXTURES + FIT	900,000	702,016	197,984	366,000		
MOVABLE EQUIPMENT						
IMPROVEMENTS + FEES	6,447,625	4,660,712	1,345,313	253,600		
OFFICE EQUIP	399,991	200,371	199,100			
STOCK			182,051	152,051		
PREPAYMENTS			232,677	32,166		
OTHER DEBTORS			481,503	100,000		
FRANCHISE + OTHER CHARGES			186,753	186,753		
			4,654,083	1,175,600		
Uncharged assets				130,000		
				1,045,600		
Estimated total assets available for preferential creditors					4,654,088	1,045,600

Signature

M. B. Ryan

Date

11/4/08

Directors Statement of Affairs

A1 - Summary of Liabilities

		Estimated to realise (£)
Estimated total assets available for preferential creditors (carried from page A)	£	1,045,600
Liabilities	£	
Preferential creditors -		-
Estimated deficiency/surplus as regards preferential creditors	£	1,045,600
Estimated prescribed part of net property where applicable (to carry forward)	£	212,120
Estimated total assets available for floating charge holders	£	833,480
Debts secured by floating charges	AGRICULTURAL CHIEF DEBT TAKEN BY WAY OF FINE CHARGE £ 11,925,250 £ 19,805,464 (10,179,530)	21,031,194
Estimated deficiency/surplus of assets after floating charges	£	(20,197,714)
Estimated prescribed part of net property where applicable (brought down)	£	212,120
Total assets available to unsecured creditors	£	212,120
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	CREDITORS PER SCHEDULE ACC 14 CAN DU ENTERTAINMENT GROUP LTD £ 1514,198 £ 525,554 £ 13,318,549	(20,358,351)
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)	£	(20,146,231)
Shortfall to floating charge holders (brought down)	£	(20,197,714)
Estimated deficiency/surplus as regards creditors	£	(40,343,945)
Issued and called up capital	£	(101,490)
Estimated total deficiency/surplus as regards members	£	(40,445,435)

Signature M. H. Reynolds Date 11/4/03

APPENDIX 3

Directors Statement of Affairs

Account Code	Name	Current	+ 30 Days	+60 Days	+90 Days	+120 Days	Other	Grand Total
CAACAS	AAA CAPS		252.00		-453.00			745.00
CACGBER	PAGE PERSONNEL (UK) LTD	-918.86						-918.86
CADTMD	ADT FIRE & SECURITY	-611.00						-611.00
CAFFYVA	AFFNET	33.10	117.50					150.60
CANGLA	AKIS		145.88					145.88
CALPHSUR	ALPHAMERIC HOSPITALITY LTD				-26.35			-26.35
CAHDRT	ANDERSONS CONTRACT CLEANING	-470.00						-470.00
CANGLW	ANGLIAN WATER	1,526.84						1,526.84
CAPENW	APEX RADIO SYSTEMS LTD	165.05						165.05
CASAPDEV	ASAP PLUMBING & DRAINAGE	55.52						55.52
CATLEE	ATLAS WINDOW CLEANING	352.50						352.50
CBABAT	BINEY LIMITED				29,831.14			29,831.14
CBANPOO	BANKERAMA	149.81						149.81
CBARCL	BARCLAYCARD VISA	0.00	192.07	395.30				587.37
CBARHOR	BARCLAYCARD MERCHANT SERVICES	1,513.67						1,513.67
CBEEYOU	Beechbrook Properties	3,097.53						3,097.53
CBGHAN	SECURIDOOR (UK) LTD	1,225.31	132.45					1,417.76
CBZSHE	PHOENIX CONTRACTORS LTD		-4,000.00					-4,000.00
CBZWOR	BuzzEnergy Ltd	2,014.17	555.55	2,057.84	2,075.00			7,696.56
CBUEOF	BLITZ IT ALL	1,593.55						1,593.55
CBUEUT	BLUE ARROW	244.05	-68.87	-62.85				-46.67
CBUMAR	BLUE LIVE CARS LIMITED	237.84						237.84
CBCKMAN	BOC LTD	-4,650.12						-4,650.12
CBODEW	BOUNCY BOUNCE LEISURE LTD	-411.25						-411.25
CBPAKEN	BRAKE BROS FOODSERVICE LTD	95.05						95.05
CBRIEL	BRITISH G-S			67.74	635.35		-457.59	159.15
CBRTWC	BRITVIC SOFT DRINKS	25,820.46	110.75					25,931.21
CBRANCHE	Abacus Property Company Ltd	2,406.25						2,406.25
CBROOKES	BC CLEANERS LTD	-7,047.30						-7,047.30
CCANLF	CANADA LIFE		7,025.56				-4,832.09	1,672.50
CCAPBLA	CAPTIVE SYSTEMS UK LTD	599.25						599.25
CCONDER	CD NORTHERN LIMITED						2,746.87	2,746.87
CCFLVEL	CFL MARKETING LTD	-30,159.60			111.50			-30,048.10
CCHLON	CHURSTON HEARD RETAIL LAM	6,632.38	-2,625.38	984.38				984.38
CCLEPRE	CLENWARE SYSTEMS LTD	-84.01	101.66					17.65
CCOLBLA	CLOVER CONTRACT CLEANING	-615.00						-615.00
CCOLLEPA	COLLABORATOR LTD	15,217.74	-17.51					15,200.23
CCONDR	CONDOR INTERIORS LIMITED						-2,350.00	-2,350.00
CCONWOL	RES COMMERCIAL SERVICES	2,121.47						2,121.47
CCORLON	CORONA ENERGY RETAIL LTD	12,205.39	13,211.10	-0.48				25,415.91
CCORATV	CRATOS HOSPITALITY SERVICES	123.38						123.38
CCOTLLAN	CT LABELS (WARRINGTON)	209.28		123.38				332.66
CDANGLK	THE DAIRYWOOD GROUP LTD	35.39						35.39
CDANGLON	KELTIE	1,113.52						1,113.52
CCCSIRL	BIRMINGHAM CITY COUNCIL	0.00					0.07	0.07

