

The Insolvency Act 1986

Statement of administrator's proposals**2.17B**

Name of Company	Company number
1700 Group Plc	06240622
In the	Court case number
High Court of Justice, Chancery Division, Companies Court, London <small>[full name of court]</small>	257 / 2010

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

We,
Simon Peter Bower
5 Old Bailey
London
EC4M 7AF

David Paul Hudson
5 Old Bailey
London
EC4M 7AF

attach a copy of our proposals in respect of the administration of the above company.

A copy of these proposals was sent to all known creditors on

(b) Insert date

(b) 26 January 2010

Signed


 Joint Administrator

Dated

26.1.10

TUESDAY



A16

ACXHBH6Y

02/02/2010

319

COMPANIES HOUSE

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 searches of the public record.

Bradley Clifford	
Baker Tilly Restructuring and Recovery LLP, 5 Old Bailey, London EC4M 7AF	
Tel: 020 7002 8600	
DX Number 458	DX Exchange Chancery Lane

When you have completed and signed this form please send it to the Registrar of Companies at:

Companies House, Crown Way, Cardiff, CF14 3UZ

DX33050 Cardiff

**IN THE HIGH COURT OF JUSTICE, CHANCERY DIVISION, COMPANIES
COURT, LONDON**

**NO 257 OF 2010
NO 258 OF 2010**

**IN THE MATTER OF
1700 GROUP PLC
INSPIRED SELECTION LIMITED
- BOTH IN ADMINISTRATION**

JOINT ADMINISTRATORS COMBINED REPORT AND PROPOSALS

28 JANUARY 2010

**SIMON PETER BOWER AND DAVID PAUL HUDSON
JOINT ADMINISTRATORS**

APPOINTED 13 JANUARY 2010

**BAKER TILLY RESTRUCTURING AND RECOVERY LLP
5 OLD BAILEY
LONDON EC4M 7AF**

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1. JOINT ADMINISTRATORS' APPOINTMENT

Simon Peter Bower and David Paul Hudson of Baker Tilly Restructuring and Recovery LLP, 5 Old Bailey, London EC4M 7AF were appointed Joint Administrators ("Administrators") of 1700 Group Plc ("1700") and Inspired Selection Limited ("Inspired") (together "the Companies") on 13 January 2010 by the directors of the Companies.

The notices of appointment were filed in High Court of Justice, Chancery Division, Companies Court, London under reference numbers 257 of 2010 and 258 of 2010.

The Administrators' appointments specified that they would have power to act jointly and severally. The Administrators have exercised and will continue to exercise all of their functions jointly and severally as stated in the notices of appointment.

The Administrators are pleased to present their Proposals and Report in respect of both 1700 and Inspired pursuant to Paragraph 49 of the Insolvency Act 1986 (as amended) and Rule 2.33 of the Insolvency Rules 1986 (as amended).

Each set of proposals has been combined into this single document because the commercial affairs of 1700 and Inspired are closely linked. Where necessary, matters relevant to one company only are clearly identified.

2. STATUTORY INFORMATION

We attach as Appendix A and A1 extracts of statutory information, including details of the directors, company secretaries and secured creditors from the Companies' files held at Companies House.

Please note that the registered office of the Companies have been changed to c/o Baker Tilly Restructuring and Recovery LLP, 5 Old Bailey, London EC4M 7AF.

3. EVENTS LEADING UP TO THE ADMINISTRATION

Brief background

1700 and Inspired (incorporated on 9 May 2007 and 16 November 2000 respectively) formed part of a group ("the Group") comprising 1700, two trading subsidiary companies, Hamblyn Selection Limited and Inspired, and three non-trading subsidiary companies, Personal Brandspirit Limited, Media Union Limited and Evolution Selection Limited (together "the Dormants"). The Group operated in the media and publishing recruitment sectors.

1700 was listed on the AIM in January 2008 in order to raise funds to purchase Inspired. Senior debt finance was provided by Barclays Bank PLC ("the Bank"), secured by fixed and floating charges over the Group assets and a composite cross guarantee in favour of the Bank under which both 1700 and Inspired were obligors. The Group's trading performance suffered a decline from October 2008 and management reacted by reducing headcount and salaries/commissions. This, combined

with the impact of the wider economic downturn, resulted in 1700 being delisted in December 2008.

It subsequently became clear to the directors that the Group would not be able to service Bank debt, and a capital repayment holiday was agreed until October 2009.

The Group's income was further affected by a downturn in trade which, in turn, compromised the Companies' abilities to meet certain long term and contingent liabilities as they fell due.

In view of the Group's financial distress, a number of options were considered (discussed in detail below) including a solvent restructuring process involving a debt for equity swap. It became clear that this was unachievable due to conflicting stakeholder interests and ongoing trading performance.

It was ultimately concluded that a pre packaged Administration sale of the Group's assets was the only method of preserving intrinsic value.

Following a period of targeted marketing and negotiations, a sale of the trade and assets of Inspired and a sale of the ordinary share capital of Hamblyn and the Dormants was completed shortly after the Administrators were appointed on 13 January 2010.

Company's trading history

Relevant extracts from the company's audited financial statements and management accounts are summarised below.

