Rule 2.33 **Form 2.17B**

The Insolvency Act 1986

2.17B

Statement of administrator's proposals

Name of Company	Company number
Studio London Limited	06166229

In the	Court case number
High Court of Justice (full name of court)	7535 of 2010

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

I/We (a)

Glyn Mummery
FRP Advisory LLP
43/45 Butts Green Road
Hornchurch
Essex
RM11 2JX

Martin Weller
FRP Advisory LLP
43/45 Butts Green Road
Hornchurch
Essex
RM11 2JX

*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) 29 October 2010

Signed _____
Joint / Administrator(s)

Dated 29/10/10

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 researchers of the

Glyn Mummery
FRP Advisory LLP
43/45 Butts Green Road
Hornchurch
Essex
RM11 2JX

DX Number 01708 458211 DX Exchange

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

SATURDAY

AM787OOU
A27 30/10/2010 407
COMPANIES HOUSE

FRP Advisory LLP
43-45 Butts Green Road
Hornchurch
Essex RM11 2JX
Tel +44 (0)1708 458 211
Fax +44 (0)1708 442 308
www frpadvisory com

TO ALL MEMBERS AND ALL KNOWN CREDITORS

your ref
our ref GM/MW/JG/S1272/J/JG
date 29 October 2010
please ask for Julie Gearing

Dear Sir/Madam

STUDIO LONDON LIMITED
(IN ADMINISTRATION) ("THE COMPANY" or "SLL")

1. Introduction

1 1 I write, further to my appointment as Joint Administrator of the Company, with Martin Weller, to inform creditors of the Joint Administrators' proposals under Paragraph 49 of Schedule B1 to the Insolvency Act 1986

1.2 The following information is attached

- Appendix A Statutory information about the Company and the Administrators together with details from the Company.
- Appendix B Information regarding the pre-packed sales of the business in accordance with Statement of Insolvency Practice 16
- Appendix C Schedule of pre-appointment Administrators' costs
- Appendix D Administrators' receipts and payments account to date
- Appendix E Statement of affairs of the Company including a list of creditors names and addresses
- Appendix F Administrators' proposals
- Appendix G Schedule of Administrators' time costs to date
- Appendix H Schedule of Administrators' charge out rates and disbursement rates
- Proxy form
- Claim form

2. The Administration

2.1 The appointment of the Joint Administrators took place on 16 September 2010. The appointment was by the Company in the High Court of Justice (No 7537 of 2010).

2 2 Martin Weller and I are partners of FRP, and neither we nor any members of our staff have had any previous professional relationship with the Company or any of its directors or officers.

2 3 The administration will inure for an initial period of 12 months.

2.4 The objectives of the administration were.-

a) to rescue the Company as a going concern, failing which

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FRP Advisory LLP is incorporated in England and Wales under the Limited Liability Partnerships Act 2000 as a Limited Liability Partnership Partnership Number OC355680
Registered office 7 Devonshire Square London EC2M 4HY A list of members names is open to inspection at this address. www frpadvisory com

b) to achieve 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), failing which

c) to realise property in order to make a distribution to one or more secured or preferential creditors

2 5 The appointment of the Joint Administrators included a declaration that during the period of the administration they may act jointly or severally as the Administrators of the Company

3. Circumstances Giving Rise to the Appointment of the Administrators

3.1 SLL traded as portrait photographers and full make-over artists from five leased premises in and around the West End are of London Images are subject to creative editing and retouching before being offered for sale to the client, who usually purchases a CD of digital images together with canvases, prints and albums

3 2 The Company employed 117 staff, and was funded through working capital generated by the business A finance company was used, however, to advance credit sales made, with the interest free credit proportion of any sale being assigned to the finance company, who pay a percentage of the credit amount to assist the Company's cash flow

3.3 From December 2008 and throughout 2009, SLL experienced a downturn in trade due to sales per client reducing dramatically, however the Company has attempted to improve this by providing additional sales training to staff, and increasing the number of staff in their telesales department

3 4 This difficult trading period, however, lead to SLL being unable to meet its VAT and PAYE liabilities as they fell due, resulting in a sum of £386,000 being owed to HM Revenue & Customs ("HMRC"). A Time-to-Pay arrangement was entered into by the Company with HMRC and the outstanding debt was paid off over the following 13 month period, with the final payment being made in March 2010

3.5 During the initial Time-to-Pay period, the Company was unable to pay the further VAT and PAYE liabilities of £167,000 incurred for the December 2009 period and this resulted in an informal Time-to-Pay arrangement, with the debt paid off by July 2010. However, the final instalment left the Company unable to pay the majority of the VAT liability for June 2010 of £223,000

3.6 HMRC indicated that they would be prepared to enter into a further Time-to-Pay agreement over a 3 month time period Cash flow forecasts prepared by the Company indicated that this was not achievable without a significant increase in turnover.

3.7 SLL therefore invested funds into its telesales department in order to generate the additional sales to increase the Company's income, and this proved successful, with the average number of clients per day increasing from 53 to 60 in July/August 2010, but unfortunately this was still not sufficient

3.8 In August 2010, HMRC informed the Company that they intended to issue a winding-up petition on the Company unless the VAT debt was repaid immediately or in the term indicated. As the Company did not have sufficient cash flow to repay this debt in the time period required by HMRC, and with the pending winding-up petition, the director sought advice from FRP Advisory LLP.