M. J. Reynolds

11/4/08

CanDu Entertainment Group Limited and CanDu Entertainment Limited
(Both In Administration)

Appendix 3

Directors Statement of Affairs

Account Code	Name	Current	+ 30 Days	+60 Days	+90 Days	+120 Days	Other	Grand Total
CDCKRK	POPLES METROPOLITAN COUNCIL			13,019.23			-40,366.11	27,326.88
CDCM-NC	MANCHESTER CITY COUNCIL		11,388.00	11,388.00	11,388.00	11,388.00	57,897.31	12,245.31
CDCHKWP	NEWPORT CITY COUNCIL	0.00					-0.44	-0.44
CDeltaES	DELTA OFFICE CLEANING SERVICES	2,408.76						2,408.76
CDFLONDO	D & F PARTY LIMITED	774.73	-117.04					657.69
CDINSON	DINE O QUICK (UK) LTD	152.75						152.75
CDIRECAN	DIRECT TELECOM SERVICES LTD	-630.05						-630.05
CDOTCRO	DOT MAUER TIA ELLIPSIS MEDIA		305.35	479.26				784.61
CDTZBIR	DTZ DTL LTD CLIENT A/C GENERAL	-4,133.28	1,710.00					-2,423.28
CEASNOR	EASTERN GAMING OPERATORS				-4,350.00			-4,350.00
CECLNEY	ECLIPSE LIGHT AND SOUND LTD	1,699.64						1,699.64
CESSUR	Edgley Simon Home				7,379.24			7,379.24
CEUTEPR	BIBBY FACTORS MW LTD	5,778.39	1,315.30					7,093.69
CEHTBIR	ENTIRE FACILITY MANAGEMENT	3,142.65	1,836.96					4,979.61
CESSLESS	ESL LTD	1,305.66						1,305.66
CESSSON	DO NOT USE USE CELESS						622.50	622.50
CEURHUD	EUROSOUND (UK)	364.25						364.25
CEURLAN	FAIRLAWN	25,437.50	22,500.00					47,937.50
CFISROC	FISHERS CLEANING SERVICES LTD		38.43		1,418.76			1,457.19
CFALPER	F&M BROWN LTD	2,120.88						2,120.88
CFORUK	FOR CORNERS CLEANING LTD	220.00						220.00
CFRE-ON	FREFLOW MANAGEMENT LTD	149.81						149.81
CFUPHER	FURNIBONES	-5.45						-5.45
CGERLOW	GERALD EVE WHITEHEAD	35,635.25	1,950.00					37,585.25
CCOCHE	GLOBAL BRANDS LTD	-10,223.01						-10,223.01
CGLOHOT	GLOVER & COMPANY	2,937.50						2,937.50
CGWRHUD	GW REFRIGERATION	164.50						164.50
CHALLON	H&Co 1127 Ltd					26,375.00		26,375.00
CHORSLO	HORSLEYS	27,316.75	27,250.00					54,566.75
CHSB-ON	HSBC Bank Fens Trust (UK) Ltd	43,701.18	-49,576.31					-5,875.13
CHCASTR	HCAPS LTD		-3,628.76					-3,628.76
CHLREV	AD CUMBERNAULD	190,176.51						190,176.51
CHMERSU	INNERGLASS LTD	-0,411.74		175.84				-235.90
CTWISWA	ITW ENVOPIK	114.68						114.68
CJAKIN	J&K KING (GB) LTD	-2,659.76						-2,659.76
CJC-AL	J & C JOEL LTD	235.63						235.63
CICLHR	J C LEISURE CONNECTIONS LTD	290.23						290.23
CJOHLEE	JOHNSTON PUBLISHING (NORTH)	-538.76						-538.76
CJONLON	JANAS LP (Clients and Road #)	0.00					2,524.42	2,524.42
CKEYMOVE	KEYMOVE ESTATES LTD		-1,321.58					-1,321.58
CKKMCLEAN	K K M CLEAN			1,580.24				1,580.24
CKPMCNAT	KPMG LLP	540.00						540.00
CLENOT	LEISURE INSTALLATIONS & SERVICE	857.13						857.13
CLEVNOT	LEVEL ONE SECURITY LTD	11,216.65		25.56				11,242.21
CLIGSUN	LIGHT AND SOUND	70.50						70.50

