

The Insolvency Act 1986

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

Name of Company Taylor Drew Productions Limited
--

Company number 06764279

In the Birmingham District Registry of the High Court [full name of court]

Court case number 8283 of 2010

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

I (a) Andrew Fender of 1071 Warwick Road, Acocks Green, Birmingham, B27 6QT

(b) Insert name and address
of registered office of
companyhaving been appointed administrator of (b) Taylor Drew Productions Limited of Brook House,
Unit 43B Hartlebury Trading Estate, Hartlebury, Worcestershire, DY10 4JB(c) Insert date of
appointment

on (c) 28 June 2010 by (d) Court Order

(d) Insert name of applicant /
appointor

hereby give notice that

the provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply,

(e) Insert name(s) and
address(es) of liquidator(s)and it is proposed that (e) Andrew Fender of 1071 Warwick Road, Acocks Green, Birmingham,
B27 6QT, will be the liquidator of the company (IP No 6898)

Signed

Administrator

Dated

1/12/11

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.

Sanderlings LLP

Edwin Lee

Tel 0121 706 9320

DX Number

DX Exchange

FRIDAY



A30 02/12/2011 289
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

Taylor Drew Productions Limited
Receipts and Payments Account from 28 June 2010 to 1 December 2011

<u>Receipts</u>	£
Nil	0 00
	<u>0.00</u>
<u>Payments</u>	
Nil	0 00
	<u>0.00</u>
<u>Closing Balance</u>	<u>0.00</u>

Administrator's Proposals

I propose the following -

- 1 I continue to manage the affairs, business and property of the company, in such manner as I consider expedient with a view to achieving a better result for the company's creditors as a whole than would have been likely if the company were wound up (without first being in Administration).
- 2 I shall do all such other things and generally exercise all of my powers as administrator as I in my sole and absolute discretion consider desirable or expedient in order to achieve the purpose of the Administration or to protect and preserve the assets of the company or to maximise their realisations for any other purpose incidental to these proposals.
- 3 In accordance with paragraph 76 (2)(b) of Schedule B1 of the Insolvency Act 1986 the period of the Administration be extended as required by six months to 27 December 2011 to enable me to continue with the matters referred to in paragraph 2 to achieve the purpose of the Administration.
- 4 Whilst it appears likely, but it has not as yet been finally determined that a dividend will be available to unsecured creditors, after the discharge of the costs and expenses of the administration and payment of the secured and preferential creditors it is proposed that either
 - (a) In the event that I determine that a dividend to unsecured creditors will be available and when deemed appropriate by me, that I will place the company into creditors' voluntary liquidation and give notice to the Registrar of Companies. The proposed liquidator for this purpose is to be Andrew Fender.
 - (b) If and when appropriate, file notice under paragraph 83 of Schedule B1 to the Insolvency Act 1986 that the exit route from Administration will be via a Creditors Voluntary Liquidation. It is proposed that I will file the necessary returns at Court and with the Registrar of Companies to place the Company into Creditors' Voluntary Liquidation and appointing Andrew Fender as Liquidator. It is proposed the net funds held, after provision for costs will be passed by me to the Liquidator for distribution to the creditors.

In accordance with paragraph 83(7) of Schedule B1 to the Insolvency Act 1986 and Rule 2.117(3) of the Insolvency Rules 1986 as amended by the Insolvency (Amendment) Rules 2003, creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after the receipt of the proposals and before the proposals are approved.

OR at the Administrator's discretion,

- (c) I will apply to Court for permission to pay a dividend to unsecured creditors under paragraph 65(3) of Schedule B1 to the Insolvency Act 1986. OR