3 9 Following the Joint Administrators' initial meeting with the Company, independent agents, ITC (South East) Limited, were instructed to prepare an inventory and valuation of the Company's assets.

3.10 Following the marketing of SLL, the Company's business was sold as a going concern on 16 September 2010 to Paparazzi Studios Limited ("PSL"), the director of which was employed by SLL as a general manager, for a total sum of £46,085. The sum of £23,042.50 has been received to date, with the remaining balance of £23,042.50 to be paid by two equal instalments on 16 November and 16 December 2010.

3 11 As there is no secured creditor or qualifying floating charge holder, Martin Weller and I were duly appointed Joint Administrators on 16 September 2010 by the Company.

3 12 The sale agreement also provided that the contracts of employment of all former employees be transferred to the purchaser and the consequent avoidance of employees' claims has had the effect of mitigating preferential and non-preferential creditors' claims in the administration

3.13 In addition, the agreement provided that PSL would occupy 5 of the Company's trading premises under licences to occupy, with one property already having been vacated, and the remaining 4 leases to be assigned to PSL in due course. This also avoided the potential claims from the landlord for loss of rental income and dilapidations which therefore reduced non-preferential claims in the administration.

3.14 Further details of the pre-pack sale of the business, the assets involved and the pre-administration marketing were sent to all creditors with the Notice of Appointment on 20 September 2010 I attach a further copy of the Joint Administrators' compliance with Statement of Insolvency Practice 16 at Appendix B.

4. Pre-Administration Costs Charged or Incurred by the Joint Administrators

Attached as Appendix C is a statement of pre-administration costs charged or incurred by the Joint Administrators. Included in the statement of pre-administration costs are unpaid pre-administration legal costs of £6,013 and unpaid pre-administration time costs of £8,875, which had not been paid when the Company entered administration. I am seeking to obtain approval from creditors for the payment of the outstanding legal costs, and £5,000 towards the outstanding Joint Administrators' time costs, and a stand-alone separate proposal is included in my statement of proposals The remaining £3,875 of unpaid pre-appointment time costs will be written off by the Joint Administrators

5. The Conduct of the Administration

5 1 It is already apparent that purpose a) as detailed in paragraph 2.4 cannot be achieved for reasons stated earlier in this report. It is also apparent that purpose c) cannot be achieved as there are no secured or preferential creditors The Joint Administrators will therefore continue to pursue objective b).

5.2 The Company ceased trading immediately upon entering administration on 16 September 2010

5 3 The Company employed 117 staff, including the director, all of whom had their contracts of employment with SLL terminated on 16 September 2010, and were immediately transferred to PSL As advised in paragraph 3.10 above, on agents' advice the business and assets were sold to PSL on 16 September 2010, further details of which are provided in Appendix B.

5.4 Other assets as per the Joint Administrators' statement of affairs consist of prepayments made by the Company of £12,937, an employee loan of £32,134, and a third party loan amounting to £77,810. The relevant parties have been contacted accordingly and an agreement has been reached for the repayment of the above assets as follows

Prepayments – £4,937.32 has already been received, with the balance to be paid by 2 instalments of £4,000 on 1 November 2010 and 1 December 2010

Employee loan – The total sum will be repaid via 12 equal instalments of £2,677.02 commencing on 12 November 2010, and monthly thereafter.

Third party loan – The sum of £77,800 will be repaid via 12 equal instalments of £6,483 33 commencing on 21 October 2010, and monthly thereafter.

5.5 A copy of the Joint Administrators' receipts and payment account to date is attached as Appendix D, which, we trust, is self-explanatory

5.6 As previously stated, legal fees in the sum of £4,043 have been paid to Schofield Sweeney Solicitors for their assistance with preparing the necessary documentation to facilitate the appointment of the Administrators and for the provision of general legal advice to the Administrators in respect of the administration.

6 The Director's Statement of Affairs

6 1 Shortly after the appointment, the director of the Company was asked to submit a statement of affairs under paragraph 47 of Schedule B of the Insolvency Act 1986 No statement of affairs has yet been received, but an estimated statement of affairs as at the latest practical date, prepared from information available to the Joint Administrators and including a list of creditors' names and addresses is enclosed as Appendix E to this report. The amounts listed for creditors' claims have not been verified and are subject to change following the receipt of creditors' claims

6 2 The director has requested an extension to the time allowed for submitting the statement of affairs and it is anticipated that the director's estimated statement of affairs will be received within the next 14 days.

6 3 Creditors will note that the statement of affairs does not make a provision for the costs and expenses of the administration.

7. Outcome for Unsecured Creditors

7.1 As mentioned earlier, there are no preferential liabilities as all employees' contracts of employment have been transferred to PSL. This has resulted in the avoidance of employees' preferential and non-preferential claims in the administration.