M. B. [Signature]

11/4/08

Directors Statement of Affairs

Account Code	Name	Current	+ 30 Days	+60 Days	+90 Days	+120 Days	Order	Grands Total
CLNHOU	LUNDAIR AIR CONDITIONING	389.51						389.51
CLNCHC	NATHAN LANE		-150.00					150.00
CLUMPRE	LUNDAIR LEISURE LTD	0.00	-1,474.03					1,474.03
CLMACLUN	M & A CLEANING SERVICES	1,269.00						1,269.00
CLWANTOT	WANSFIELD INDUSTRIAL CLEAN	293.75						293.75
CLWATBORIS	MATTHEW CLARK	-218,387.64	4,167.50	7,229.07	0.02		-418.16	207,469.13
CLMEDHUB	MEDIA PIRATES		340.13					340.13
CLWICBER	MICHAEL PAGE INTERNATIONAL			3,162.50				3,162.50
CLMCPUD	MRCO LIGHTING LTD	594.33	-150.19					-74.86
CLMPSCAE	MJP SECURITY	3,639.63		1,679.25				5,318.88
CLMGENR	MICHAEL ADHEALPONG		748.69					748.69
CLMNCOR	MUKARO LTD	343.11		14.10				357.21
CLMORHULL	NORTH EAST SECURITY LTD	1,559.42						1,559.42
CLMORTHBUL	NORTHERN SECURITY SERVICES LTD	-978.19						-978.19
CLMREGIS	MOZ FUNK LTD			0.29	257.68		7,735.60	7,993.57
CLMFFAND	OFFICE DEPOT UK LTD	171.80						171.80
CLMOSBLOH	OSBOURN CLASS & MIRROR CO LTD	218.55						218.55
CLMOURMD	ICOURAGE LTD	14,232.96	70,853.79					85,086.75
CLMVELIV	OVER AUDIO	1,410.00					-450.80	959.20
CLMPAUNOR	PAULEYS	111.45						111.45
CLMPOCKIL	PDO CONSUMABLES	-45.63						-45.63
CLMPPHNOT	POPPELSTON ALLEN	3,751.63						3,751.63
CLMPTBLOS	POTENT ENTERTAINERS LTD	-429.43						-429.43
CLMPLLON	PHONOGRAPHIC PERFORMANCE LICEN	-8,325.69						-8,325.69
CLMPREBR	PRECISE PRODUCTIONS				164.50		-857.75	-693.25
CLMPREBR1	PREMIER SOUND & LIGHTING	-350.00						-350.00
CLMPROBRI	PRO-GUARD SECURITY SERVICES	12,357.43		3,757.07	-4,569.44			11,545.06
CLMOSCHLDD	OSC AGENCY	-3,057.20						-3,057.20
CLMSYSSOS	OS SYSTEMS	715.36	142.34					857.70
CLMRACBLA	RACO REFRIGERATION	-610.19						-610.19
CLMRACCHO	REBBY FACTORS MANCHESTER LTD	-8,122.20						-8,122.20
CLMRADNOT	RADCOMBI UK LTD	14.66						14.66
CLMRADYOR	RADPHONE	176.25						176.25
CLMRETWET	RETAIL RESPONSE LTD	992.89						992.89
CLMRINGER	RINGNE PROPERTY DEVELOPMENTS				11,134.67	-7,000.00		4,134.67
CLMRJANDT	RJR TECHNICAL SERVICES LTD	763.75						763.75
CLMRONKEN	RONIN SH OPERATIVE LTD	5,219.63						5,219.63
CLMROYFAR	ROYAL MAIL	2,450.76	2,645.06					5,095.82
CLMRVCLIM	RVA AUDIO	-650.00						-650.00
CLMSBMMOT	SB MARKETING DESIGN & PRINT	1,171.50						1,171.50
CLMSEVBR	SEVERN TRENT WATER	23.19						23.19
CLMSOUJEXE	SOUTH WEST WATER	1,091.51						1,091.51
CLMSOLIVES	SOUTHDOVYV RADIO COMMUNICATIONS			-423.00				-423.00
CLMSPONDY	SPOTLIGHT CLEANING SERVICES	752.30			635.80			1,388.10
CLMSTABRO	STARBASE MANAGEMENT	1,292.50						1,292.50

M. P. P. P.

11/4/18

Directors Statement of Affairs

Account Code	Name	Current	+ 30 Days	+ 60 Days	+ 90 Days	+ 120 Days	Over	Grand Total
ICSTANLON	SLI Property Assets A/c 1			377.69		36,187.50		36,565.19
ICSWASTR	SWALLET MANAGEMENT SOLUTIONS L	14,447.74						14,447.74
ICSYRMAD	SYRTECH	426.07						426.07
ICTARGOP	TARGETFOLLOW LTD					12,897.63		12,897.63
ICTSHARF	THOMSON CLEANING SERVICES	97.28	552.25					649.53
ICTESSIR	TEST TUBE PRODUCTS LTD	44.44	789.65					834.09
ICTGENDR	T G CONSTRUCTION		474.90					474.90
ICTILLNOT	THE TILL ROLL CO LTD	59.87	37.95					97.82
ICTDTHNEW	TOTAL SUPPLIES	158.88						158.88
ICUKPAP	UK PAPER ROLLS LTD					31.73		31.73
ICUNRLEE	UNR LTD	218.55	193.88					412.43
ICWIKLEI	WIKING DIRECT	129.44						129.44
ICWIZARDS	WIZARDS WYETH		68.25					68.25
ICWARRHER	WARRANT INVESTMENTS PLC				29,375.00			29,375.00
ICWILPEEL	WILLIAM PEEL				160.00			160.00
ICWYTRDPR	Dan Omsu West Water		1,143.32					1,143.32
ICWYTRHAR	HARTLEPOOL WATER	180.45						180.45
ICWYTRNDR	NORTHUMBRIAN WATER		3,485.05					3,485.05
ICWYTRSDUTH	SOUTHERN WATER		744.07				315.30	1,059.37
ICWYTRUNIT	UNITED UTILITIES		3,425.44		409.55			3,834.99
ICWYTRYORK	YORKSHIRE WATER	2,485.11						2,485.11
ICXIBLEI	XIBIS LTD	235.00						235.00
ICXIAZMAN	IBBS COMMERCIAL SERVICES		277.83					277.83
ICXMOYSES	MISS JMOYSES	517.48						517.48
ICXSKTAN	HAVE TANNER					1,103.65		1,103.65
ICXTANNER	MICHAEL TANNER					1,103.65		1,103.65
ICXROBERTS	TIM ROBERTS	31.05						31.05
ICXBAYKT	HMA Customs	442,715.24						442,715.24
Grand Total		6,376,180.00	416,911.14	18,073.29	78,997.89	80,103.86	110,640.69	6,980,906.87

M. J. Bingham

11/11/08

COMPANY SHAREHOLDERS

Signature _____

Date _____

W. B. Hughes

11/4/08

Directors Statement of Affairs

JOINT ADMINISTRATORS COMMENTS ON THE STATEMENT OF AFFAIRS FOR CANDU ENTERTAINMENT LIMITED ("CANDU")

- The directors have now prepared their Statement of Affairs ("the Statement") for Candu as at 20 March 2008, and the Joint Administrators' comments are provided below. A copy of the Statement has been attached to these comments.
- The Statement has not been subject to independent review or statutory audit.

