

The Insolvency Act 1986

**2.23B****Notice of result of meeting of Creditors**

Name of Company MT Media Limited	Company number 06313352
In the Medway County Court (full name of court)	Court case number 11 of 2008

I  
Simon Paterson  
Moore Stephens LLP  
Victory House  
Admiralty Place  
Chatham Maritime  
Kent ME4 4QU

hereby report

On business of meeting conducted by correspondence pursuant to paragraph 58 of Schedule B1 to the Insolvency Act 1986 and Rule 2.48 of the Insolvency Rules 1986

Closing date specified in form 2.25B 23 July 2008  
at which

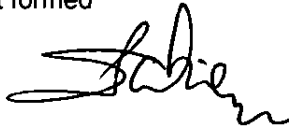
The proposals were approved without modification

A creditors' committee was not formed

Signed

Administrator

Dated 23/07/08



A copy of the original proposals is attached for those who did not receive such documents prior to the meeting

**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

Simon Paterson  
Moore Stephens LLP  
Victory House  
Admiralty Place  
Chatham Maritime  
Kent ME4 4QU

DX 131398 ROCHESTER - 2

01634-895100

ie 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**

FRIDAY



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25/07/2008

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COMPANIES HOUSE

**MT MEDIA LIMITED  
(IN ADMINISTRATION)**

**Resolutions:**

- 1 That the Administrator's Proposals be approved as circulated

**FOR**

- 2 That the remuneration of the Administrator be fixed by reference to the time properly given by the Administrator and his staff in attending to matters arising in the Administration in accordance with Rule 2 106(2)(b) of the Insolvency Rules 1986

**FOR**

- 3 That the Administrator be authorised to draw their firm's internal costs and expenses in dealing with the estate, including photocopying, printing, facsimile, storage, room hire, registered office fee and IPS software charge, as and when funds permit

**FOR**

- 4 That the Administrator be given their release upon the making of the winding up order

**FOR**

## STATUTORY INFORMATION

Name	MT Media Ltd	
Company Number	06313352	
Date of Incorporation	16 July 2007	
Registered Office	Victory House Quayside Chatham Maritime Kent ME4 4QU	
Trading Address	3 <sup>rd</sup> Floor Rivers House 137, Springfield Road Chelmsford Essex CM2 6UN	
Previous Names	None	
Directors	Daniel Corby	(Appointed 16 07 07 – Resigned 24 06 08)
	Hugh Bernard Craen	(Appointed 16 07 07)
	Douglas McQueen	(Appointed 16 07 07 – Resigned 21 11 07)
	<b>Note:</b> Companies House shows that Mr McQueen was re-appointed a director of 14 3 08 and resigned on 14 04 08. However, Mr McQueen denies submitted the consent to act for the second appointment	
Secretary	Daniel Corby	
Authorised Share Capital	1,000 Ordinary Shares of £1 each	
Issued Share Capital	MT Media Holdings Limited	1 Ordinary Share

Under the EC Regulation on Insolvency Proceedings 2000, this matter represents main proceedings

Your Reference

Our Reference **3155/3123/17/56037**

When telephoning please ask for **Simon Paterson - Direct Line 01634-895102**

Victory House  
Admiralty Place  
Chatham Maritime  
Kent ME4 4QU

Tel +44 (0)1634 895100  
Fax +44 (0)1634 895101  
DX 131398 Rochester 2  
[www.moorestephens.co.uk](http://www.moorestephens.co.uk)

11 July 2008

**STRICTLY PRIVATE & CONFIDENTIAL**

**REPORT TO THE CREDITORS**

Dear Sirs

**MT MEDIA LIMITED (IN ADMINISTRATION)**  
**3<sup>rd</sup> FLOOR, RIVERS HOUSE, 137 SPRINGFIELD ROAD, CHELMSFORD, ESSEX, CM2 6UN**  
**MEDWAY COUNTY COURT NO. AA 11 OF 2008**

Further to my appointment as Administrator of the above named company on 16 May 2008, I enclose herewith a copy of the Administrator's Proposal pursuant to Paragraph 49 of Schedule B1 of The Insolvency Act 1986

It is apparent that there is no likelihood of monies being available to the non-preferential creditors, and the purpose of the Administration is now the realisation of assets in order to make a distribution to the secured and preferential creditors

In view of the lack of funds for the non-preferential creditors, I do not propose to hold a meeting of creditors, but instead seek to obtain resolutions by post. To this extent, attached to the back of the Proposal is Form 2 25B which contains four resolutions for your consideration. Would you please complete this form and return it to my office together with the notice of claim form which is also enclosed