	Management accounts to 30/9/09	Audited accounts to 31/3/08
1700 Group plc		
Balance Sheet	£'000	£'000
Non-current assets		
Investments in subsidiaries	5,025	5,025
Current assets		
Trade and other receivables	34	675
Cash and cash equivalents	0	144
Total current assets	34	819
Total assets	5,025	5,844
Current liabilities		
Trade and other payables	40	870
Borrowings	44	400
Total current liabilities	84	1,270
Non-current liabilities		
Borrowings	1,000	900
Intercompany	954	-
Total liabilities	1,954	2,170
Net assets	3,021	3,674
Equity		
Share capital	163	160
Share premium account	3,758	3,651
Retained profit / (loss)	(900)	(137)
Total equity attributable to equity holders	3,021	3,674

Consolidated Group figures	3 Months to 30/06/09	12 Months to 31/03/09	12 Months to 31/03/08
	£'000	£'000	£'000
Gross profit	149	867	312
Profit before tax	(18)	(132)	20
Profit/(loss) after	(18)	(132)	13
Type of Accounts	Management	Management	Audited

Inspired Selection Limited	Management accounts for 30/9/09	Audited accounts to 31/3/08	Audited accounts to 31/3/07
	£000s	£000s	£000s
Balance Sheet			
Non-current assets			
Tangible fixed assets	-	33	46
Current assets			
Trade and other receivables	77	711	219
Intercompany loan	1,466		
Cash and cash equivalents	3	175	432
Total current assets	1,546	886	651
Current			
Amounts falling due within one year	(187)	(209)	(246)
Provision for liabilities and charges	-	(4)	(4)
Net assets	1,359	706	447
Equity			
Share capital	-	-	-
Share premium account	5	5	5
Retained profit	1,354	701	442
Total equity attributable to equity holders	1,359	706	447

Inspired Selection Limited Profit and loss account	Management accounts for 6 months to 30/9/09	Management accounts for year to 31/3/08
	£	£
Sales	351,161	1,358,900
Cost of sales	(160,765)	(597,761)
Gross profit	190,396	761,139
Rent and rates	(43,359)	(81,368)
Other overheads	(55,740)	(158,021)
EBITDA	91,297	521,750

4. STATEMENT OF AFFAIRS

The directors' estimated Statements of Affairs as at 13 January 2010 are shown at Appendix B.

The value at which creditors' claims are stated in the Statements of Affairs are those provided by the Directors of the Companies and it is possible that some balances may not be wholly correct. In addition, certain claims may be subject to change.

The agreement of creditors' claims by the Administrators (or any subsequently appointed Supervisor or Liquidator) is a separate matter and will be dealt with as appropriate in due course, initially by reference to the proofs of debt lodged in the proceedings by creditors themselves.

The "Prescribed Part" is a statutory amount of the Companies' assets subject to a floating charge to be set aside for the benefit of the Companies' unsecured creditors.

We do not propose to make an application to court under Section 176A(5) of the Insolvency Act 1986 (as amended) for an order displaying the Prescribed Part provisions as we do not believe that there will be sufficient net property to allow a prescribed part distribution.

Whilst there are creditors secured by fixed and qualifying floating charges over the assets and undertakings of the Companies, those creditors will receive no recovery under their floating charges. There is therefore no requirement to estimate the amount of the Prescribed Part of the assets under Section 176A of the Insolvency Act 1986 (as amended).

5. CONDUCT OF THE ADMINISTRATION

Paragraph 3 to Schedule B1 to the Insolvency Act 1986 (as amended) sets out the purposes of an administration. An Administrator must perform his functions with the objective of:

- (a) rescuing a company as a going concern, or
- (b) achieving a better result for a company's creditors as a whole than would be likely if the company were wound up (without first being in administration), or
- (c) realising property in order to make a distribution to one or more secured or preferential creditors.

a) Rescuing the Companies as going concerns

As mentioned in section 3 of this report this outcome was deemed unachievable.

b) Achieving a better result for creditors as a whole than if the Group were wound up

The pre-administration valuation and marketing exercise clearly indicated a significant deficiency in the value of the Companies' assets relative to liabilities secured by fixed and floating charge security.

As a consequence, the only theoretical return to the Companies' unsecured creditors was deemed to be a potential dividend payment drawn from a ring fenced fund (known as the "prescribed part"), derived from floating charge asset realisation. However, because of a lack of floating charge assets with the Companies' balance sheets, it seemed extremely unlikely that a prescribed part dividend would be available to unsecured creditors.

In any event, the prescribed part provisions apply equally in either administration or liquidation.

For these reasons, objective B was deemed unachievable.

c) Realising property to make distributions to secured and preferential creditors

The Joint Administrators are pursuing objective (c) as there will be a return to the secured creditor from the sale of the Companies assets.

Conduct of the Administration

Background

Prior to the appointment of the Joint Administrators, Baker Tilly Restructuring and Recovery LLP was engaged by the Bank to carry out an Independent Business Review ("IBR"). The initial engagement letter was signed on 17 August 2009 and the IBR took place in various phases over the course of Q3 and Q4 2009.

The IBR concluded that the Group had become unable to service its significant debt burden and meet capital repayment obligations to the Bank. Furthermore, it was clear that the Group's ability to meet a number of other liabilities had become uncertain, in particular 1700's obligation to settle a vendor loan (£100k) due for repayment in January 2010. Inspired also faced a potential contingent obligation to settle an historic corporation tax liability relating to pre-acquisition profits.

Options

In view of the Group's financial circumstances a number of options were presented to the Bank and the Directors.

Solvent Restructuring

As with any "people" business, the intrinsic value of the Group's trade and assets was inextricably linked to the expertise, knowledge and relationships with key clients of its senior management team. It was therefore deemed essential to ensure they were appropriately incentivised through equity participation in any restructuring process.

A solvent restructuring would have been a tax efficient way of capitalising a proportion of the Group's secured Bank debt, issuing shares to the Bank and thereby improving profitability. However, senior management made it clear that, given the current capital structure, a share issue would have diluted their equitable interests to such an extent that they would have had no incentive to continue working for the Group.

Liquidation

With few tangible assets to realise, the cessation of trade upon liquidation would have immediately destroyed the intrinsic value of the Group's intangible assets, particularly as customers would have switched to alternative suppliers.

Trading administration

Two key pre-requisites for a successful trading administration are:

- 1) a belief that one of the statutory purposes of administration is achievable;
- 2) sufficient funding.

Experience shows that the value of a business based upon intangible assets (such as the expertise of its staff and the ongoing support of its customer base) rapidly dissipates once an administrator is appointed. The key reason for this tends to be the loss of key staff and customers to competitors, who can effectively procure the benefit of the trade without going through the formalities of a sale process.

In the Group's case, a trading administration would have almost certainly resulted in any value being extinguished. For that reasons alone, the purpose of a trading administration would not have been achievable

Furthermore, no sources of funding required to support trading in an administration could be identified.