- (d) In the event that I determine that no dividend will be available to unsecured creditors or in the event that funds in the Administration are distributed to creditors by Order of the Court, when deemed appropriate by me, I will file notice of move from Administration to Dissolution so that the company may be dissolved.
- 5 In the event that a Creditors Committee is not established, that my remuneration be taken on a time costs basis according to the standard hourly rates and that such fees may be drawn on account.
- 6 That my remuneration be fixed by reference to the time properly given by me and my staff in attending to matters arising during the Administration, at the usual charge out rate applied from time to time for work of this nature and that expenses be fixed as per the attached Guide to charge out and disbursement rates and that approval is hereby given to allow me to draw such fees on account from time to time as and when funds permit.
- 7 I may, at my discretion, apply to Court to further extend the period of Administration as I determine necessary.
- 8 My investigations into the Company's affairs shall continue and if appropriate I am authorised to pursue any claims that I consider that the Company may have and the collection of which will advance the purpose of the Administration.
- 9 If I consider it appropriate, I may convene a further meeting of creditors pursuant to paragraph 54 of schedule B1 of the Insolvency Act 1986 to consider a revision to these proposals
- 10 That on the date of cessation of my appointment as Administrator either pursuant to Paragraph 83(6) (a) or 84(4) of Schedule B1 of the Insolvency Act 1986, as appropriate, I be discharged from liability in respect of any of his actions as administrators 14 days after the cessation of my appointment as administrator in accordance with Paragraph 98 2(b) of the said Schedule

Sanderlings

Appendix 3

TIME & CHARGEOUT SUMMARIES

Taylor Drew Productions Ltd - POST ADMIN

To 04/11/2011

HOURS							
Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	21 30	0 00	10 70	60 30	92 30	18,616 00	201 69
Investigations	0 00	0 00	0 90	2 30	3 20	533 00	166 56
Realisation of Assets	8 50	0 00	11 10	4 80	24 40	6,844 00	280 49
Creditors	1 50	0 00	5 40	19 30	26 20	4,527 00	172 79
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Fees Claimed £	11,551 50	0 00	7,418 50	11,550 00		30,520 00	
Total Hours	31 30	0 00	28 10	86 70	146 10		
Average Rate	369 06	0 00	264 00	133 22			

SANDERLINGS LLP
FEES, DISBURSEMENTS & INFORMATION

Fees

The fees of the Trustee/Liquidator/Supervisor/Administrator (appointed IP) are fixed by reference to time properly spent by the appointed IP and his staff in attending to all matters arising in the Bankruptcy/Liquidation/Voluntary Arrangement/Administration (case) unless otherwise agreed with the creditors. The appointed IP and his staff charge time to all insolvency cases in units of 6 minutes.

The charge out rates for the various categories of staff are as follows -

	Charge Out Rate per Hour £
Appointed Partner (Trustee, Supervisor, Liquidator, Administrator, Administrative Receiver)	395
Partner/Senior Manager	285
Manager	215
Case Administrator	145
Support staff (only to be chargeable for periods of 1 hour or more)	105
Junior	40

Standard Activity	Examples of Work
Statutory Compliance administration & 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.
Trading	Property, business and asset sales Management of operations Accounting for trading
Creditors	On going employee issues Communication with creditors Creditors' claims (including employees and other preferential creditors)
Disbursements	

In dealing with the case, the appointed IP will incur expenses and disbursements that are recoverable from the assets available in the case in accordance with Rules 6.224 and 4.218 respectively of the Insolvency Rules. In addition to out of pocket expenditure, the appointed IP will also recover shared or allocated costs. Where applicable, these costs are calculated as follows -

Expense Type	Basis of Charge
For all official stationery, printing, postage and telephone charges, including notices to creditors and contributories in respect of the first meetings of creditors and contributories	(i) for a number of creditors and Contributories not exceeding 25 £175 (ii) for every additional 10 creditors and contributories or part thereof £40
Where any other meetings of creditors or contributories are held for summoning and holding the meetings and for statutory circulars	(iii) for a number of creditors and Contributories not exceeding 25 £155 (iv) for every additional 10 creditors and contributories or part thereof £20

All other expenses and disbursements are recovered as follows

Expense Type	Basis of Charge
Room Hire (for each statutory meeting of creditors)	£175.00 per meeting
Mileage	35-95p per mile
Company search costs	£45 per search
Storage of company books and records	£2.50 per box per quarter*

* Where funds permit, a charge for storage of boxes for 12 months after closure of the case is made to cover storage costs until such time as destruction of the records is permitted. Minimum charge of £100 to cover administration.
Should any creditor require further clarification in respect of fees or expenses, then please contact the appointed IP or case manager as identified in the correspondence concerning the case in question.