7.2 The statement of affairs indicates that, subject to costs, a dividend will be available to unsecured creditors in due course, however it is not yet possible to estimate the costs of the liquidation or the final dividend to unsecured creditors at this stage, as creditors' claims are to be agreed by a duly appointed Liquidator

7.3 I can advise however that unpaid costs of the liquidation to date include
- the Joint Administrators' time costs as detailed in paragraph 12 4 of this report;
- post-appointment legal costs incurred by Schofield Sweeney Solicitors amounting to c £5k to date in respect of various advice and assistance provided to the Joint Administrators' and dealing with the assignment of the leases as mentioned in paragraph 3.13 of this report,
- Agent's fees in respect of assistance with preparing and inventory and valuation of the Company's assets and overseeing the sale of the business amounting to a sum not exceeding £6 5k.

8. Creditors' Meeting

A creditors' meeting has been called under Paragraph 51 of Schedule B of the Insolvency Act 1986 for 23 November 2010 to enable creditors to consider the Administrators' proposals, make modification and vote as appropriate. A proxy form is enclosed for your use if you intend to be present or represented at the meeting Please attach details of your claim to the returned proxy form, and give information about any security that you hold. Completed proxy forms should be returned to these offices.

9. Joint Administrators' Proposals

The Joint Administrators' proposals in accordance with Paragraph 49 of Schedule B1 to the Insolvency Act 1986 to achieve the remaining purpose of the administration, objective b), are attached as Appendix F.

10. Joint Administrators' Remuneration

10.1 The Company resolved to pay FRP Advisory LLP the sum of £15,000 plus VAT for assisting with the placing of the Company into administration This was paid before administration by the Company

10 2 The Administrators' remuneration after the date of appointment will be drawn from the Company assets and it is proposed that it will be charged on a time cost basis. Details of FRP Advisory LLP's charge out rates and Category 2 disbursements are included at Appendix H

10.3 Creditors have a right to request further information from the Joint Administrators under Rule 2.48A of the Insolvency Rules 1986 and further have a right to challenge the Joint Administrators' remuneration and expenses under Rule 2 109 of the Insolvency Rules 1986. Further details of these rights can be found in the Creditors' Guide to Fees which you can access by using the following link http //www.frpadvisory.com/Fees_Guide html and select the one for administrations. Alternatively a hard copy of the relevant guide will be sent to you on request. Please note there are time limits for requesting information of 21 days of receipt of the progress report and 8 weeks from receiving this report for a Court application that the remuneration or expenses are excessive.

10 4 Details of the time charged to this case to date, analysed between the different types of work undertaken, amount to £26,043 and are enclosed at Appendix G. The basis of the Joint Administrators' remuneration has not yet been approved by creditors, and the Joint Administrators have accordingly not drawn any remuneration in this case.

11. Director's Conduct

Finally, as part of the Joint Administrators' statutory duties, we have to report on the conduct of the directors under the Company Directors Disqualification Act 1986 Should you have any information concerning matters to which reference should be made in that report, then I should be grateful if you would write to me formally setting out any facts which you believe should be considered for inclusion.

Yours faithfully
For and on behalf of
Studio London Limited

G Mummery FABRP MIPA
Joint Administrator
Licensed by the Insolvency Practitioners Association

The Joint Administrators act as agents of the Company and without personal liability.

The affairs, business and property of the Company are being managed by Glyn Mummery and Martin Weller who were appointed Joint Administrators on 16 September 2010.

STATUTORY INFORMATION

Administration Appointment

Court in which proceedings brought	High Court of Justice
Court Reference No	7535 of 2010
Names of Joint Administrators:	Glyn Mummery FRP Advisory LLP 43/45 Butts Green Road Hornchurch Essex RM11 2JX Martin Weller FRP Advisory LLP 43/45 Butts Green Road Hornchurch Essex RM11 2JX
Date of Appointment	16 September 2010
Appointer:	Directors
Powers:	The Joint Administrators act jointly and severally

Company Information:

Date of Incorporation	16 March 2007
Company Number:	06166229
Nature of Business:	Photographic activities
Trading Address:	120 Great Portland Street London W1W 6PN
Registered Office	43/45 Butts Green Road Hornchurch, Essex RM11 2JX Formerly:- 120 Great Portland Street London W1W 6PN

STATUTORY INFORMATION CONTINUED

Director	Tina Clarke
Company Secretary:	Incorporate Secretariat Limited

The directors and company secretary have the following shareholdings in the company:-

Name	Shares	Type	Percentage Shareholding
Tina Clarke	1	Ordinary £1	100%

Extracts from the financial statements available are summarised below.-

Period Ended	Turnover	Gross Profit	Net Profit/ (Loss)	Dividend paid	P & L a/c c/fwd
	£	£	£	£	£
31 August 2008	5,043,628	2,471,902	(127,831)	Nil	Nil
31 August 2009	5,941,144	3,000,258	8,829	Nil	(119,002)

It is considered that the EC Regulation on Insolvency Proceedings applies to these proceedings, which are main proceedings as defined in Article 3 of the EC Regulations (136/2000).

COMPLIANCE WITH STATEMENT OF INSOLVENCY PRACTICE 16

1. The source of the Administrators' initial introduction

The Administrators were initially introduced to Studio London Limited by an interim manager, Tamsin Rickeard The Administrators were formally engaged by the Company on 25 August 2010.