"Pre-package" Administration

Overview

To ensure the preservation of value in the businesses by securing a seamless transfer of its trade and assets, a pre packaged administration sale was recommended.

The Bank and Directors accepted this recommendation and the process was undertaken in accordance with Statement of Insolvency Practice 16, a copy of which can be viewed at www.r3.org.uk/publications - statements of insolvency practice.

Valuation

Baker Tilly Corporate Finance LLP ("BTCF") was engaged to provide a valuation of the Group's trade and assets and to undertake a discreet marketing exercise in advance of any insolvency process.

Their valuation range was £145,000 to £510,000.

The lower value was based on a multiple of current year Group EBITDA using quoted comparables, and the upper end valuation was based on the forecast Group EBITDA subject to a reduced weighting to reflect the underlying uncertainties in the market and the Group's recent financial performance.

It was assumed that the value achievable would fall towards the lower end of the valuation range given the risk to any purchaser of retaining key staff and customers.

Marketing

A period of targeted marketing was undertaken to ascertain the level of interest in the Group's assets.

This involved approaching a targeting list of known financial buyers, as well as the existing shareholders (including minority shareholder who had previously sold Inspired to 1700).

An Information Overview ("IO") was produced by the Directors, to be issued following receipt of a signed non-disclosure agreement ("NDA").

Initial expressions were very limited and only one party agreed to sign the NDA. However, having reviewed the IO, that party chose not to progress their initial interest. This level of interest is consistent with BTCF and our recent experiences in this type of business.

The only offer made for the Group's assets was received from 1801 Group Limited ("1801") and a subsidiary company now known as Inspired Publishing Selection Limited ("IPSL") (together, "the Purchasers").

The directors and shareholders of 1801 are Mr Steve Hyde, Mr David Mansfield and Mr Andrew Mintern. Mr Hyde, Mr Mansfield and Mr Mintern are also directors and shareholders of 1700.

The first part of the offer was for 1801 to purchase:

- the entire share capital of Hamblyn Selection Limited;
- the entire share capital of The Media Union Limited (dormant);
- the entire share capital of Evolution Selection Limited (dormant);
- the entire share capital of Personal Brandspirit Limited (dormant).

The second part of the offer was for IPSL to purchase the trade and assets of Inspired.

The consideration offer was:

- £248,776 for the trade and assets of Inspired
- £1 for the share capital of Hamblyn Selection Limited
- £1 for the share capital of The Media Union Limited
- £1 for share capital of Evolution Selection Limited
- £1 for the share capital of Personal Brandspirit Limited

The total consideration was £248,780.

The purchase was funded by a new debt facility provided to the Purchasers by the Bank.

The sale was completed on 13 January 2010 immediately after the Companies were placed into administration.

In accordance with the sale and purchase agreement, Inspired Publishing Selection Limited has been granted a licence to occupy the Companies' former premises for a period of 6 months whilst an assignment of the current lease is negotiated with the landlord.

The remuneration of Baker Tilly Restructuring and Recovery LLP for carrying out the business review and the work required to place the Companies into Administration was as follows:

- £15,032 plus disbursements and VAT (a total of £17,286.34) in respect of the business review. This was paid by the Group prior to administration, with the agreement of the Bank whose overdraft has increased as a consequence.
- £20,000 plus disbursements and VAT (a total of £23,595.36) for work undertaken prior to administration in respect of the pre-pack sale, and for preparations required to place the Companies into Administration. The Bank has agreed to settle this bill directly.

Lawrence Graham LLP was instructed to provide legal advice in respect on the sale of Companies' assets and for undertaking legal work required to place the companies into Administration.

Lawrence Graham's fees to date total £20,000 plus VAT and disbursements and these will also be settled directly by the Bank.

6. JOINT ADMINISTRATORS RECEIPTS AND PAYMENTS

We attach as Appendix C a summary of our receipts and payments.

Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue & Customs shown separately.

7. JOINT ADMINISTRATORS' STATEMENT (NO CREDITORS' MEETING)

In accordance with Paragraph 52(1) of Schedule B1 to the Insolvency Act 1986 (as amended), the Administrators are not convening meetings of creditors because in their opinion:

- The Companies have insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of the Prescribed Part (if at all).
- Neither of the statutory purposes of administration of (1) rescuing the Companies as a going concern and (2) achieving a better result for the Companies' creditors as a whole than would be likely if the Companies were wound up (without first being in administration) can be achieved.

Under Paragraph 52(2) of Schedule B1 to the Insolvency Act 1986 (as amended), the Administrators shall convene a meeting of creditors if so requested by creditors of the company whose debts amount to at least 10% of the total debts of the company. Such request must be submitted in writing to the Administrators on Form 2.21B within 12 days of the date on which these proposals are sent out, and the Administrators may require any such creditor to lodge with him a deposit, at an amount to be determined by the Administrators, as security for expenses of convening a meeting. Form 2.21B is available on request.

Under Rule 2.33(5) of the Insolvency Rules 1986 (as amended) the Administrators' Proposals shall be deemed to be approved if no creditors' meeting has been requisitioned within the specified time period as set out above.

Creditors are also entitled at a meeting of creditors to establish a Creditors' Committee should they so wish, provided that there is no fewer than three and no more than five wishing to be represented on the Committee.