The four resolutions being sought are as follows -

**Resolution 1**

That the Administrator's Proposals be approved as circulated,

**Resolution 2**

That the remuneration of the Administrator be fixed by reference to the time properly given by the Administrator and his staff in attending to matters arising in the Administration in accordance with Rule 2 106(2)(b) of the Insolvency Rules 1986,

**Resolution 3**

That the Administrator be authorised to draw his firm's internal costs and expenses in dealing with the estate, including photocopying, printing, facsimile, storage, room hire, registered office fee and IPS software charge, as and when funds permit, and

**Resolution 4**

That the Administrator be given his release 14 days after filing notice to move to creditors' voluntary liquidation

11 July 2008

The proposed exit route from Administration is to move the company into liquidation pursuant to Paragraph 83 of Schedule B1 to the Insolvency Act 1986 in order for an investigation to be carried out into the company's acts and dealings

Although the Administrators consider that it is not necessary to convene a meeting of creditors pursuant to Paragraph 51 of Schedule B1, should any creditors of the company whose debts amount to at least 10% of the total debt to the company require a meeting to be held, a meeting will be convened

If you have any queries regarding the contents of this report, or if you require any further information, please do not hesitate to contact me

Yours faithfully  
For and on behalf of  
MT Media Limited  
(In Administration)



Simon Paterson  
Administrator

Enc

The affairs, business and property of the Company are being managed by Simon Paterson, Administrator

**Strictly Private & Confidential**

**MEDWAY COUNTY COURT NO. AA 11 OF 2008**

**MT MEDIA LTD ("THE COMPANY") (IN ADMINISTRATION)**

**Statement of Administrator's Proposals pursuant to Paragraph 49 of Schedule B1 of the Insolvency Act 1986 and Rule 2.33 of the Insolvency Rules 1986**

**9 July 2008**

Moore Stephens LLP  
Victory House  
Quayside  
Chatham Maritime  
Kent ME4 4QU

Telephone 01634-895100

This report is intended for use by those parties entitled to a copy thereof under paragraph 49, Schedule B1 of the Insolvency Act 1986. It may contain information that is privileged confidential or exempt from disclosure and any dissemination distribution or copying of it and its attachments is strictly prohibited.

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- 2 Summary of Disbursements to 30 June 2008

## 1 STATUTORY INFORMATION

Name	MT Media Ltd
Company Number	06313352
Date of Incorporation	8 August 1990
Registered Office	Victory House Quayside Chatham Maritime Kent ME4 4QU
Trading Address	3 <sup>rd</sup> Floor Rivers House 137, Springfield Road Chelmsford Essex CM2 6UN
Previous Names	None
Directors	Daniel Corby Hugh Bernard Craen Douglas McQueen (resigned 14 04 08)
Secretary	Daniel Corby
Authorised Share Capital	1,000 Ordinary Shares of £1 each
Issued Share Capital	MT Media Holdings Limited      1 Ordinary Share

Under the EC Regulation on Insolvency Proceedings 2000, this matter represents main proceedings

## 2 BACKGROUND TO THE ADMINISTRATION

- 2 1 The Company was incorporated in July 2007 for the purpose of publishing a free distribution magazine entitled "What's Local Magazine" 12 editions of the magazine were published throughout the South East of England, each with a circulation of 40,000, displayed on free pick up racking at various retail outlets In addition the company operated an electronic version of the magazine on their website [www.whatslocalmagazine.com](http://www.whatslocalmagazine.com)
- 2 2 The magazine afforded the company three income sources Advertising in the magazines accounted for 60% of turnover which averaged between £150,000 and £160,000 per month Web Banner advertisements on the What's Local web site accounted for 20% of turnover, and the balance comprised income from the sale of 0800 and 0845 telephone numbers for life, for a one off price.
- 2 3 In view of the nature of the company's operations, there was a relatively high turnover of staff and consequently the potential for industrial tribunal claims from disgruntled ex-employees Consequently the directors took the decision to outsource the employees to an associated company, MT Central Resources (2008) Limited
- 2 4 In order to finance its operations, the company entered into a factoring agreement with Charterhouse Commercial Finance Limited who were granted a debenture over the company's assets on 24 July 2007 Charterhouse were replaced as factoring agents on 3 March 2008 by



Arbuthnot Commercial Finance Limited ("ACF") who were granted a debenture over the company's assets on 7 March 2008

- 2 5 Within a short period of time ACF experienced considerable difficulties in realising the debtor ledger, with a significant number of customers querying the distribution of the latest editions of the magazines. There were discussions between ACF and the distributor who was able to confirm delivery site addresses in order to meet the customers' queries. On going discussions were held with the principal director throughout April and the beginning of May in order to resolve these issues
- 2 6 Around this time there was a fire at an electricity sub station in Chelmsford that forced closure of the company's IT systems. At this point the directors took the opportunity to send home all of the staff, many of whom had not been paid for a number of weeks
- 2 7 In view of the closure of the company's operations and the unsatisfactory responses to their enquiries, ACF served formal demand for repayment of their advances and on 16 May 2008 appointed an Administrator

