

The Insolvency Act 1986

Administrator's progress report

2.24B

Name of Company CMCS Group Plc	Company number 1320569
In the High Court of Justice [full name of court]	Court case number 7406 of 2007

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

I/We (a) David Harry Gilbert and Martha Honaria Thompson of BDO Stoy Hayward LLP 55 Baker Street, London, W1U 7EU

administrator(s) of the above company attach a progress report for the period

(b) Insert date	From	to
	(b) 11 April 2008	(b) 10 October 2008

Signed


Joint/administrator(s)

Dated

15 OCT 2008

Contact Details

0124597

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.

MFP / DEU

BDO Stoy Hayward LLP, 55 Baker Street, London,	
W1U 7EU, ,	
Our Ref 7/BC/BXC00208/A6	Tel 020 7486 5888
DX Number	DX Exchange



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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

FRIDAY

RECEIPTS		£
Brought forward from previous Abstract (if any)		62,352 27
Tax Refunds		2,702 39
Book debts		170,464 32
Rates Refund		8,095 15
Interest Gross		1,250 83
Bank Interest Net of Tax		281 34
Sundry Income		17 15
Carried forward to * continuation sheet / next abstract		245,163 45
PAYMENTS		£
Brought forward from previous Abstract (if any)		24,228 64
Debt Collection Costs		16,312 16
Administrators' Fees		63,071 00
Administrators' Disbursements		1,046 93
Bank Charges		9 27
Input VAT		14,037 90
Carried forward to * continuation sheet / next abstract		118,705 90

* Delete as appropriate

* Delete as appropriate

Note - The receipts and payments must severally be added up at the foot of each sheet and the totals carried forward from one abstract to another without any intermediate balance so that the gross totals shall represent the total amounts received and paid by the Joint Administrator since he was appointed



BDO Stoy Hayward LLP
Chartered Accountants

55 Baker Street London W1U 7EU
Telephone +44 (0)20 7486 5888
Facsimile +44 (0)20 7487 3686
DX 9025 West End W1
Web site www.bdo.co.uk

28 October 2008

Your Ref
Our Ref 7/REH/ADM931/A6

Please ask for
Robert Horton
020 78932282

TO ALL CREDITORS

Dear Sirs

CMCS Group Plc - In Administration

It is now twelve months since my appointment in respect of the Company. In accordance with Rule 2.47 of the Insolvency Rules 1986 I am now reporting the progress made in implementing the approved proposals and achieving the statutory purpose of the Administration.

1 Statutory Information.

The Joint Administrators are David Harry Gilbert and Martha Hanora Thompson of BDO Stoy Hayward LLP, 55 Baker Street, London, W1U 7EU and they were appointed in respect of the above company on 11 October 2007. Under the provisions of paragraph 100(2) of schedule B1 of the Insolvency Act 1986 the Administrators carry out their functions jointly and severally and neither Administrator has exclusive power to exercise any function.

The Joint Administrators were appointed by the Directors, pursuant to Paragraph 22 of schedule B1 of the Insolvency Act 1986. The Administration proceedings are dealt with in the High Court of Justice and the court case number is 7406 of 2007.

The company's registered office is situated at 55 Baker Street, London W1U 7EU and the registered number is 1320569.

2 Receipts and Payments

I enclose, for your information, a summary of my receipts and payments to date showing a balance in hand of £126,402.30, together with a copy of my abstract account covering the last six month period.

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I am currently in the process of finalising the collection of the book debts, of which there remains an outstanding balance of £13,202. I am currently finalising the sale of two design registration numbers. At present I am unable to confirm whether or not this sale will be completed. The company is also awaiting a refund from HM Revenue & Customs in respect of VAT in the amount of £12,108.68.

3 Prospects for Creditors

As previously advised, BSF were owed approximately £1.1m (subject to accruing interest and charges) at the date of the appointment of the Joint Administrators and I am pleased to advise that their indebtedness together with interest and charges has been repaid in full.

The preferential claim in respect of unpaid wages and holiday pay for employees has been calculated at £83,103.12. Based upon current information, and after taking into account the costs of the Administration, there is likely to be a distribution to preferential creditors. The final outcome for preferential creditors will only be known once the realisation of the remaining assets has been finalised.

Based upon current information, it is unlikely that there will be sufficient funds available after the costs of the Administration, and payment to the preferential creditors, to enable a payment to be made to unsecured creditors.

4 Prescribed Part

Under Section 176A of the Insolvency Act 1986 where after 15 September 2003 the company has granted to a creditor a floating charge a proportion of the net property of the company must be made available purely for the unsecured creditors. The company has not granted a floating charge to any creditor after the 15 September 2003 and consequently there will be no prescribed part in this administration.

5 Conclusion of the Administration

In order to allow me to realise the remaining assets of the company I have written to the secured creditor and the preferential creditors in relation to the extension of the Administration for a further 6 months. I can confirm that the secured creditor and more than 50% of the preferential creditors who voted have consented to this. I therefore confirm that the Administration has been extended to 10 April 2009.

Once the remuneration of the Joint Administrators has been agreed and a potential dividend to preferential creditors has been finalised, as previously agreed, The Joint Administrators will exit the Administration by way of dissolution pursuant to Paragraph 84 of Schedule B1 of the Insolvency Act 1986 and the Joint Administrators be discharged from liability under the Administration per Paragraph

98 of Schedule B1 of the Insolvency Act 1986, immediately up on the Joint Administrators filing their final report to creditors

6 Administrators' Remuneration

The secured creditor has approved the Joint Administrators' remuneration in respect of book debt realisations based on a percentage of realisations and sums distributed. On this basis the Joint Administrators have drawn £63,071.00 in respect of fees as shown on the attached receipts and payments account.

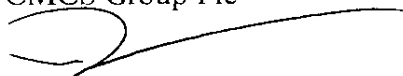
My outstanding time costs to date in respect of this matter are £132,547.96. The Joint Administrators will be seeking the subsequent approval of the secured and preferential creditors in respect of our remuneration, pursuant to Rule 2.106(5A) of the Insolvency Rules 1986. Attached is a schedule that summarises the time that has been spent in administering this Administration up to the date of this report. This shows a total of 756 hours at an average charge out rate of £199.94.

7 Administrators' Disbursements

Where disbursements are recovered in respect of precise sums expended to third parties there is no necessity for these costs to be authorised. These are known as category 1 disbursements. I therefore report that since my last report the sum of £1,046.93 has been drawn in respect of category 1 disbursements for general expenses.

Some administrators recharge expenses for example postage, stationery, photocopying charges, telephone and fax costs, which cannot economically be recorded in respect of each specific case. Such expenses, which are apportioned to cases, require the approval of the creditors, before they can be drawn, and these are known as category 2 disbursements. The policy of BDO Stoy Hayward LLP is not to charge any category 2 disbursements.

Yours faithfully
for and on behalf of
CMCS Group Plc



D H Gilbert
Joint Administrator
Authorised by the Insolvency Practitioners Association

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