8. JOINT ADMINISTRATORS' PROPOSALS

The Administrators' proposals in relation to the Companies are:

- A** The Administrators arrange to distribute available funds from the realised assets to those creditors entitled to them in such manner as they consider will lead to a distribution of the available assets in a timely and economic manner to those creditors entitled to them.
- B** The Administrators be authorised to make such applications to Court for directions as they consider appropriate with a view to achieving the purposes of the Administrations, and/or their proposals.
- C** Creditors should be asked to consider, and if thought fit, appointing a creditors' committee to assist the Administrators in dealing with the assets and affairs of the Companies.
- D** In the event that a creditors' committee is not established, the Administrators should be authorised to draw their remuneration in accordance with rule 2.106(2)(b) of the Insolvency Rules 1986 (as amended) out of the assets of the Companies, with reference to time properly given by the Administrators and their staff in attending to matters arising in the administrations.
- E** In the event that a creditors' committee is not established, the Administrators should be authorised to draw their disbursements and other expenses out of the assets of the Companies, including "Category 2 disbursements" as defined in Appendix E.
- F** If an application for permission to make a distribution to unsecured creditors of the Companies is approved by the Court pursuant to paragraph 65(3) of Schedule B1 to the Insolvency Act 1986 (as amended), the administration should be brought to an end when all of the property and assets of the Companies have been realised and distributed (after deduction of costs and expenses).
- G** If a distribution is made to unsecured creditors in accordance with paragraph F above, or if the Administrators are of the opinion that the Companies has no property which might permit a distribution to its creditors, the Companies may exit the administration by way of dissolution pursuant to paragraph 84 of Schedule B1 to the Insolvency Act 1986 (as amended).
- H** In the event that a creditors' committee is not established, the Administrators should be discharged from liability immediately following their cessation to act in respect of any action of theirs as Administrators.
- I** That Simon Peter Bower and David Paul Hudson of Baker Tilly Restructuring and Recovery LLP, 5 Old Bailey, London, EC4M 7AF be appointed Joint Liquidators of the Companies following the cessation of the Administrations, should the Administration be exited pursuant to paragraph 83 of Schedule B1 of the Insolvency Act 1986, as amended.

J That the remuneration of the Joint Liquidators be fixed reference to the time properly given by them and their staff in attending to matters arising in the winding up, and may be drawn on account as and when funds permit, at Baker Tilly Restructuring and Recovery LLP standard charge out rates which are reviewed periodically.

K That the Joint Liquidators be authorised to draw "Category 2" disbursements out of the assets of the Companies as an expense of the liquidation, further to the terms of Baker Tilly Restructuring and Recovery LLP Charging and Disbursements policy.

9. PROPOSED EXIT FROM ADMINISTRATION

It is proposed that the Companies shall exit Administration by way of Paragraph 84 of Schedule B1 to The Insolvency Act 1986, as amended, whereby the Companies are dissolved approximately 3 months following the filing of the notice of the completion of the Administrations in the prescribed form is filed with the Registrar of Companies.

Should it be necessary to exit the Administrations pursuant to Paragraph 83 of Schedule B1 to The Insolvency Act 1986, as amended, being by means of placing the Companies into Creditors Voluntary Liquidation, it is proposed that and Simon Peter Bower and David Paul Hudson of Baker Tilly Restructuring and Recover LLP, 5 Old Bailey, London EC4M 7AF be appointed Joint Liquidators of the Companies following the cessation of the Administrations. Simon Peter Bower is licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants and David Paul Hudson is licensed to act as an Insolvency Practitioner in the UK by the Insolvency Practitioners Association.

Creditors should note that they may nominate a different person as the proposed Liquidator, provided that the nomination is made after the receipt of the proposals by creditors and before the proposals are approved.

10. DISCHARGE FROM LIABILITY

As there is unlikely to be any return to unsecured creditors we will, in accordance with legislation, be seeking a resolution from the secured creditors, as appropriate for discharge from liability in respect of any action of ours as Administrators to take effect immediately following our cessation to act as Administrators.

11. DIVIDEND PROSPECTS

Secured Creditors

Barclays Bank plc has a fixed and floating charge over the whole of the assets of the Companies in respect of its lending secured by cross corporate guarantee. These charges were created on 10 January 2008 and registered on 15 January 2008.

The Bank is likely to receive a distribution of c.£200k in respect of total debt of over £1m.

Preferential Creditors

There are no preferential creditors as staff have transferred under the provision of the Transfer of Undertakings (Protection of Employment) Regulations 2006 to IPSL.

Unsecured Creditors

There will be no return to unsecured creditors.

12. JOINT ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS

As there is unlikely to be any return to unsecured creditors we will, in accordance with legislation, agree our fees and disbursements with the secured creditors, as appropriate.

We shall propose to them that the Administrators shall be authorised to draw their remuneration (based upon their time costs, by reference to the time properly given by the Administrators and their staff, in attending to matters arising in the administrations at Baker Tilly Restructuring and Recovery LLP standard hourly rates, current details of which are attached at Appendix E, but which are reviewed periodically) to be paid out of the assets of the company and which may be drawn on account as and when funds permit.

Expenses and disbursements which are not capable of precise identification and calculation require approval prior to being drawn from the assets of the company ("Category 2" disbursements). We shall propose that the Administrators shall be authorised to draw their disbursements and other expenses incurred by them in the administration, to be paid out of the assets of the company, such disbursements to include "Category 2 disbursements" at the rates disclosed in Appendix E.

For your information the following documentation is attached:

- Appendix D: Joint Administrators' time cost analysis
- Appendix E: Joint Administrators' charge out and disbursement rates
- Appendix F: Summary of payments to Joint Administrators and associated parties
- Appendix G: Charging, expenses and disbursement policy statement

A Creditors Guide to Administrators' Fees, a guide in relation to the remuneration of Administrators, can be accessed at the website of the Association of Business Recovery Professionals at:

www.r3.org.uk/publications - statements of insolvency practice (Statement of Insolvency Practice 9 – Remuneration of Insolvency Office Holders England & Wales).

Alternatively, we can provide you with a copy on written request to our office.

Administrators' time costs

The following is a narrative summary of the tasks carried out by us:

Administration and Planning

This includes day-to-day administrative duties and dealing with statutory duties and responsibilities, including advertising notice of the administrations, providing notice to creditors, dealing with the submission of the Statements of Affairs and filing necessary documents at Companies House. Other duties include handling and recording receipts and payments; VAT and Corporation Tax issues such as the periodic VAT returns; pension queries and general correspondence.

Investigations

In accordance with our statutory obligations under the Company Directors' Disqualification Act 1986, we will be filing the appropriate documentation on the conduct of the directors with the Department of Business, Enterprise & Regulatory Reform.