2. The extent of the Administrators' involvement with the Company prior to appointment

The Administrators first met with the Company on 29 July 2010 to discuss the issue relating to HMRC arrears and the likelihood of a further Time-to-Pay agreement

Once formally engaged, the Administrators conducted the sale of the business with a view to accepting an offer once the Company entered into formal insolvency

The offer for the business was accepted by the Administrators prior to their appointment and upon the written advice of their agent, upon whom they relied

3. The marketing activities conducted by the Company and/or the Administrators

An advert for the sale of the business was placed onto www IP-Bid.com on 27 August 2010and an agent was instructed on the same day to market the business, with offers to be received by close of business Friday 3 September 2010.

The advert on www.ip-bid com attracted 6 interested parties, all of which were sent non-disclosure agreements as soon as their interest was noted 3 of these interested parties returned signed non-disclosure agreements and were subsequently sent a sale pack with further information about the Company No offers were received from any of these parties.

The agent received one offer to purchase only the Company's photographic equipment for a sum of £3,000, which fell below agent's valuation. Eventually an offer was received and accepted from Paparazzi Studios Limited ("PSL") in the sum of £46,025 Further details regarding the purchaser are provided later in this report.

4. Valuations obtained of the business or the underlying assets

Agents ITC (South East) Limited attended the Company's premises on 19 August 2010 to prepare an inventory and valuation of all of the Company's assets, as detailed below:

	Market Value £	Value to the Business £
Furniture and Office Equipment.		
- 90-92 Great Portland Street	900 00	2,285.00
- 94 Great Portland Street	165.00	410 00
- 112 Great Portland Street	630.00	1,585 00
- 120 Great Portland Street	450 00	1,100.00
- 23 Great Titchfield Street	1,480.00	3,705.00
Photographic Equipment	2,200 00	5,500.00
Stock	600 00	1,500.00
Goodwill	Nil	30,000.00
Total	6,425.00	46,085.00

The market value figures are the estimated amount for which an asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion The assumptions made in the market values are that the assets have been valued as a whole in its working place and are to be offered for sale as whole, and that the purchaser would bear the cost of removals.

The value of plant and machinery to the business figures are an opinion of the price at which an interest in the plant and equipment utilised in a business would have been transferred at the date of valuation, assuming that all plant and equipment will continue in its present use in the business, and that the transfer is part of an arm's length sale of the business wherein both parties acted knowledgeably, prudently and without compulsion

The Goodwill valuation includes the Company name, all telephone/fax numbers, web page and website name, purchase and client base, and all computer software, and is dependent upon how keen a potential buyer is to acquire the business in question

5. The alternative courses of action that were considered by the Administrators

Alternative courses of action considered by the Administrators included continuing to trade the Company and repay the debt to HMRC within 3 months Cash flows prepared identified that this would not have been possible.

Consideration was given to a Company Voluntary Arrangement, however, the 7 day deadline for a winding up petition meant that this was not feasible

The Administrators also considered placing the Company into insolvent Liquidation, however upon further analysis of the financial position and assets of the Company, it was evident that a greater value for the business would be obtained via an administration pre-pack sale of the business. In addition, liquidation would result in the Company's 117 staff being made redundant, which would significantly increase preferential and unsecured creditor claims against the Company

The estimated lower realisations from the Company's assets, together with the addition of significant landlord claims and preferential and unsecured employee claims that would have been incurred in the event of liquidation, would have resulted in the estimated dividend available to unsecured creditors being far less than in the event of a pre-packed administration.

Another course of action considered by the Administrators was to place the Company into administration, and then to seek potential purchasers for the business, however sufficient funds to trade during the period did not exist.

6. Why it was not appropriate to trade the business, and offer it for sale as a going concern, during the administration

It was not appropriate to trade the business and offer it for sale as a going concern during the administration because there was insufficient funding available to enable the Company to meet immediate liabilities, which included landlord and employees.

7. Details of requests made to potential funders to fund working capital requirements

As previously explained the Company was funded by working capital generated through the business and not provided by any external funder.

8. Efforts made to consult with major creditors

The Administrators telephoned and sent a facsimile to the Company's largest creditor, HMRC, on Friday 27 August 2010 to inform them that the director of SLL had instructed this firm to embark on an accelerated

merger and acquisition programme and a management buy-out had been proposed, and also to seek their views regarding the matter.

Following a telephone call from HMRC on Thursday 2 September 2010, the director of SLL sent a letter of authority to HMRC in order that they could discuss this matter with the Administrators. A detailed email was sent to HMRC on 2 September 2010 providing all relevant information regarding the Company's position and marketing exercise that was being carried out, in addition to an Estimated Outcome Statement comparing the likely outcome of a pre-pack administration compared to Creditors' Voluntary Liquidation.

The Administrators received a telephone call from HMRC on 7 September 2010 confirming that they can see that the proposed pre-pack administration was clearly the best way forward for all concerned and would provide the best outcome for unsecured creditors, and therefore they had no objection to the proposed administration going ahead. An email was subsequently sent to the Administrators by HMRC confirming this view on 16 September 2010

9. The date of the transaction

The date of the transaction was Thursday 16 September 2010

10. Details of the assets involved and the nature of the transaction

The assets involved in the transaction and the amounts for which they were soldare listed as follows

	£
Furniture and Office Equipment	9,083 00
Photographic Equipment	5,500.00
Stock	1,500 00
Properties	1 00
Customer Contracts	1.00
Goodwill	30,000.00
Total	46,085.00

The goodwill includes everything detailed in paragraph 4 of this letter. The Properties relate to an agreement for the purchaser to occupy the Company's five trading premises via a Licence to Occupy, with the leases for four of these premises to be assigned to the purchaser in due course.