Assets Subject to a Fixed Charge

- The Statement includes estimated fixed asset realisations (before costs of realisation) of £10.3m. Actual deemed consideration realised from the sale of business and assets is £10.164m, which includes £2.9m in relation to goodwill.
- There has been limited interest to date in certain property leases which were not assigned to the purchasers of the business and assets of Candu. A number of these properties are likely to be surrendered to the landlords, and as a result, realisations from such properties are estimated to be significantly below the net book value ("NBV").
- Fixed charge costs of realisation continue to be incurred. However, the directors' estimate of such costs appears reasonable.

Asset Subject to a Floating Charge

- The Statement includes realisations of £625,000 in relation to fixtures, fittings, leasehold improvements and equipment. £624,722 was realised from the sale of business and assets. No further realisations are anticipated in this regard.
- The Statement includes stock realisations of £182,000. Actual realisations for stock, following the sale of business and assets of Candu, total £310,000. The difference primarily reflects goods received not invoiced which will be subject to retention of title claims.
- Prepayments primarily comprise rent, service charges, rates and insurance for the properties. The benefit of such prepayments was transferred to the purchasers for £100,000.
- Other debtors comprises all trade and non-trade debts due to Candu as at 20 March 2008, and includes interest and other charges payable on those debts. £100,000 was realised from the sale of debtors to the purchasers.
- Floats and other cash comprises all estimated petty cash and bank balances upon appointment. £166,000 was realised by the Joint Administrators in this regard following the appointment.
- Floating charge costs of realisation continue to be incurred. However, the directors' estimate of such costs appears reasonable.

Directors Statement of Affairs

Indebtedness

- Part of the fixed charge indebtedness has incorrectly been shown under 'debts secured by floating charges' This does not however affect the total estimated deficiency for the unsecured creditors, which is significant

Unsecured Creditors

- As mentioned above, the estimated deficiency for unsecured creditors is significant An estimated Prescribed Part payment of £212,000 has been included in the Statement

Directors Statement of Affairs

Rule 2.29

Form 2.14B

Statement of affairs

Name of Company CanDu Entertainment Group Limited	Company number 05415747
In the High Court of Justice Chancery Division Companies Court (full name of court)	Court case number 2456/08

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

Statement as to the affairs of (a) CanDu Entertainment Group Limited,
Blossum Mill, Barford Road, Blossum, Oxford, OX15 3FI

(b) Insert date on the (b) 20 March 2008, the date that the company entered administration

Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the affairs
of the above named company as at (b) the date that the company entered administration

Full name

MARTIN JOHN BRAYSHAW

Signed

M. Brayshaw

Dated

11/4/08

I SOLEMNLY AND SINCERELY AFFIRM THAT THIS IS MY TRUE NAME AND
HANDWRITING AND THAT THE CONTENTS OF THIS STATEMENT ARE TRUE

SWORN BEFORE ME P. Williams PATRICK MULLENBACH, SOLICITOR

AT 52-54 THE GREEN, BANBURY, OXON OX16 9AB

ON 11th APRIL, 2008

SPRATT ENDICOTT
52/54 THE GREEN
BANBURY
OXON OX16 9AB

A03A.01000

Directors Statement of Affairs

A1 – Summary of Liabilities

		Estimated to realise (£)
Estimated total assets available for preferential creditors (carried from page A)	£	—
Liabilities	£	—
Preferential creditors -	£	—
Estimated deficiency/surplus as regards preferential creditors	£	—
Estimated prescribed part of net property where applicable (to carry forward)	£	—
Estimated total assets available for floating charge holders	£	—
Debts secured by floating charges	£ 11,925,250 AGHCO CLARE GROTHERS PE	31,230,714
Estimated deficiency/surplus of assets after floating charges	£	(31,230,714)
Estimated prescribed part of net property where applicable (brought down)	£	—
Total assets available to unsecured creditors	£	—
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	£	—
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)	£	—
Shortfall to floating charge holders (brought down)	£	(31,230,714)
Estimated deficiency/surplus as regards creditors	£	(31,230,714)
Issued and called up capital	£	(1,536,000)
Estimated total deficiency/surplus as regards members	£	(32,766,714)

Signature

[Signature]

Date

11/4/08

ADMINISTRATOR

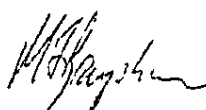
Directors Statement of Affairs

COMPANY SHAREHOLDERS

Name of Shareholder	Address (with postcode)	No. of shares held	Nominal Value	Details of Shares held
A J KEANE	231 BRISTOL ROAD, DUBLIN, D5 7AB	36,000	£360	£0.01 ordinary shares
T J ROBERTS	FLAT 3, 36 CHANCERY SQUARE, LONDON, EC2N 2JL	16,000	1600	— " —
S DILLON & T ROBERTS	10 THURLOW ROAD, LONDON, EC2N 2JL	140,000	1200	— " —
CLARE SECURITIES LTD	10 THURLOW ROAD, LONDON, EC2N 2JL	1,200,000	12,000	£0.01 ordinary shares
TOTALS		1,586,000	15,360	

Signature

Date



11/10/08

AUGUST 2001

Directors Statement of Affairs

JOINT ADMINISTRATORS COMMENTS ON THE STATEMENT OF AFFAIRS FOR CANDU ENTERTAINMENT GROUP LIMITED ("GROUP")

- The directors have now prepared their Statement of Affairs for Group as at 20 March 2008 and a copy has been attached to these comments
- The statement of affairs has not been subject to independent review or statutory audit

Assets Subject to a Floating Charge

- The only asset in Group was the intercompany balance due to Group from CanDu Entertainment Limited

Indebtedness

- There is cross guaranteed indebtedness between Group and CanDu Entertainment Limited

Statement on Administrators' Remuneration Pursuant to Statement of Insolvency Practice No. 9

Charging and Disbursement Policy

Administrator's Charging Policy for Fees

The Administrators have engaged a manager and other staff to work on the Administration. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by accounting and treasury executives dealing with the company's bank accounts and statutory compliance diaries. Work carried out by all staff is subject to the overall supervision of the Administrators.