INFORMATION

Within 21 days of receipt of this progress report, a creditor may request that I provide further information about the remuneration and expenses set out in the report. A request must be in writing and may be made by a secured creditor or an unsecured creditor with the concurrence of at least 5% in value of the creditors (including that creditor) or the permission of the court. You also have a right to challenge my remuneration and expenses. I am obligated to provide the requested information within 14 days unless I consider that the time or cost involved in preparing the information would be excessive, or disclosure would be prejudicial to the conduct of the proceedings or might be expected to lead to violence against any person, or I am subject to an obligation of confidentiality in relation to the information requested, in which case I must give the reasons for not providing the information. Any creditor may apply to the court within 21 days of my refusal to provide the requested information or the expiry of the 14 days time limit for the provision of the information.

A guide to fees is available on request or at www.icaew.com - Updated Nov 2011

TO ALL MEMBERS AND CREDITORS

1 December 2011

Our ref: af/el/el/taylor drew admin 20

Dear Sirs

TAYLOR DREW PRODUCTIONS LIMITED – IN ADMINISTRATION ("THE COMPANY")

I refer to my appointment as administrator on 28 June 2010 and my subsequent reports of 19 August 2010, 21 January 2011 and 26 July 2011

In accordance with Paragraph 83 of Schedule B1 of the Insolvency Act 1986, the administration will shortly come to an end and I enclose herewith Form 2.34B, Notice of Move from Administration to Creditors' Voluntary Liquidation.

This form has also been sent to Companies House and on the date this notice is registered I will cease to act as administrator and commence acting as liquidator of the Company. I will write to all creditors in due course as liquidator confirming the date of appointment.

Set out below is my final report on the conduct of the Administration

1 INTRODUCTION AND STATUTORY INFORMATION

I was appointed administrator of the Company on 28 June 2010 by an Order of the Court, under Administration Order No. 8283 of 2010 made in the Birmingham District Registry of the High Court. The Company's registered office is Brook House, Unit 43b, Hartlebury Trading Estate, Hartlebury, Worcestershire, DY10 4JB, the registered number is 06764279.

Paragraph 76 of Schedule B1 of the Insolvency Act 1986 provides that the Administration will end automatically after a period of 12 months unless it is extended. You will recall that creditors consented, with their agreement to my original proposals, to a six month extension to 27 December 2011.

2 RECEIPTS & PAYMENTS

My final receipts and payment account is enclosed at Appendix 1

Specialists in

Corporate Turnaround

Administration

Company Voluntary Arrangements

Receiverships

Creditors Voluntary Liquidations

Members Voluntary Liquidations

Compulsory Liquidations

Personal Insolvency & Bankruptcy

Debt Solutions

3 A SUMMARY OF THE ADMINISTRATOR'S PROPOSALS

A full copy of the proposals was included in my report dated 19 August 2010 and a further copy is attached at Appendix 2

There have been no major amendments to or deviations from these proposals

4 THE STEPS TAKEN DURING THE ADMINISTRATION

You will recall from my previous reports that the business and assets of the Company have been sold to Taylor Drew Distribution Limited, now known as Blink Animation Limited ("Blink")

As advised, the sale agreement was completed on 16 September 2010 and the purchase price of £241,017 was to be paid under deferred terms, with £50,000 paid on or before 29 October 2010, three further monthly payments of £50,000 and a final payment of £41,017

You will note from the enclosed receipts and payments account that I am still not yet in receipt of funds in respect of this sale

I advised in my last report dated 26 July 2011 that I was in regular contact with the directors of Blink and they were experiencing difficulty in these current economic conditions in concluding agreements and expressions of interest

I met again with Blink's directors on 3 November 2011 and they provided me with a full update on their progress in this matter

You will recall that the Company's most important interest remains the shares in Olly Limited. Creditors may be aware that the programme is now on air with CITV seven days a week and I understand the reception has been positive. A contract has been signed with a leading media rights management company and the company expects this to bear fruit over the coming months. In addition, Olly Limited are in the process of agreeing a merchandise agreement to be implemented in spring 2012.

I am also aware of other licensing opportunities available and being negotiated such as a planned DVD release in 2012.

The Company will benefit either directly through a dividend to shareholders from Olly Limited or alternatively it is envisaged that the shares can be sold for significantly in excess of their current value when Olly Limited start receiving a regular income.

Blink have other projects of which you are aware from my earlier reports and their anticipated success in these ventures would likely produce sufficient funds to extinguish their liability under the sale agreement earlier than would otherwise be the case.