11. The consideration for the transaction, terms of payment, and any condition of the contract that could materially affect the consideration

As detailed above, the consideration for the transaction was £46,085 The purchaser paid 25% of the purchase price, amounting to £11,521.25, upon completion of the sale, with the balance to be paid by 3 equal instalments to be received by 16 October (this has been duly received), 16 November and 16 December 2010. The Administrators have obtained a debenture over PSL, together with a personal guarantee from the director of PSL, Craig Ward

12. If the sale is part of a wider transaction, a description of the other aspects of the transaction

No.

13. The identity of the purchaser

The purchaser of the business is Paparazzi Studios Limited ("PSL"), the director of which was employed by SLL as a general manager. The director and sole shareholder of SLL, Tina Clarke, has no involvement in the management of PSL.

14. Whether any directors had given guarantees for amounts due from the Company to a prior financier, and whether that financier is financing the new business

The director has given no guarantees for amounts due from the Company to any prior financier.

15. Any options, buy-back arrangements or similar conditions attached to the contract of sale

None

APPENDIX C

STUDIO LONDON LIMITED

STATEMENT OF PRE-ADMINISTRATION COSTS

	Note	Fees Charged £	Expenses Incurred £
Pre-administration costs	1 & 2	23,875	10,056
Amounts paid	3	(15,000)	(4,043)
Unpaid pre-administration costs	4	8,875	6,013
Pre administration costs for which approval is being sought (see Statement of Proposals No 4)		5,000	6,013

Notes

1 The Joint Administrators' pre-appointment fees on a time cost basis for amount to £23,875 plus VAT

Legal fees amounting to £4,043 plus VAT were incurred in respect of the administration appointment, and £6,013 plus VAT were incurred in relation to the Sale and Purchase Agreement.

2 The pre-appointment work carried out by the Joint Administrators includes initial meetings and discussions with the Company, reviewing the Company's financial position, liaising with agents regarding the assets of the Company, assistance with marketing the business for sale, communications with and supplying information to the Company's largest creditor (HMRC), and facilitating the appointment of the Joint Administrators. For further details of the pre-appointment work carried out, please refer to the information supplied in Appendix 2.

Pre-appointment work undertaken by Schofield Sweeney Solicitors include advising the Joint Administrators in relation to the Company's financial position and the proposed administration, preparing and executing the necessary documentation to facilitate the appointment of the administration, reviewing and advising on the Company's leases for the various trading premises, assistance with marketing the business for sale, negotiating a sale of the business, and preparing and executing the Sale and Purchase Agreement accordingly

All pre-appointment work carried out by the Joint Administrators and solicitors was necessary to facilitate the appointment of the Joint Administrators and to ensure that an effective sale of the business was achieved to produce the best result for the Company's creditors

3. The sum of £15,000 plus VAT for the Joint Administrators pre-appointment costs were settled on 6 September 2010 by Studio London Limited, prior to the appointment of the administration. In addition, the sum of £4,043 plus VAT for Schofield Sweeney's legal costs relating to the appointment of the administration was paid on 16 September 2010 from the administration.

4. The payment of the unpaid pre-administration costs set out above is subject to approval in accordance with the Insolvency Rules 1986, Rule 2.67A and is not part of the proposals subject to approval under the Insolvency Act 1986, Schedule B1, Paragraph 53.

Receipts & Payments account for the period

16 September 2010 to 29 October 2010

Receipts	£
Sale of Business & Goodwill	23,043
Prepayments (rent)	4,938
Third Party Loan	6,483
	34,464
Payments	
Legal Fees	4,043
Statutory Advertising	76
	4,119
Balance in Hand	£30,345

Joint Administrators' Estimated Statement of Affairs as at 16 September 2010 [1]

	Notes	Book Value (£)	Estimated to Realise (£)
Assets Subject to Fixed & Floating Charge		Nil	Nil
Uncharged Assets			
Goodwill		Nil	30,000
Stock		1,500	1,500
Office Furniture & Equipment [2]		77,709	9,085
Photographic Equipment [2]		Nil	5,500
Prepayments		12,937	12,937
Employee Loan		32,124	32,124
Third Party Loan		77,810	77,810
Estimated Surplus Available for Preferential Creditors (b/d)		202,080	168,956
Preferential Creditors			Nil
Total assets available to Unsecured Creditors			168,956
Non-preferential Creditors			
Trade & Expense Creditors (as per attached schedule)		60,468	
H M Revenue & Customs – VAT		499,902	
H M Revenue & Customs – PAYE/NI		170,623	
			(730,993)
Estimated Deficiency of Assets as Regards Creditors			(562,037)
Authorised: 1 Ordinary Share of £1 Each Issued and Fully Paid: 1 Ordinary Shares of £1 Each			(1)
Estimated Deficiency as regards Members			(562,038)

Notes

1 This estimated statement of affairs does not include the costs of the administration and is prepared on the basis of information provided to the Joint Administrators by the former director and from the Company's records

2 The net book value of £77,709 for the office furniture and equipment also includes the net book values for the photographic equipment as per the Company's fixed asset register