Realisation of Assets

Our staff have been assisting with various matters such as finalising the sale agreement and handling queries from interested parties.

Creditors

Queries and correspondence with creditors and employees have been necessary aspects of the administration process. The preparation of the Administrators' Proposals has been undertaken including the attendant aspects of providing and obtaining the required information etc.

Administrators' disbursements

To date we have not drawn any of our disbursements incurred.

13. EC REGULATIONS

It is considered that the EC Regulations will apply and that these proceedings will be main proceedings as defined in Article 3 of the EC Regulations as the centre of main interest of the company is in England and Wales.



Simon Bower
Baker Tilly Restructuring and Recovery LLP
Joint Administrator

Encls

Simon Bower is licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales
David Hudson is licensed to act as an Insolvency Practitioner in the UK by the Insolvency Practitioners Association

**The affairs, business and property of the company are being managed by the Joint Administrators who act as agents of the company
and without personal liability**

STATUTORY INFORMATION

COMPANY NAME:	1700 Group Plc
PREVIOUS COMPANY NAMES:	Stepping Stone Associates Plc Stepping Stone Associates Ltd BDBCO No. 813 Ltd
COMPANY NUMBER:	06240622
DATE OF INCORPORATION:	9 May 2007
TRADING NAME:	1700 Group Plc
TRADING ADDRESS	153-155 Hedges House Regent Street London W1B 4JE
PRINCIPAL ACTIVITY:	Holding Company
REGISTERED OFFICE:	5 Old Bailey London EC4M 7AF
SHARE CAPITAL:	162,950,500 £1 Ordinary shares
NOMINAL & ISSUED SHARE CAPITAL	Issued £162,950,500 £1 Ordinary shares
SHAREHOLDERS:	See attached list
DIRECTORS:	Stephen Hyde David Mansfield Andrew Minter
SECRETARY:	Christopher Delacombe
MORTGAGES AND CHARGES:	Guarantee & Debenture created on 10 January 2008 and registered on 15 January 2008 in favour of Barclays Bank Plc.

STATUTORY INFORMATION

COMPANY NAME:	Inspired Selection Limited
PREVIOUS COMPANY NAMES:	Crystalstop Limited
COMPANY NUMBER:	04108946
DATE OF INCORPORATION:	16 November 2000
TRADING NAME:	Inspired Selection Limited
TRADING ADDRESS	153-155 Hedges House Regent Street London W1B 4JE
PRINCIPAL ACTIVITY:	Labour recruitment in media & publishing industry.
REGISTERED OFFICE:	5 Old Bailey London EC4M 7AF
SHARE CAPITAL:	4 £1 Ordinary shares
NOMINAL & ISSUED SHARE CAPITAL	Issued: 4 £1 Ordinary shares
SHAREHOLDERS:	1700 Group Plc
DIRECTORS:	Stephen Hyde Andrew Minter
SECRETARY:	Christopher Delacombe
MORTGAGES AND CHARGES:	Guarantee & Debenture created on 10 January 2008 and registered on 15 January 2008 in favour of Barclays Bank Plc.

Statement of affairs

Name of Company
1700 Group Plc

Company number
06240622

In the High Court Justice, Companies Court, The Strand,
London

Court case number
257 of 2010

(a) Insert name and address of
registered office of the company

Statement as to the affairs of (a) 1700 Group Plc, 50 Broadway, London, SW1H 0BL on the (b) 13
January 2010, the date that the company entered administration.

(b) Insert date

Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the
affairs of the above named Company as at (b) 13 January 2010 the date that the Company entered
Administration.

Full name Stephen Andrew Hyde

Signed [Signature]

Dated 22/01/2010

A – Summary of Assets

Assets

Assets subject to fixed charge:

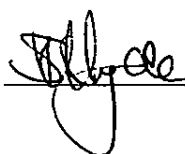
Assets subject to floating charge:

Uncharged assets:

Estimated total assets available for preferential creditors

Book Value £	Estimated to Realise £
NONE	NONE
NONE	NONE
NONE	NONE
—	—

Signature

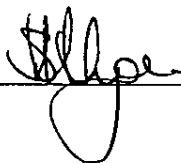


Date 22/01/2010

A1 – Summary of Liabilities

	Estimated to realise £
Estimated total assets available for preferential creditors (carried from page A)	£
Liabilities BARCLAYS BANK PLC	£
Preferential creditors:-	(1,000,190.99) -
Estimated deficiency/surplus as regards preferential creditors	£
Estimated prescribed part of net property where applicable (to carry forward)	£ —
Estimated total assets available for floating charge holders	£
Debts secured by floating charges	£ —
Estimated deficiency/surplus of assets after floating charges	£
Estimated prescribed part of net property where applicable (brought down)	£ —
Total assets available to unsecured creditors	£
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	£ —
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)	£
Shortfall to floating charge holders (brought down)	£ (1,000,190.99)
Estimated deficiency/surplus as regards creditors	£
Issued and called up capital	£ 4,493,020
Estimated total deficiency/surplus as regards members	£

Signature



Date

22 / 01 / 2010

COMPANY CREDITORS

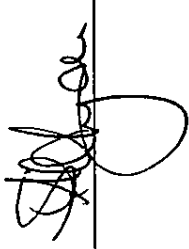
Note: You must include all creditors and identify all creditors under hire-purchase, chattel leasing or conditional sale agreements *and* customers claiming amounts paid in advance of the supply of goods or services *and* creditors claiming retention of title over property in the company's possession.

