

The Insolvency Act 1986

Administrator's progress report**2.24B**

Name of Company TTG Europe Plc	Company number 01665606
In the High Court of Justice, Chancery Division, Companies Court [full name of court]	For court use only Court case number 3035/2005

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

We, Stephen Cork and Joanne Milner of Smith & Williamson Limited, Prospect House, 2 Athenaeum Road, London, N20 9YU

administrators of the above company attach a progress report for the period

(b) Insert dates

from	to
(b) 10 November 2005	(b) 9 May 2006

Signed

Joint Administrator

Dated 17 May 2006

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

Stephen Wicks
Smith & Williamson
Prospect House
2 Athenaeum Road
London, N20 9YU
Tel: 020 8492 8600

DX Number

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

ADMINISTRATORS' REPORT PURSUANT TO RULE 2.47
OF THE INSOLVENCY RULES 1986

TTG EUROPE PLC
(IN ADMINISTRATION)

18 May 2006

Smith & Williamson Limited

25 Moorgate
London EC2R 6AY

Tel: +44 (0) 20 71314000
Fax: +44 (0) 20 71314001
Ref: JEM/SJP/TT002 - 12

1. Introduction

I confirm that Stephen Cork and I were appointed Joint Administrators of TTG Europe Plc (in Administration) ("TTG" or "the Company") pursuant to an application of the Company's directors on 10 May 2005. On that same date we were also appointed Administrators of four subsidiaries of TTG.

As a further six months has passed I am pleased to provide creditors with my second six month report as required by Rule 2.47 of the Insolvency Rules. The purpose of this report is to provide creditors with details of the progress of the Administration to date, in addition to details of realisations and the results of my initial investigations.

2. Statutory Details

I advise that with the consent of the Company's creditors, the administration has been extended until 10 November 2006. I have complied with my statutory duties in relation to this administration.

The statutory details of the Company are as follows:-

Company name, including trading names and any former names	TTG Europe Plc Formerly: The Telecommunications Group Plc Roxspur Plc
Company number	01665606
Registered office address	Prospect House 2 Athenaeum Road London N20 9YU
Court Details	High Court of Justice, Chancery Division, Companies Court
Court Number	3035 of 2005
Appointees	Stephen Cork & Joanne Milner Smith & Williamson Limited Prospect House 2 Athenaeum Road London N20 9YU

Appointor Directors

**Changes in
office holder** None

**Details of any
extensions to
initial period of
appointment** Creditors agreed at the first meeting to a six month extension to the administration, at the joint administrators' discretion. This has been exercised and the administration extended to 10 November 2006.

3. Receipts and Payments

Attached at Appendix I is a detailed summary of the receipts and payments in the Administration to date. As creditors will note, the main assets realised have been cash at bank and pre appointment VAT remitted by the HM Customs and Excise.

4. Realisation of Assets

The main asset anticipated to be realised during the Administration period relates to the inter-company loan account balances owed by, or shareholdings in, other companies within the group. The recovery of the debts is reliant upon the success of asset recoveries within the subsidiaries in the group.

5. Investigations

I have reviewed the books and records of the Company and complied with my statutory duty to make enquiries into the formation, trading and demise of the Company, and the conduct of the directors, and to report my findings to the Secretary of State for Trade and Industry. The contents of my report are confidential.

6. Creditors' Claims

Should the Company's assets be realised, then there is the potential for a dividend distribution to the unsecured creditors of the Company. This prospect will be known in due course.

7. Administrators' Analysis of Time Costs

It was resolved at the meeting convened on 19 July 2005 that my remuneration be based on the time expended by my staff and me in dealing with matters arising in the Administration.

Appendix II in this report is an analysis of that time, prepared in accordance with the requirements of Statement of Insolvency Practice 9 ('SIP 9').

The time costs incurred up to date total some £121,255.50 at an average rate of £254.30 per hour, representing, 3.17 manager hours and 286.57 general staff hours. However, only £50,000 have been drawn in fees, as there are insufficient funds to discharge these costs.

8. Exit Route

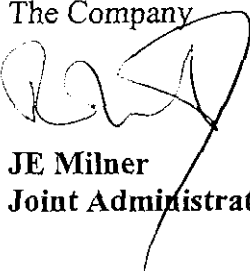
At present it appears highly likely that the Company will be placed into liquidation. This will occur at some stage between the date of this report and the end of the extension of the Administration, being 10 November 2006. This will enable the ongoing asset realisation attempts to continue, and appears the only option in light of the Company's continuing insolvent status. The Administrators shall have discretion to determine the most appropriate exit route.

9. Conclusions

Creditors will note that there is still the prospect of a possible dividend to creditors, resting primarily on the inter-company balance position. I will revert to creditors with an outcome in due course.

If any creditors have any queries in relation to this matter please do not hesitate to contact Stephen Wicks of this office.

Yours faithfully
For and on behalf of
The Company



JE Milner
Joint Administrator

Appendix I

TTG Europe Plc
(In Administration)
Receipts & Payments

	10 May 2005 to 9 November 2005 £	10 November 2005 to 9 May 2006	Total
ASSET REALISATIONS			
Cash at Bank	47,487		47,487
Cash on Hand	112	8	120
Interest	115	381	496
Insurance Refund	163		163
VAT Refund		72,739	72,739
	<u>47,877</u>	<u>73,129</u>	<u>121,006</u>
COST OF REALISATIONS			
Refund of post-appoint pensions	4,694		4,694
Storage costs	2,842	433	3,275
Administrators' Disbursements	1,702	1,704	3,406
Administrators' fees		50,000	50,000
Shipping		63	63
Courier		44	44
Travel		15	15
Company search		58	58
Accounting		643	643
	<u>9,238</u>	<u>52,961</u>	<u>62,199</u>
BALANCE IN HAND	<u>38,639</u>	<u>20,168</u>	<u>58,807</u>
REPRESENTED BY			
Interest Bearing Account	37,845	11,824	49,669
VAT Receivable	794	8,344	9,138

Appendix II

TTG Europe Plc
(In Administration)
SIP 9 Analysis of Time Costs, Summarised for
Period 10 May 2005 to 30 April 2005

Classification of work function	Director	Manager	Senior Professionals	Assistants	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	159.03	3.17	107.55	100.15	369.90	95,390.50	257.88
Investigations							
Realisation of assets	28.06				28.06	6,787.00	241.87
Pre Appointment							
Creditors			35.85	43.02	78.87	19,078.00	241.89
Total Hours	187.09	3.17	143.40	143.17	476.83	121,255.50	
Total Fees Paid						50,000.00	
Balance						71,255.50	