Studio London Limited - In Administration - List of creditors' names, addresses, and amounts owed
High Court of Justice No. 7535 of 2010

APPENDIX E

Key	Name	Address	Amount
CA01	Alco Engineering Co (Sheet Metal) Limited	High Bullen, Torrington, Devon, EX38 7JA	£420 85
CA03	A C M	Flat 8, 19 Southampton Street, London, WC2E 7QG	£578 00
CB00	Barry Bros Security	Head Office & Showrooms, 121 Praed Street, London, W2 1RL	£3,618.69
CB02	British Gas	PO Box 254, Camberley, Surrey, GU15 3WA	£2,660.63
CB06	British Telecommunications	BT Telephone Payment Centre, Durham, DH98 1BT	£576.14
CB07	Blackthorn Property Services	Unit 38, Ingate Place, Battersea, SW8 3NS	£493.50
CC00	City of Westminster Rates	Westminster City Hall, 3rd Floor South, 64 Victoria Street, London, SW1E 6QP	£1.00
CC02	Creative Cars & Couriers Limited	5 Windmill Street, London, W1T 2JA	£500.78
CC04	Central & West Dairy	98 Pancroft, Abridge, Romford, Essex, RM4 1DA	£168.00
CC05	Barbara Catanzano	c/o Cubism Law, 116-118 Chancery Lane, London, WC2A 1PP	£1.00
CD00	D & S Electrical	49 Ivyhouse Road, Uxbridge, Middlesex, UB10 8NG	£240.00
CE00	EDF Energy Customers Plc	Payment Processing Centre, PO Box 61, Plymouth, PL3 5YL	£45.47
CE01	E.ON	PO Box 7750, Nottingham, NG1 6WR	£1,992 94
CF00	First Mile Limited	Unit 3P, Leroy House ,436 Essex Road, London, N1 3QP	£1.00
CF01	Furniture Hire UK	7 Kennet Road, Crayford, Kent, DA1 4ON	£1 00
CF02	Financial Ombudsman Service Limited	South Quay Plaza, 183 Marsh Wall, London, E14 9SR	£500.00
CH00	HSBC Invoice Finance (UK) Limited	Farncombe Road, Worthing, West Sussex, BN11 2BW	£1,386.52
CH03	Hays Specialist Recruitment Limited	Hays House, 4 St George's Square, New Malden, Surrey, KT3 4JQ	£10,337 50
CH04	Howard de Walden Estates Limited	23 Queen Anne Street, London, W1G 9DL	£1 00
CL00	Langham Estate Management Limited	London House, 9a Margaret Street, London, W1W 8RJ	£1.00
CL01	Langston Engineering Limited	Unit 13, Bow Enterprise Park, Cranwell Close, London, E3 3QY	£528.75
CM00	Mark Simpkin Limited	Unit F1, Adelphi Mill, Grimshaw Lane, Bollington, Cheshire, SK10 5JB	£203 92
CM01	Marketing Data	3 Brakes Raise, College Town, Sandhurst, Berks, GU47 0PB	£1.00
CN00	Elizabeth Nigol	48 Powerscroft Road, London, E5 0PP	£95.00
CO00	Opus Energy Limited	Royal Pavillion, 2 Summerhouse Road, Northampton, NN3 6BJ	£292 44
CO03	Opus Network Services Ltd	Telecom House, 123 Wickenden Road, Sevenoaks, Kent, TN13 3NR	£232.92
CP02	Poolia Recruitment Specialists	Marlborough Court, 14-18 Holborn, London, EC1N 2LE	£7,050.00
CP05	The Performing Rights Society	PRS - Payments, PO Box 4575, Worthing, BN11 9AR	£1,687.48
CP06	Parker Photographics Limited	Unit D, Tyburn Trading Estate, Ashold Farm Road, Erdington, Birmingham, B24 9QG	£561.63
CP07	Pearl & Coutts Limited	3rd Floor, 9 White Lion Street, London, N1 9PD	£1.00
CR02	Robert Irving Burns	23-24 Margaret Street, London, W1W 8LF	£2,113 09
CR03	Reaction Limited T/A Pat-Pro	Building 30A Cresent Street, Weymouth, DT4 7BX	£80.95
CS00	Sage UK Limited	PO Box 4598, Worthing, BN11 9BU	£2,886.62
CS02	Seven Software Development Limited	The Croft, Church Street, Monyash nr Bakewell, DE45 1JH	£282 00

Studio London Limited - In Administration - List of creditors' names, addresses, and amounts owed
High Court of Justice No. 7535 of 2010

APPENDIX E

Key	Name	Address	Amount
CS03	Streamline	Gateshead Card Centre, PO Box 27, Victory House, Fifth Avenue, Gateshead, NE8 1HJ	£2,160.23
CS04	Scottish Power	1 Atlantic Quay, Glasgow, G2 8SP	£4,168 55
CT00	Thames Water Utilities Limited	Customer Services, PO Box 234, Swindon, SN38 3TW	£1,266 32
CT01	The Keyholding Co	2 Cotswold Mews, 30 Battersea Square, London, SW11 3RA	£428 88
CT02	Titchfield Investments Limited	c/o Robert Irving Burns Management Services Ltd, 23-24 Margaret Street, London, W1W 8LF	£8,542.88
CV00	Viking Direct	c/o Office Depot, Lancer House, Scudamore Road, Leicester, LE3 1UB	£2,642.94
CZ00	Zurich Insurance Company	c/o Jeston Insurance Brokers Limited, 61 The Broadway, Greenford, Middlesex, UB6 9PW	£293.07
CZ01	Zurich Commercial Credit Management	PO Box 547, Fareham, Hampshire, PO14 9DU	£1,423.66
			£60,468 35