Name of creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
J HYDE	96 Evesham Road, NEETHLEY NR ALCESTER, WARWICKSHIRE B44 5LW	100,000	—	—	—
HMRC PAYE	CHapel WArF AREA	8,751	—	—	—
HMRC NI	TRINITY BRIDGE HOUSE 2 DEARMAN'S PLACE, STILFORD N3 5BS	6000	—	—	—
INSPIRED SELECTION LTD		1,623,459	—	—	—
BARCLAYS BANK	TERM LOAN } 1 CHURCHILL PLACE LONDON	1,000,190	FLOATING CHARGE	14/1/08	FULL
BARCLAYS BANK	OVERDRAFT } E14 5HP.	50,200	^	^	^
BAKER TILLY	SOLD BAILEY, LONDON EC4M 7AF	14,286	—	—	—

Signature  Date 22/01/2010

COMPANY SHAREHOLDERS

Name of Shareholder	Address (with postcode)	No. of shares held	Nominal Value	Details of Shares held
SEE ATTACHED	LIST FROM CO SECRETARY.			
TOTALS				

Signature  Date 22/01/2010

Name	AccountRef	Address1	Address2	Address3	Address4	Address5	Postcode	Holding
MR ANTHONY STUART AYWARD		5 DALE CLOSE	FRANKHAM	SURREY			GU10 4PQ	44606
BARCLAYSHARE NOMINEES LIMITED AC		1 CHURCHILL PLACE	LONDON				E14 5HP	231276
40/1701/1871733		1 CHURCHILL PLACE	LONDON				E14 5HP	514 5HP
MR FRANK ROGER BARRON		5 MAGNOLIA CLOSE	BOURNEMOUTH	LINCOLNSHIRE			BH6 4LO	65000
MR CHRISTOPHER JOHN BAXTER		25 ASHBY MEADOWS	SPILSBY	NORTH SOMERSET			PE23 5ON	40404
MR GORDON BROOKS		BROOK MOOR	WEMBLEY ROAD	WEMBLEY			UB11 1NP	21000
MR ARTHUR BURCHAM		KOGALA	THE DRIVE	WIRRAL			RH14 0TD	100407
MR COLIN ROBERT CALLISTER		34 BERWYN AVENUE	THINGWALL	SURREY			CR8 7UW	60006
MR ROY REGINALD CAIT		12 NINEHAMS CLOSE	CATERHAM				CR3 5LO	36093
MR ALAN COCKS		A3 SHAFTESBURY DRIVE	MAIDSTONE	DEVON			ME16 0UR	40404
MR JOSEPH MICHAEL CORNTHWAITE		THE FOLD	CLAPHAM ROAD	AUSTWICK			L42 8BE	65006
MR GEORGE COULTS		66 GLENSHIEL PLACE	PAIGNTER				NZ2 4PU	40404
MR DAVID JOHN CROWE		11 PRIMLEY PARK	PAIGNTER	DEVON			EX11 3JP	30000
MR GEORGE CRICKSHANK		THE GART	CALANDER	PERKINS			PK17 8LE	30000
MR ALFRED DAVIS		24 WOOD MOUNT	TILFURST	READING			RG13 8LT	684513
DSL CLIENT NOMINEES LIMITED	AGJ90001	2ND FLOOR	OVERTON	GLASGOW			W4 459	60006
BERB0006		2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	121212
DSL CLIENT NOMINEES LIMITED	BER0003	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	20000
DSL CLIENT NOMINEES LIMITED	CHP90002	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	20000
DSL CLIENT NOMINEES LIMITED	COC90003	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	10000
DSL CLIENT NOMINEES LIMITED	DAAR0001	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	35000
DSL CLIENT NOMINEES LIMITED	DEJ90006	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	25000
DSL CLIENT NOMINEES LIMITED	DN90004	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	60000
DSL CLIENT NOMINEES LIMITED	DQA90004	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	30000
DSL CLIENT NOMINEES LIMITED	GAC90005	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	40000
DSL CLIENT NOMINEES LIMITED	GIR90002	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	20000
DSL CLIENT NOMINEES LIMITED	HAM90009	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	25000
DSL CLIENT NOMINEES LIMITED	HOC90001	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	40000
DSL CLIENT NOMINEES LIMITED	HUD90003	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	50000
DSL CLIENT NOMINEES LIMITED	JOC90003	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	50000
DSL CLIENT NOMINEES LIMITED	JON90001	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	50000
DSL CLIENT NOMINEES LIMITED	KIR90002	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	50000
DSL CLIENT NOMINEES LIMITED	LAR90003	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	10000
DSL CLIENT NOMINEES LIMITED	MED90003	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	60000
DSL CLIENT NOMINEES LIMITED	MOK90003	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	25000
DSL CLIENT NOMINEES LIMITED	MOR90004	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	50000
DSL CLIENT NOMINEES LIMITED	PAP90001	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	50000
DSL CLIENT NOMINEES LIMITED	RPM0001	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	30000
DSL CLIENT NOMINEES LIMITED	ROG0001	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	30000
DSL CLIENT NOMINEES LIMITED	SHR90003	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	30000
DSL CLIENT NOMINEES LIMITED	SHW90001	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	50000
DSL CLIENT NOMINEES LIMITED	STC90006	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	50000
DSL CLIENT NOMINEES LIMITED	STR90002	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	20000
DSL CLIENT NOMINEES LIMITED	TQA0001	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	15000
DSL CLIENT NOMINEES LIMITED	WAG90006	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	20000
DSL CLIENT NOMINEES LIMITED	WED90002	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	25000
DSL CLIENT NOMINEES LIMITED	WIC0001	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	40000
DSL CLIENT NOMINEES LIMITED	WHR90002	2ND FLOOR	4 WEST REGENT STREET	GLASGOW			G2 1RW	30000
MR DAVID ANTHONY ELLEMAN		9 DURWESTON CLOSE	BOURNEMOUTH	DORSET			BH9 3QB	20000
MR KEITH FLANAGAN		38 VICTORIA CLOSE	HORSFORTH	LEEDS			LS18 4PS	101010
MR ALEXANDER NOBLE FORDYCE		39 KIRKBY DRIVE	PETERHEAD	ABERDEENSHIRE	SCOTLAND		AB42 1TG	40404
MR CYRIL FROGGATT		74 BRAXTED PARK	GREAT BADDOW	CHELMSFORD	ESSEX		CM2 7HY	60006
NORMAN GEBBIE & PATRICIA GEBBIE		5 SWINDON MANOR	MANOR ROAD	SWINDON VILLAGE			SW16 3AU	60006
GILTSUR NOMINEES LIMITED		PO BOX 1045	TIME CENTRAL	GALLOWGATE	NEWCASTLE UPON TYNE		GL51 9TP	125000
MR DAVID ARTHUR GLADSTONE		1 MOUNTFORT TERRACE	LONDON				NE38 1NU	25000
MR JACK GOOD		35 AVENUE COURT	WESTGATE	BRIDLINGTON			NT 1JJ	101010
MR ROGER GOODING		6 BUTTERCROSS LANE	PRESTBURY	CHELTENHAM			GL52 5SF	40404
MR GODFREY GRAY		6 TRAFALGAR ROAD	LONG EATON	NOTTINGHAM			NG10 1DD	101010
MR GRAHAM GRIFFIN		66 MONK STREET	ABERDARE				CF44 7PA	60006
MR RICHARD CLYD GRIFITHS		MAES ALYN LOGGHEHEADS ROAD	CILICAN	MOLD			CH7 5PG	60006
MR RONALD TYRONE GRIFITHS		5 SPRINGFIELD CLOSE	CHESHAM	BUCKINGHAMSHIRE			HP5 1PU	50000
MR DAVID JOHN GRIMWADE		2 MELBOURNE CLOSE	ORPINGTON	KENT			BR6 0BJ	40404
MR DAVID GRUNSHAW		24 BEDE CLOSE	QUARRINGTON	SLEAFORD			NG34 8WE	100000
MR DOUGLAS ALBERT NORMAN HALLS		19 CLEARVIEW	SHIRENEWTON	CHEPSTOW	GWENT		NP16 6AX	50000
MR TERENCE HARRIS		7 LORD LAMIER PLACE	WULFERTON	SURREY			CR8 8EP	4232
MODLESS BRENNAN PLC		4TH FLOOR	HAMERSMITH	LONDON			W8 9UB	25000
WOLFE & CO		40 MARSH WALL	LONDON				E14 9TP	102530
DSL CLIENT NOMINEES LIMITED	46- H023863	EXCHANGE PLACE	POSEIDON WAY	WARWICK			CV46 6BY	25000
DSL CLIENT NOMINEES LIMITED	W06	TRINITY ROAD	HAULFAX				HX1 2EG	45172
MR FREDERICK HUMPHREY		15 HANGLETON CLOSE	HAULFAX				HX1 2EG	45172
STEPHEN ANDREW HYDE		32 QUARRY GARDENS	LEATHERHEAD	EAST SUSSEX			BN3 8LT	50000
							KT22 8UE	7516900