All time spent by staff working directly on case-related matters is charged to a time code established for the case. Each member of staff has a specific hourly rate, which is subject to change over time. The average hourly rate for each category of staff over the period is shown below, as are the current hourly rates used. The current hourly rates are higher than the average rates, since hourly rates have increased over the period covered by this fee request.

20 March 2008 - 18 April 2008

Classification of work function	Hours				Total Hours	Total Time Costs (£)	Total Average (£)
	Partner Director	Manager	Other Senior Professionals	Assistants & Support			
Accounting & Administration	4 00	7 50	34 00	19 20	64 70	11,774 00	181 98
Bank & Statutory Reporting	5 00	-	13 00	1 00	19 00	4,475 00	235 53
Creditors	5 60	2 50	3 00	83 00	94 10	10,609 50	112 75
Employee Matters	-	-	12 50	1 00	13 50	2,470 00	182 96
Immediate Tasks	11 10	-	12 00	10 50	33 60	7,942 00	236 37
Other Matters	-	-	1 50	-	1 50	285 00	190 00
Property	17 00	2 00	137 70	30 50	187 20	30,989 00	165 54
Retention of Title	-	-	1 00	49 50	50 50	4,892 50	96 88
Statutory Duties	-	15 00	9 50	28 50	53 00	7,985 00	150 66
VAT & Taxation	8 70	10 80	4 60	-	24 10	11,348 00	470 87
Total Hours	51 40	37 80	228 80	223 20	541 20	92,770 00	171 42
Time Costs Incurred (£)	22,697 50	12,076 00	38,490 00	19,506 50			
Average Hourly Rate (£)	441 59	319 47	168 23	87 39			
Expenses (£)	1,216 40						

Job Title	Rates (£) 01 07 2007 onwards
Partner	470
Account Director	385
Assistant Director	335
Senior Executive	260
Executive	190
Assistant exec	145
Analyst (3)	115
Analyst (2)	95
Analyst	80
Cashier	95

Administrators' Charging Policy for Disbursements

Statement of Insolvency Practice No. 9 divides disbursements into two categories.

Category 1 disbursements are defined as specific expenditure relating to the administration of the insolvent's affairs and referable to payment to an independent third party. Such disbursements can be paid from the insolvent's assets without approval from the Creditors' Committee or the general body of creditors. In line with

Statement on Administrators' Remuneration Pursuant to Statement of Insolvency Practice No 9

Appendix 4

Statement of Insolvency Practice No 9, it is our policy to disclose Category 1 disbursements drawn but not to seek approval for their payment. We are prepared to provide such additional information as may reasonably be required to support the disbursements drawn.

To date, category 1 disbursements of £1,216.40 have been incurred for the Joint Administrators staff travel expenses in visiting the site in the first week of the Administration.

Category 2 disbursements are charges made by the office holder's firm that include elements of shared or overhead costs. *Statement of Insolvency Practice No 9* provides that such disbursements are subject to approval as if they were remuneration.

We do not intend to charge Category 2 disbursements in this case.

Administrators' Receipts and Payments Account for the Period from 20 March to 20 April 2008 Appendix 5

CanDu Entertainment Limited
(In Administration)
Receipts and Payments Account to 20 April 2008

	Statement of Affairs £ Realisable Value	Fixed £	Floating £	Total £
Receipts				
Newco Rent Receipts		300,000 00		300,000 00
Interest Income Fixed		155 25		155 25
Newco Contr: Fixed Costs of Realisation		112 500 00		112,500 00
Fixtures and Fittings	366,000 00		366,098 00	366,098 00
Furniture and Equipment	258,600 00		258,624 00	258 624 00
IT Equipment			1 00	1 00
Stock	182,081 00		310,000 00	310 000 00
Cash Floats	186,753 00		166,000 00	166 000 00
Prepayments and Other Debtors	182,166 00		200,000 00	200,000 00
Interest Income Floating			1,867 70	1,867 70
VAT Payable - Fixed		41,242 45		41,242 45
	<u>1 175 600 00</u>	<u>453 897 70</u>	<u>1 302 590 70</u>	<u>1 756 488 40</u>
Payments				
Bank Charges and Interest		260 00		260 00
Agents' Fees		2,500 00		2,500 00
Legal Fees Fixed		38,715 00		38,715 00
Legal Fees Disbursements		290 41		290 41
Secured Creditors			500,000 00	500,000 00
Legal Fees Float			5,785 00	5 785 00
Public Notices			369 72	369 72
Specific Bond			264 00	264 00
VAT Receivable - Fixed		43,745 31		43,745 31
Group Control Account			99 60	99 60
Newco Rent Payments		271,821 97		271,821 97
VAT Receivable - Floating			1,090 32	1,090 32
	<u>-</u>	<u>357 332 69</u>	<u>507 608 64</u>	<u>864 941 33</u>
Balances in Hand		96,565 01	794,982 06	891,547 07

Note	Deemed Consideration	Statement of Affairs £ Realisable Value	Fixed £
Freeholds		7,100,000 00	7 100,000 00
Long Leaseholds		150,000 00	150 020 00
Short Leaseholds		-	
Goodwill		3,039,520 00	2,914,375 00
Intellectual Property		-	1 00
Customer List		-	1 00
		<u>10 289 520 00</u>	<u>10 164 397 00</u>