APPENDIX F

THE INSOLVENCY ACT 1986
STATEMENT OF THE PROPOSALS OF THE JOINT ADMINISTRATORS
OF STUDIO LONDON LIMITED (IN ADMINISTRATION)
PURSUANT TO PARAGRAPH 49(1) OF SCHEDULE B1 TO THE INSOLVENCY ACT 1986

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1 These are the proposals of Glyn Mummery and Martin Weller, the Joint Administrators of Studio London Limited pursuant to Paragraph 49(1) of Schedule B1 to the Insolvency Act 1986

2. The Joint Administrators think that objective (a) of the administration, as detailed in Paragraph 3(1) of Schedule B1 to the Insolvency Act 1986, will not be achieved, as there was no prospect of rescuing the Company in its entirety, as a going concern, for reasons stated in my report As such, it is envisaged that objective (b) will be achieved, a better result for the Company's creditors as a whole than would be likely if the Company had been wound-up (without first being in administration). This is because if the Company had been placed into liquidation, assets would have been sold on a forced sale basis and, upon agent's advice, would have realised far less than they have in the Administration.

3. The Joint Administrators propose that:

   a) they will continue to realise the assets of the Company.

   b) if they think the Company has no property which might permit a distribution to its unsecured creditors, they will send a notice to the Registrar of Companies in accordance with Paragraph 84 of Schedule B1 to the Insolvency Act 1986 and three months after the filing of the notice the Company will be deemed to be dissolved having given due consideration to point (a) above.

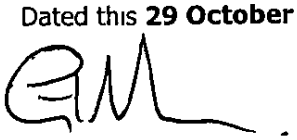
   c) the Company may be placed into creditors voluntary liquidation to enable a distribution to be made to creditors if appropriate. Pursuant to Paragraph 83 of Schedule B1 to the Insolvency Act 1986, should the creditors not nominate a Liquidator; the proposed Liquidators are to be Glyn Mummery and Martin Weller. Any act to be done by the Joint Liquidators may be done by all or any one of them Pursuant to Para 83(7)(a) and Rule 2.117A(2)(b) of the Insolvency Rules 1986, creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after the receipt of these proposals and before these proposals are approved.

   d) the Joint Administrators' fees plus VAT should be approved on a time cost basis in accordance with their charge out rates as detailed in Appendix H, together with those disbursements known as category 2 disbursements, to be drawn when the Joint Administrators see fit.

   e) The Joint Administrators be granted their discharge from liability in accordance with Paragraph 98(2)(b) of Schedule B1 to the Insolvency Act 1986 as determined by the creditors committee or if no such committee is formed, 21 days after ceasing to act

4. The Joint Administrators propose that the meeting of creditors consider and if thought fit pass the following resolution. "That the unpaid pre-administration costs as set out in Appendix C be approved and that the Joint Administrators be authorised to draw such sums from any funds in hand as an expense of the administration." This resolution is subject to approval under the Insolvency Rules 1986 Rule 2 67A and is not part of the proposals subject to approval under Paragraph 53 of the Insolvency Act 1986

Dated this **29 October 2010**



Glyn Mummery
Joint Administrator
Insolvency Practitioner Licensed by the Insolvency Practitioners Association

The Joint Administrators act as agents of the Company and without personal liability.

The affairs, business and property of the Company are being managed by Glyn Mummery and Martin Weller who were appointed Joint Administrators on 16 September 2010.

Appendix G

Studio London Limited - In Administration
Time Cost Analysis for the period 16 September 2010 to 28 October 2010

Classificaton of Work Function	Hours				Total Hours	Total Cost £	Average Hourly Rate £
	Partner	Manager	Other Senior Professionals	Assistants & Support Staff			
Administration and Planning	14.60	1.40	64.90	-	80.90	16,688.50	206.29
Investigation	-	-	0.20	-	0.20	42.00	210.00
Realisation of Assets	5 30	-	13.30	-	18 60	4,617 50	248 25
Trading	-	-	-	-	-	-	-
Creditors	2 70	-	21.70	-	24 40	4,695.00	192.42
Total Hours	22.60	1.40	100.10	-	124 10	-	209.85
Total Fees	8,692.00	333 00	17,018 00	-	-	26,043.00	-

Charge out rates with effect from 1 May 2009

Grade	£/h
Partner	320-400
Manager	180-300
Other Senior Professionals	95-180
Assistance & Support Staff	70-95

Charge out rates with effect from 1 May 2010

Grade	£/h
Partner	370-420
Manager	225-355
Other Senior Professionals	105-210
Assistance & Support Staff	90-105