With regard to Sofi on Safari, you will recall that my previous report detailed the steps being taken to potentially sell an equity stake in the production company. At my recent meeting with the directors of the purchasing company they explained that a number of funding opportunities are still being pursued, including international investors and a potential joint venture with another major production company.

For the reasons outlined above, I believe the directors of Blink and Olly Limited are making progress and my current thinking is that recoveries will not result if I commence action at a point when further commercial negotiations are continuing. For this reason I will put the Company into liquidation and will continue to pursue realisations as liquidator.

In this regard, the administrator's interest in the sale agreement will be transferred to me as liquidator and you will recall that as part of the agreement I will retain title to all assets until the funds have been received in full.

You will recall that the assets included in the sale agreement are as follows:

<i>Asset</i>	<i>Consideration (£)</i>
Office furniture & equipment	8,000 00
Customer contracts	2 00
Intellectual property	1 00
Stock and WIP	1 00
Share in Olly Limited	200,000 00
Goodwill	33,013 12
Total	241,017 12

5 THE OUTCOME

You will recall that I was appointed administrator to achieve the objective of

- a) Rescuing the company as a going concern, or
- b) 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
- c) The realisation of property in order to make a distribution to one or more secured or preferential creditors

Following my investigations, I reached the conclusion it would not be reasonably practicable to achieve [a] above and I have performed my functions since with the objective of achieving [b] and [c].

I have achieved [b] as the Administration Order allowed me to preserve the Company's interest in the television productions while negotiations were conducted with regard to a sale of the business and assets. The proceeds from my sale agreement with Blink Animation, and my retained title in the assets that have been sold, are anticipated to allow a dividend to be paid to preferential creditors in the liquidation (there are no secured creditors).

6 COSTS

At the creditors' meeting held on 6 September 2010, the creditors approved my proposals as administrator. These included a proposal that my remuneration be taken on a time cost basis according to the standard hourly rates and that such fees may be drawn on account.

Enclosed at Appendix 2 is a summary of the time costs arising in the administration period to 4 November 2011, together with a note of my charge out and disbursement rates. A guide to fees is available on request. My costs in this matter amount to £30,520.00 representing 146.10 hours at an average hourly rate of £208.90 per hour. You will note from the enclosed receipts and payments account that during this period no fees have been drawn against these costs. I anticipate that further costs of £2,510.00 have and will be incurred in drawing this matter to a close.

My time and that of my staff has been spent in fulfilling the following duties:

- Compliance matters and statutory obligations, including but not limited to the preparation of my proposals, two six month reports and this final report to creditors
- Regular and significant correspondence, communication and meetings with the purchasing company regarding the sale of the Company's business and assets
- Correspondence with creditors
- Calculation and payment of the bordereau liability and other cashiering duties
- Dealing with the Redundancy Payments Office and the Company regarding employee redundancies
- Completion of duties in respect of the Company Directors Disqualification legislation and investigation of Company's affairs

In respect of category 2 disbursements, the following have been incurred but not billed in the period of the administration:

Printing, postage, stationery	£1,435.00
Room hire	£175.00
Company search	£45.00
Storage	£100.00

Please note that pursuant to Paragraph 99(3) of Schedule B1 of the Insolvency Act 1986 my outstanding time costs and expenses will be charged on and payable out of property of which I had custody or control immediately before my release from office.

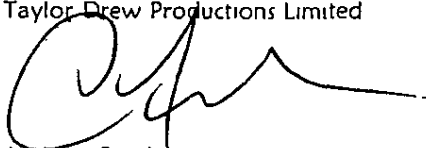
7 DISCHARGE OF ADMINISTRATION ORDER AND ADMINISTRATOR'S DISCHARGE FROM LIABILITY

I will make an application to Court for the discharge of the Administration Order to have effect from the date of the registration at Companies House with regard to my ceasing to act as administrator.

You will note from the summary of the proposals above that the creditors have agreed to my discharge from liability, however I was formally appointed by the Court and therefore I am required to apply to the Court for my discharge.

I trust the above is in order, but should you require any further information, please do not hesitate to contact me

Yours faithfully
For and on behalf of
Taylor Drew Productions Limited

A handwritten signature in black ink, appearing to read 'A. Fender', with a long horizontal flourish extending to the right.

Andrew Fender
Administrator

Andrew Fender was appointed Administrator on 28 June 2010. The Administrator now manages the affairs, business and property of the company and acts as agent only and without personal liability