### **3 FINANCIAL POSITION OF THE COMPANY**

- 3 1 Paragraph 47 of Schedule B1 to the Insolvency Act 1986 requires the directors, if requested, to submit to the administrator a statement of affairs detailing the particulars of the Company's assets, debts and liabilities
- 3 2 A statement of affairs has not been submitted. Nor have the directors provided any financial information
- 3 3 On the basis of the information available, the gross sales ledger at the date of Administration was £852,874. However, a significant level of these debtors are subject to queries. ACF have advised that after taking into consideration a general provision for doubtful debts and costs of the Administration, their debt of £478,310.05, before accrued interest and charges, is unlikely to be discharged in full
- 3 4 There are no preferential creditors
- 3 5 There is no prescribed part
- 3 6 The level of non-preferential trade creditors are estimated from the company's records at £188,976. The level of Crown debt for VAT is unknown. On the basis of current information, there is no possibility of a dividend to any class of unsecured creditor

### **4 CONDUCT OF THE ADMINISTRATION TO DATE**

- 4 1 I was appointed Administrator on 16 May 2008 by ACF under the powers conferred in their qualifying floating charge
- 4 2 The purposes of the Administration were -
- The rescuing of the Company as a going concern, or
  - Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration), or
  - Realising property in order to make a distribution to one or more secured or preferential creditors

- 4 3 Trading had ceased prior to my appointment and the Administrator has pursued a strategy of an orderly realisation of the Company's assets
- 4 4 All of the debtors are assigned to ACF under the terms of the factoring agreement and are being pursued by them. The company's own chattel assets are of insignificant value
- 4 5 After costs, there is likely to be a shortfall to ACF under its debenture, and thus no monies available for a dividend to the non-preferential creditors
- 4 6 Consequently, pursuant to Paragraph 52(1) of Schedule B1 to the Insolvency Act 1986, a meeting of creditors is not proposed

## **5 REALISATIONS TO DATE**

The only realisation by the Administrator is a petty cash balance of 81p

## **6 PRESCRIBED PART**

- 6 1 Although the debenture granted over the Company's assets in favour of ACF post dates 15 September 2003, there will be no prescribed part available in this case

## **7 ESTIMATED OUTCOME**

- 7 1 Unless there are some antecedent recoveries in these insolvency proceedings there is unlikely to be any funds available to the unsecured creditors and a significant shortfall to the charge holder

## **8 ADMINISTRATOR'S PROPOSALS**

- 8 1 The first purpose of Administration will not be achieved, being that the Company be rescued as a going concern. Therefore it is appropriate to adopt a strategy to maximise realisations for the creditors as a whole. The Company will remain under the control of the Administrator for the purpose of realising the assets and payment to secured and preferential creditors
- 8 2 It is my opinion that the company should be placed into voluntary liquidation for the purpose of an investigation into the conduct of the company and its officers and that Simon Paterson of Moore Stephens LLP be appointed as liquidator of the company pursuant to Rule 2.117 of the Insolvency Rules 1986
- 8 3 In accordance with paragraph 83(7), Schedule B1 to the Insolvency Act 1986 and Rule 2.117(3) of the Insolvency Rules 1986, creditors may nominate a different insolvency practitioner as the proposed liquidator, provided that the nomination is made after the receipt of the proposals and before the proposals are approved
- 8 4 In the event that no creditors' committee is formed, that the remuneration of the Administrator be fixed by reference to the time properly given by the Administrator and his staff in attending to matters arising in the Administration
- 8 5 In the event that no creditors' committee is formed, the Administrator be authorised to draw their firm's internal costs and expenses in dealing with the estate, including photocopying,

printing, facsimile, storage, room hire, registered office fee and IPS software charge, as and when funds permit

- 8 6 That the Administrator be given his release 14 days after filing the notice to move to creditors' voluntary liquidation

## 9 SUMMARY OF TIME COSTS

- 9 1 A summary of the Administrator's time costs incurred in attending to matters arising in the Administration are set out in Append No 1, together with current charge out rates

- 9 2 A breakdown of Category 2 disbursements is attached at Appendix No 2

- 9 3 Should you wish to receive a copy of "A Creditors' Guide to Administrators' Fees" you may request a copy from this office, or it is available on the Moore Stephens website ([http://www.moorestephens.co.uk/websites/uk/uk.nsf/pages/services or remuneration](http://www.moorestephens.co.uk/websites/uk/uk.nsf/pages/services%20or%20remuneration))