Name	AccountRef	Address1	Address2	Address3	Address4	Address5	Postcode	Holding
HYTHE NOMINEES LIMITED		HYTHE HOUSE	337 CITY ROAD	LONDON			EC1V 1LJ	176787
ISS EUROPE LIMITED	ADAMGT	CO ADM INVSTOR SERVICES INTL LTD	4TH FLOOR	MILLENNIUM BRIDGE HOUSE	2 LAMBETH HILL	LONDON	EC4V 3JT	1713461
ISS EUROPE LIMITED		1 COMMUNITY QUAY	8 CANADA SQUARE	LONDON			E1W 7AZ	28
JAMES CAPEL (NOMINEES) LIMITED	H58C39	HSBC BANK PLC	PRESTBURY	MAGLESFIELD	CHESHIRE		E14 5HQ	316617
MR MICHAEL JAMES		18 MEADOW DRIVE	CHANDLER'S FORD	MAGLESFIELD	CHESHIRE		SK10 4EZ	30008
MR JACK KENRICK		72 OAKMOUNT ROAD	PRESTBURY	MAGLESFIELD	CHESHIRE		SK10 4EZ	30008
MR GEOFFREY KIDD		1 BRIDGE GREEN	THATCHAM	BERKSHIRE			RG18 3EF	33328
MR ALAN LILLEY		31 BROWNING CLOSE	FLEETWOOD	LANCS	BEDFORDSHIRE		SG7 7NG	101010
MR ANDREW LLOYD		45 HOMESTEAD WAY	MEPPERSHALL	SHREFFORD			SG7 7NU	101010
MR PETER BRIAN LONGLAND		66 FLYDKE ROAD	SHREFFORD	HERTFORDSHIRE			SG7 7NU	101010
MR DAVID BINGLEY LUNN		52 SLINN STREET	POTTERS BAR				EN9 1NA	3000
MR ROBERT MACDONALD		17 MELROSE AVENUE	LONDON				SW17 1TA	40404
DAVID JAMES MANSFIELD		16 SUDBROKE ROAD	102 NORTHFIELD LANE	HORBURY	WAKEFIELD		WF4 2AS	14135189
MR DANIEL MELORUM		SOUTHLANDS	35 BRISTOL GARDENS	SEVENOAKS			W19 2JG	25000
MR BERNARD OSBORN		COLYERS	WEST HEATH LANE	SEVENOAKS			TN13 3JA	6504135
MR ZABLO ORYARO		117 HOSKINS CLOSE	VICTORIA DOCK	KENT			TN13 3JA	5000
MR JOHN & MRS STELLA PARSONS		AROSA	51 KINGS ROAD	BERKHAMSTEAD	LONDON		E16 3PU	8053
PERKINS NOMINEES LIMITED	GOCLT	CAPSTAN HOUSE	ONE CLOVE CRESCENT	EAST INDIA DOCK	HERTFORDSHIRE		HP14 3BP	10000
PERKINS NOMINEES LIMITED	GWCLT	CAPSTAN HOUSE	ONE CLOVE CRESCENT	EAST INDIA DOCK	LONDON		E14 2BH	8000
MR ANDREAS PETHIOPOULOS		11 KINGS ROAD	SEDGLEY PARK	PRESTWICH	LONDON		E14 2BH	40000
MR ERNEST POLLITT	POOL	2 DARTINGTON CLOSE	BRAMHALL	MANCHESTER			M23 9LE	2300
MRS SAMANTHA POOLE	POOL	3 SHERIDAN WAY	CHADDERTON	OLDHAM			SK7 3DB	2300
MR MICHAEL HENRY PORTER OBE & MRS RITA				CHADDERTON	LANCASHIRE		OL9 8UY	12300
CO ROOTHY PORTER								
MR STEPHEN POTTER								
PRISM NOMINEES LIMITED	PRIS	168 BISHOPS-TEGTON	SHOEBURNESS	ESSEX			S33 8BQ	40004
PUMA NOMINEES LIMITED	SUPRINC	RODDIS HOUSE	MILTON	CAMBRIDGE			CB24 6ZH	83391
RAVEN NOMINEES LIMITED		20 FARRINGDON ROAD	OLD CHRISTCHURCH ROAD	BOURNEMOUTH			BH1 1LG	101010
RAVEN NOMINEES LIMITED		4TH FLOOR	LONDON				EC1M 3MH	7424
RAVEN NOMINEES LIMITED		1835 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		2138 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		2957 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		3127 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		6450 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		6853 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		7652 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		10330 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		11549 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		30780 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		30901 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		33532 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		33543 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		33683 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		35134 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		35332 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		36473 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		37688 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		40100 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		40274 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		40729 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		41425 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		41764 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		42447 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		44019 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		44224 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		44786 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		45073 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		45493 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		47419 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		48607 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		49331 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		49804 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		49854 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		50607 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		51122 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		51042 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		51742 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		52783 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		53901 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		54321 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		54943 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		55670 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		57278 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		57489 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		57713 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000
RAVEN NOMINEES LIMITED		57831 4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	5000