Examples of Work

Admin & Planning	Case planning, administrative set-up, appointment notification, maintenance of records, statutory reporting, case accounting, Tax and VAT, travel, meetings
Investigations	SIP 2 compliance - Investigation into affairs of the company, Company Directors Disqulification Act 1986, Antecedent Transactions
Realisations of Assets	Identifying, insuring and securing assets, retention of title, property business and asset sales, debt collection
Trading	Management of operations, accounting for trading, ongoing employee issues
Creditors	Communications with creditors, creditors claims (including employees and other preferential/secured creditors)

APPENDIX H

FRP Advisory LLP Charge-Out Rates

In the event that the Liquidator is authorised to charge fees on a time costs basis, the following rates will apply.

a)	Managing Director	£420 per hour
b)	Director	£400 per hour
c)	Client Partner	£400 per hour
d)	Associate Director	£370 per hour
e)	Senior Manager	£315 per hour
f)	Assistant Manager	£225 per hour
g)	Creditor Services	£230 per hour
h)	Senior Administrator	£210 per hour
i)	Administrator	£160 per hour
j)	Trainee Administrator	£105 per hour
k)	Administrative Assistant	£90 per hour

Creditors should note that the above rates are correct as at 1 May 2010 FRP Advisory LLP reserve the right to increase the rates as may be required from time to time Creditors are entitled to request a copy of the current charge out rates which will be provided free of charge

Disbursements Paid to FRP Advisory LLP or Associates

There are two types of disbursements; direct disbursements (known as Category 1) and indirect disbursements (known as Category 2).

These are disbursements as defined by SIP 9, which can be specifically identified as relating to the administration of the case and will be charged to the estate at cost, with no up-lift These include, but are not limited to such items, as case advertising, storage, bonding, Secretary of State fees and other insurance premiums and properly reimbursed expenses incurred by personnel in connection with the case

Category 1 disbursements do not require approval by creditors.

Category 1 Disbursements

The following costs will be reimbursed to FRP Advisory LLP at cost: -

Specific Penalty Bond
Statutory Advertising
Secretary of State Fees
Company Searches
Storage
Any Other Costs Incurred

Category 2 Disbursements

It is our normal practice to also charge the following indirect disbursements ("Category 2 disbursements", as defined by SIP 9) to the case, where appropriate:-

Disbursements charged will include: -

Letters	60p per sheet
Photocopying	25p per sheet
Faxes	£1 per sheet
Mileage	40p per mile
Telephone	£100 per annum

Mileage incurred as a result of any necessary travelling is charged to the estate at 40p per mile.
Other

Category 2 disbursements do require approval by creditors.

GM/MW/JG/S1272

Rule 8.1 **Insolvency Act 1986** **Form 8.2**

Proxy (Administration)

Studio London Limited

Name of Creditor _____

Contact No _____

Address _____

Please insert name of person (who must be 18 or over) or the Chairman If you wish to provide for alternative proxy holders in the circumstances that your first choice is unable to attend please state the name(s) of the alternatives as well

Name of Proxy Holder

1 _____

2. _____

3. _____

Please delete words in brackets if the proxy-holder is only to vote as directed i e he has no discretion

I appoint the above person to be my/my creditor's proxy-holder at the meeting of creditors to be held on 23 November 2010, or at any adjournment of that meeting The proxy-holder is to propose or vote as instructed below (and in respect of any resolution for which no specific instruction is given, may vote or abstain at his/her discretion).

Voting Instructions for Resolutions

*Please delete as appropriate

1. For the *acceptance/rejection of the Joint Administrators' proposals as circulated (*with the following modifications)

_____

_____

_____

2. For the *acceptance/rejection of the resolution that the Administrators' pre-appointment fees and expenses be paid as an expense of the administration

3 For the appointment of _____

of _____

representing _____
as a member of the creditors' committee.

This form must be signed

Signature _____ **Date** _____

Name in CAPITAL LETTERS _____

Only to be completed if the creditor has not signed in person

Position with creditor or relationship to creditor or other authority for signature

_____

Please note that if you nominate the chairman of the meeting to be your proxy-holder he will either be the Joint Administrators or an experienced member of his staff

GM/MW/JG/S1272

Rule 2 72

Proof of Debt – General Form
STUDIO LONDON LIMITED
(IN ADMINISTRATION)

Date of Administration **16 September 2010**

1	Name of creditor Co Registration No (if applicable)	
2	Contact No Address of creditor	
3	Total amount of claim, including any value added tax and outstanding uncapitalised interest as at the date of the Company went into administration	£
4	Details of any documents by reference to which the debt can be substantiated (Note any document or evidence to substantiate the claim may be called for)	
5	If the total amount shown above includes value added tax, please show a) amount of value added tax b) amount of claim NET of value added tax	 £ £
6	If total amount above includes outstanding uncapitalised interest please state amount	£
7	If you have filled in both box 3 and 5, please state whether you are claiming the amount shown in box 3 or the amount shown in box 5(b)	
8	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under Section 386 of, and schedule 6 to, the Insolvency Act 1986 (as read with schedule 3 to the Social Security Pensions Act 1975)	Category Amount(s) claimed as preferential £
9	Particulars of how and when debt incurred	
10	Particulars of any security held, the value of the security, and date it was given	
11	Signature of creditor or person authorised to act on his behalf Name in BLOCK LETTERS Position with or relation to creditor	

Admitted to vote for £

Date

Administrator

Admitted preferentially for £

Admitted non preferentially for £

Date

Administrator