## Summary of time spent for period 16/05/2008 to 30/06/2008

Classification of work	Partner	Manager	Administrator	Support	Total Hours	Time Cost £	Average Rate £/h
Statutory compliance, administration and planning	3 45	-	11 75	0 30	15 50	2,114 35	136 41
Investigations	-	-	-	-	-	-	-
Realisation of assets	18 10	-	1 10	0 55	19 75	6,147 35	311.26
Trading	-	24 00	-	-	24 00	4,200 00	-
Creditors	0 75	-	1 65	4 00	6 40	639 55	99 93
Case specific matters	-	-	-	-	-	-	-
Total hours	22 30	24 00	14 50	4 85	65.65	-	-
Total fees claimed	-	-	0 80	4 00	65 65	13,101 25	199 56

## Chargeout rates:-

Partner	£330-£460
Manager	£170-£255
Administrator	£67-£135
Support	£65-£103

## Standard activity

## Examples of work

Statutory compliance, administration and planning

Statutory reporting and compliance  
 Compliance with other regulatory requirements  
 Case planning  
 Administrative set up  
 Appointment notification  
 Maintenance of records

Investigations

SIP 2 review  
 CDDA reports  
 Investigating antecedent transactions

Realisation of assets

Identifying, securing, insuring assets  
 Retention of title  
 Debt collection  
 Property, business and asset sales

Trading

Management of operations  
 Accounting for trading  
 On-going employee issues

Creditors

Communication with creditors  
 Creditors' claims (including employees and other preferential creditors)

**MT MEDIA LIMITED****Summary of Category 1 Disbursements for the Period 16/05/2008 to 30/06/2008**

	£
Bond	528 00
Statutory Advertising	127 44
Company Searches	12 00
Car mileage	119 09
Parking and Tunnel	6 70
IT Records	100.00
Sage Costs	47 50
Redirection of Mail	49 80
Total	<u>990 53</u>

**Summary of Category 2 Disbursements for the Period 16/05/2008 to 30/06/2008**

No category 2 disbursements have been charged

**Category 2 Disbursement Rates:-**

Type	Rate
Photocopying/printing	£0 15 per sheet
Fax	£0 40 per sheet
Colour photocopying	£2 50 per sheet
Registered office fee	£120 per annum
Storage - standard box	£3 90 per box per quarter (min £30 per quarter)
IPS charge	£25 per quarter, max £200
Room hire	£30-£50 per hour

Rule 2.48

# Notice of Conduct of Business by Correspondence

Name of Company MT Media Ltd	Company number 06313352
In the Medway County Court (full name of court)	Court case number AA 11 of 2008

Notice is hereby given by  
Simon Paterson  
Moore Stephens LLP  
Victory House  
Quayside  
Chatham Maritime  
Kent ME4 4QU

to the creditors of MT Media Limited  
3<sup>rd</sup> Floor  
Rivers House  
137 Springfield Road  
Chelmsford  
Essex  
CM2 6UN

that, pursuant to paragraph 58 of Schedule B1 to the Insolvency Act 1986, enclosed are four resolutions for your consideration. Please indicate below whether you are in favour or against the resolution

This form must be received at the offices of  
Moore Stephens LLP, Victory House, Admiralty Place, Chatham Maritime, Kent ME4 4QU

by 12 00 hours on 23 July 2008 in order to be counted  
It must be accompanied by details in writing of your claim. Failure to do so will lead to your vote(s) being disregarded

Resolution 1	For / Against
Resolution 2	For / Against
Resolution 3	For / Against
Resolution 4	For / Against

## TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:

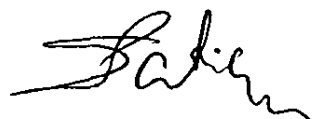
Name of creditor

Signature of creditor

(If signing on behalf of creditor, state capacity e.g. director/solicitor)

If you require any further details or clarification prior to returning your votes, please contact me at the address above.

Signed



Simon Paterson  
Administrator

Dated this 11th day of July 2008

**MT MEDIA LTD (IN ADMINISTRATION)**

I/we (name of Company/Individual)	
of	
(full postal address)	

claim that the above named company is indebted to me/us in the sum of

Amount of claim	£. .
-----------------	------

for (describe goods/service)	
Account reference	

listed below (or as shown by the attached account), for which I/we have received no satisfaction or security except for the following

--

**Summary of Account**

Date	Invoice No.	Goods/Services	Amount

SIGNATURE

NAME

POSITION HELD

DATE

THIS FORM SHOULD BE RETURNED BY 24 July 2008

TO Moore Stephens LLP, Victory House, Quayside, Chatham Maritime Kent ME4 4QU