Administrators' Receipts and Payments Account for the Period from 20 March to 20 April 2008 **Appendix 5**

CanDu Entertainment Group Limited
(In Administration)
Receipts and Payments Account to 20 April 2008

	Statement of Affairs £ Realisable Value	Fixed £	Floating £	Total £
Receipts				
CEL Control		-	99 60	99 60
Intercompany Accounts	-	-	-	-
	<u>-</u>	<u>-</u>	<u>99 60</u>	<u>99 60</u>
Payments				
Public Notices		-	75 60	75 60
Specific Bond		-	24 00	24 00
	<u>-</u>	<u>-</u>	<u>99 60</u>	<u>99 60</u>
Balances in Hand	-	-	-	-

A Creditors' Guide to Administrator's Fees

1 Introduction

- 1 1 When a company goes into administration the costs of the proceedings are paid out of its assets. The creditors, who hope eventually to recover some of their debts out of the assets, therefore have a direct interest in the level of costs, and in particular the remuneration of the insolvency practitioner appointed to act as administrator. The insolvency legislation recognises this interest by providing mechanisms for creditors to determine the basis of the administrator's fees. This guide is intended to help creditors be aware of their rights under the legislation to approve and monitor fees and explains the basis on which fees are fixed.

2 The nature of administration

- 2 1 Administration is a procedure which places a company under the control of an insolvency practitioner and the protection of the court with the following objective:

- rescuing the company as a going concern, or
- achieving a better result for the creditors as a whole than would be likely if the company were wound up without first being in administration,

or, if the administrator thinks neither of these objectives is reasonably practicable

- realising property in order to make a distribution to secured or preferential creditors

3 The creditors' committee

- 3 1 The creditors have the right to appoint a committee with a minimum of 3 and a maximum of 5 members. One of the functions of the committee is to determine the basis of the administrator's remuneration. The committee is normally established at the meeting of creditors which the administrator is required to hold within a maximum of 10 weeks from the beginning of the administration to consider his proposals. The administrator must call the first meeting of the committee within 6 weeks of its establishment, and subsequent meetings must be held either at specified dates agreed by the committee, or when a member of the committee asks for one, or when the administrator decides he needs to hold one. The committee has power to summon the administrator to attend before it and provide information about the exercise of his functions.

4 Fixing the administrator's fees

- 4 1 The basis for fixing the administrator's remuneration is set out in Rule 2.106 of the Insolvency Rules 1986, which states that it shall be fixed either:
- as a percentage of the value of the property which the administrator has to deal with, or
 - by reference to the time properly given by the administrator and his staff in attending to matters arising in the administration

A Creditors' Guide to Administrator's Fees

It is for the creditors' committee (if there is one) to determine on which of these bases the remuneration is to be fixed and, if it is fixed as a percentage fix the percentage to be applied. Rule 2.106 says that in arriving at its decision the committee shall have regard to the following matters:

- the complexity (or otherwise) of the case,
- any responsibility of an exceptional kind or degree which falls on the administrator,
- the effectiveness with which the administrator appears to be carrying out, or to have carried out, his duties,
- the value and nature of the property which the administrator has to deal with

4.2 If there is no creditors' committee, or the committee does not make the requisite determination, the administrator's remuneration may be fixed by a resolution of a meeting of creditors having regard to the same matters as the committee would. If the remuneration is not fixed in any of these ways, it will be fixed by the court on application by the administrator.

4.3 There are special rules about creditors' resolutions in cases where the administrator has stated in his proposals that the company has insufficient property to enable a distribution to be made to unsecured creditors except out of the reserved fund which may have to be set aside out of floating charge assets.

In this case, if there is no creditors' committee, or the committee does not make the requisite determination, the remuneration may be fixed by the approval of -

- each secured creditor of the company, or
- if the administrator has made or intends to make a distribution to preferential creditors -
 - each secured creditor of the company, and
 - preferential creditors whose debts amount to more than 50% of the preferential debts of the company, disregarding debts of any creditor who does not respond to an invitation to give or withhold approval having regard to the same matters as the committee would

Note that there is no requirement to hold a creditors' meeting in such cases unless a meeting is requisitioned by creditors whose debts amount to at least 10 per cent of the total debts of the company.

4.4 A resolution of creditors may be obtained by correspondence.

5 What information should be provided by the administrator?

5.1 When seeking fee approval

5.1.1 When seeking agreement to his fees the administrator should provide sufficient supporting information to enable the committee or the creditors to form a judgement as to whether the proposed fee is reasonable having regard to all the circumstances of the case. The nature and extent of the supporting information which should be provided will depend on

A Creditors' Guide to Administrator's Fees

- the nature of the approval being sought,
- the stage during the administration of the case at which it is being sought, and
- the size and complexity of the case

5.1.2 Where, at any creditors' or committee meeting, the administrator seeks agreement to the terms on which he is to be remunerated, he should provide the meeting with details of the charge-out rates of all grades of staff, including principals, which are likely to be involved on the case

5.1.3 Where the administrator seeks agreement to his fees during the course of the administration, he should always provide an up to date receipts and payments account. Where the proposed fee is based on time costs the administrator should disclose to the committee or the creditors the time spent and the charge-out value in the particular case, together with, where appropriate, such additional information as may reasonably be required having regard to the size and complexity of the case. The additional information should comprise a sufficient explanation of what the administrator has achieved and how it was achieved to enable the value of the exercise to be assessed (whilst recognising that the administrator must fulfil certain statutory obligations that might be seen to bring no added value for creditors) and to establish that the time has been properly spent on the case. That assessment will need to be made having regard to the time spent and the rates at which that time was charged, bearing in mind the factors set out in paragraph 4.1 above. To enable this assessment to be carried out it may be necessary for the administrator to provide an analysis of the time spent on the case by type of activity and grade of staff. The degree of detail will depend on the circumstances of the case, but it will be helpful to be aware of the professional guidance which has been given to insolvency practitioners on this subject. The guidance suggests the following areas of activity as a basis for the analysis of time spent:

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors
- Any other case-specific matters

The following categories are suggested as a basis for analysis by grade of staff:

- Partner
- Manager
- Other senior professionals
- Assistants and support staff

The explanation of what has been done can be expected to include an outline of the nature of the assignment and the administrator's own initial assessment, including the anticipated return to creditors. To the extent applicable it should also explain:

A Creditors' Guide to Administrator's Fees

- Any significant aspects of the case, particularly those that affect the amount of time spent
- The reasons for subsequent changes in strategy
- Any comments on any figures in the summary of time spent accompanying the request the administrator wishes to make
- The steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, time recording, fee drawing or fee agreement
- Any existing agreement about fees
- Details of how other professionals, including sub-contractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees

It should be borne in mind that the degree of analysis and form of presentation should be proportionate to the size and complexity of the case. In smaller cases not all categories of activity will always be relevant, whilst further analysis may be necessary in larger cases.

- 5.1.4 Where the fee is charged on a percentage basis the administrator should provide details of any work which has been or is intended to be sub-contracted out which would normally be undertaken directly by an administrator or his staff.

5.2 After fee approval

Where a resolution fixing the basis of fees is passed at any creditors' meeting held before he has substantially completed his functions, the administrator should notify the creditors of the details of the resolution in his next report or circular to them. In all subsequent reports to creditors the administrator should specify the amount of remuneration he has drawn in accordance with the resolution. Where the fee is based on time costs he should also provide details of the time spent and charge-out value to date and any material changes in the rates charged for the various grades since the resolution was first passed. He should also provide such additional information as may be required in accordance with the principles set out in paragraph 5.1.3. Where the fee is charged on a percentage basis the administrator should provide the details set out in paragraph 5.1.4 above regarding work which has been sub-contracted out.

5.3 Expenses and disbursements

There is no statutory requirement for the committee or the creditors to approve the drawing of expenses or disbursements. However, professional guidance issued to insolvency practitioners requires that, where the administrator proposes to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, document storage or communication facilities provided by the administrator's own firm), they must be disclosed and be authorised by those responsible for approving his remuneration. Such expenses must be directly incurred on the case and subject to a reasonable method of calculation and allocation.

6 What if a creditor is dissatisfied?

A Creditors' Guide to Administrator's Fees

- 6 1 If a creditor believes that the administrator's remuneration is too high he may, if at least 25 per cent in value of the creditors (including himself) agree, apply to the court for an order that it be reduced. If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the administrator a copy of the application and supporting evidence at least 14 days before the hearing. Unless the court orders otherwise, the costs must be paid by the applicant and not as an expense of the administration.

7 What if the administrator is dissatisfied?

- 7 1 If the administrator considers that the remuneration fixed by the creditors' committee is insufficient he may request that it be increased by resolution of the creditors. If he considers that the remuneration fixed by the committee or the creditors is insufficient, he may apply to the court for it to be increased. If he decides to apply to the court he must give at least 14 days' notice to the members of the creditors' committee and the committee may nominate one or more of its members to appear or be represented on the application. If there is no committee, the administrator's notice of his application must be sent to such of the company's creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid as an expense of the administration.

8 Other matters relating to fees

- 8 1 Where there are joint administrators it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute arising between them may be referred to the court, the creditors' committee or a meeting of creditors.
- 8 2 If the administrator is a solicitor and employs his own firm to act on behalf of the company, profit costs may not be paid unless authorised by the creditors' committee, the creditors or the court.

9 Provision of information – additional requirements

In any case where the administrator is appointed on or after 1 April 2005 he must provide certain information about time spent on a case, free of charge, upon request by any creditor, director or shareholder of the company,

The information which must be provided is –

- the total number of hours spent on the case by the administrator or staff assigned to the case,
- for each grade of staff, the average hourly rate at which they are charge out,
- the number of hours spent by each grade of staff in the relevant period

The period of which the information must be provided is the period from appointment to the end of the most recent period of six months reckoned from the date of the administrator's appointment, or where he has vacated office, the date that he vacated office.

A Creditors' Guide to Administrator's Fees

The information must be provided within 28 days of receipt of the request by the administrator, and requests must be made within two years from vacation of office

Trading Sites

UNIT NAME & LOCATION	UNIT ADDRESS 1	UNIT ADDRESS 2	UNIT ADDRESS 3	CITY	POST CODE
SOUND EXCHANGE - BANBURY	49-50 HIGH STREET			BANBURY	OX16 5LA
GLITTERBALL - BARNSTAPLE	30 QUEEN STREET			BARNSTAPLE	EX32 8BP
TIVOLI - BUCKLEY	BRUNSWICK ROAD	BUCKLEY	CLWYD	BUCKLEY	CH7 2EF
MANSHION - CASTLEFORD	12 STATION ROAD			CASTLEFORD	WF10 1DL
SHOUT - CASTLEFORD	12 STATION ROAD			CASTLEFORD	WF10 1DL
MOJO & BEACH - CHESTERFIELD	CHURCH WALK	STEVENSONS PLACE		CHESTERFIELD	S40 1XL
WHITEHALL - EAST GRINSTEAD	1ST & 2ND FLOORS	THE WHITEHALL	5-9 WHITEHALL PARADE	EAST GRINSTEAD	RH19 1AP
PREACH - GILLINGHAM	22 CANTERBURY STREET			GILLINGHAM	ME7 5TX
QUILT - IPSWICH	3-5 NORTHGATE STREET			IPSWICH	IP1 3BX
HEIGHTS - KINGS LYNN	BAXTERS PLAIN	NEW CONDUIT STREET		KINGS LYNN	PE30 1DL
TIME/DIVA - NEWARK	18 CASTLEGATE			NEWARK	NG24 1BG
GLITTERBALL - NEWPORT	THE CORN EXCHANGE	HIGH STREET	NEWPORT	NEWPORT	NP20 1FB
GLITTERBALL & THE BEACH - SOUTH SHIELDS	18-26 OCEAN ROAD			SOUTH SHIELDS	NN33 2HZ
OCEAN & COLLINS - SOUTHAMPTON	VINCENTS WALK			SOUTHAMPTON	SO14 1JY
ENVY - STREET	LEIGH ROAD			STREET	BA16 0HA
SHOUT - TAUNTON	43 45 EAST STREET			TAUNTON	TA1 3NA
OCTAGON - BANGOR	DEAN STREET			BANGOR	LL57 1UR
LIBERTY S - EDGBASTON	184 HAGLEY ROAD	EDGBASTON		BIRMINGHAM	B16 9NY
SCHOFIELDS - BLACKPOOL	19 23 CLIFTON STREET			BLACKPOOL	FY1 1JD
BILLIE ROX - EAST GRINSTEAD	THE ATRIUM	KING STREET		EAST GRINSTEAD	RH1 93DJ
MANSHION - HARROGATE	14-16 KINGS ROAD			HARROGATE	HG1 1BT
MANSHION - HARROGATE	66 UNION STREET			HARROGATE	
SHOUT - ILFORD	UNIT 3	CLEMENTS ROAD		ILFORD	IG1 1BA
NU - LEEDS	THE LIGHT	44-48 THE HEADROW		LEEDS	LS1 8EQ
THE RITZ - MANCHESTER	WHITWORTH ST WEST			MANCHESTER	M1 5NQ
BILLIE ROX - MANCHESTER	UNITS 4 & 5	THE CIRCUS	OXFORD STREET/PORTLAND STREET	MANCHESTER	M1 4RJ
SHOUT - MILTON KEYNES	GROUND AND FIRST FLOOR OF	MILTON KEYNES BUS STATION		MILTON KEYNES	MK9 1AB
FACES - NOTTINGHAM	12 BROADWAY	LACEMARKET	NOTTINGHAM	NG1 1PS	NG1 1PS
OCEAN & COLLINS - OXFORD	42 PARK END STREET			OXFORD	OX1 1JN
MANSHION - SCARBOROUGH	9 ABERDEEN WALK			SCARBOROUGH	YO11 1BD
GLITTERBALL - SOUTHEND	LUCY ROAD			SOUTHEND-ON-SEA	SS1 2AU
FUSION - WORKINGTON	LADIES WALK			WORKINGTON	CA14 3BA
CHEMISTRY - CHELTENHAM	ST JAMES SQUARE			CHELTENHAM	GL50 3QG
SHOUT - HARTLEPOOL	13 17 WHITBY STREET SOUTH			HARTLEPOOL	TS24 7AD
GLITTERBALL - HUDDERSFIELD	FOLLY HALL MILLS	ST THOMAS ROAD		HUDDERSFIELD	HD1 3LT
SHOUT - HUDDERSFIELD	30 KIRKSGATE			HUDDERSFIELD	HD1 1QJ
BILLIE ROX - HUDDERSFIELD	FOLLY HALL MILLS	ST THOMAS ROAD		HUDDERSFIELD	HD1 3LT
ZOOTIS - KINGS LYNN	JOHN KENNEDY ROAD			KINGS LYNN	PE30 1QN
SUBSITES					
RUMOURS - CLACTON	50 ROSEMARY ROAD			CLACTON ON SEA	
SHOUT - WOODGREEN	UNIT 4	SPROUTERS CORNER	WOOD GREEN	LONDON	
LIBERTYS - NOTTINGHAM	69-71A UPPER PARLIAMENT STREET			NOTTINGHAM	
SHOUT - SLOUGH	305 HIGH STREET			SLOUGH	
SHOUT - TRURO	UNIT 1, GROUND FLR	CHILTERN HOUSE	CALENICK STREET	TRURO	

Form 2.21b

Rule 2.37

Form 2.21B

Creditor's request for a meeting

Name of Company CanDu Entertainment Limited	Company number 04836872
In the High Court of Justice, Chancery Division, Companies Court [full name of court]	Court case number 2457/08

- (a) Insert full name and address of the I (a) _____
- (b) Insert full name and address of registered office request a meeting of the creditors of (b) CanDu Entertainment Limited
c/o Ernst & Young LLP, No 1 Colmore Square, Birmingham, B4 6HQ
- (c) Insert amount My claim in the administration is (c) _____
- (d) Insert full name(s) and address(es) of creditors concurring with the request (if any) and their claims in the administration if the requesting creditor's claim is below the required 10% (d) _____
- concur with the above request, and I attach copies of their written confirmation of concurrence
- (e) Insert details of the purpose of the meeting The purpose of the meeting is (e) _____

Signed _____

Dated _____

Form 2 21B

Rule 2 37

Form 2 21B

Creditor's request for a meeting

Name of Company

CanDu Entertainment Group Limited

Company number

05415747

In the

High Court of Justice, Chancery Division, Companies Court

[full name of court]

Court case number

2456/08

(a) Insert full name and address of the

I (a) _____

(b) Insert full name and address of registered office

request a meeting of the creditors of (b) CanDu Entertainment Group Limited
c/o Ernst & Young LLP, No 1 Colmore Square, Birmingham, B4 6HQ

(c) Insert amount

My claim in the administration is (c) _____

(d) Insert full name(s) and address(es) of creditors concurring with the request (if any) and their claims in the administration if the requesting creditor's claim is below the required 10%

(d) _____

concur with the above request, and I attach copies of their written confirmation of concurrence

(e) Insert details of the purpose of the meeting

The purpose of the meeting is (e) _____

Signed _____

Dated _____