Name	AccountRef	Address1	Address2	Address3	Address4	Address5	Postcode	Holding
RAVEN NOMINEES LIMITED	119845	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	25000
RAVEN NOMINEES LIMITED	120720	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	25000
RAVEN NOMINEES LIMITED	122421	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	25000
RAVEN NOMINEES LIMITED	122562	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	40000
RAVEN NOMINEES LIMITED	123217	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	20000
RAVEN NOMINEES LIMITED	123588	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	50000
RAVEN NOMINEES LIMITED	124178	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	30000
RAVEN NOMINEES LIMITED	124215	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	35000
RAVEN NOMINEES LIMITED	124466	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	60000
RAVEN NOMINEES LIMITED	124497	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	50000
RAVEN NOMINEES LIMITED	124775	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	14000
RAVEN NOMINEES LIMITED	125081	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	25000
RAVEN NOMINEES LIMITED	125545	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	25000
RAVEN NOMINEES LIMITED	127012	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	50000
RAVEN NOMINEES LIMITED	127475	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	12000
RAVEN NOMINEES LIMITED	128495	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	20000
RAVEN NOMINEES LIMITED	129490	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	25000
RAVEN NOMINEES LIMITED	129756	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	25000
RAVEN NOMINEES LIMITED	130285	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	25000
RAVEN NOMINEES LIMITED	130297	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	25000
RAVEN NOMINEES LIMITED	131206	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	25000
RAVEN NOMINEES LIMITED	131350	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	25000
RAVEN NOMINEES LIMITED	131579	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	15000
RAVEN NOMINEES LIMITED	132050	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	10000
RAVEN NOMINEES LIMITED	132232	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	25000
RAVEN NOMINEES LIMITED	132696	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	17000
RAVEN NOMINEES LIMITED	133283	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	20000
RAVEN NOMINEES LIMITED	134196	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	25000
RAVEN NOMINEES LIMITED	134650	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	25000
RAVEN NOMINEES LIMITED	135927	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	50000
RAVEN NOMINEES LIMITED	136008	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	25000
RAVEN NOMINEES LIMITED	136099	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	10000
RAVEN NOMINEES LIMITED	136433	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	25000
RAVEN NOMINEES LIMITED	136680	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	25000
RAVEN NOMINEES LIMITED	136933	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	15000
RAVEN NOMINEES LIMITED	137076	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	15000
RAVEN NOMINEES LIMITED	137193	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	15000
RAVEN NOMINEES LIMITED	137411	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	30000
RAVEN NOMINEES LIMITED	137590	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	11000
RAVEN NOMINEES LIMITED	138594	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	15000
RAVEN NOMINEES LIMITED	138600	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	20000
RAVEN NOMINEES LIMITED	141729	4TH FLOOR	40 MARSH WALL	LONDON			E14 9TP	30000
REDMAYNE NOMINEES LIMITED	BMP000SP	64 ALBION STREET	LEEDS				LS1 6AG	25000
REDMAYNE NOMINEES LIMITED	BMP000SP	78 NORMAN WAY	LEEDS				LS1 6AG	52000
MR RONALD REYNOLDS		290 QUEENS ROAD	WILLESBOROUGH	WEST SUSSEX			PO22 7TW	101010
MR SHEILA RUSSELL		40 SHOREHAM CLOSE	LONDON	ASHFORD	KENT		TN24 0DA	25000
MR ALAN SAVILL		THE BUNGALOW	STEVENAGE	HERTFORDSHIRE			SG14 5N	60422
SECANTOR LIMITED		72 REGENT STREET	WHEEL HILL	LAXEY	ISLE OF MAN		SG1 2JP	44331
SHARE NOMINEES LTD		OXFORD HOUSE	NOTTINGHAM				NG1 5RQ	1627014
MR DEREK SHORT	POOL	37 TRINITY ROAD	WARE	AYLESBURY	BUCKS		HP21 8SZ	68465
MR JASPR SINGH		52 PATRICK WAY	AYLESBURY	HERTFORDSHIRE			SG12 7DB	255000
MR KENNETH SMYTH		206 CARNLOUGH ROAD	BROUGHSHANE	BUCKS			HP21 9XJ	100000
MR MAURICE SPILLANE		78 CROSS ROAD	BROMLEY	BALLYMENA	CO ANTRIM		BT42 4LX	43960
MR CHRISTOPHER GEORGE STANTON		17 MARYS BUNGALOW	QUEEN STREET	TIDESWELL	DERBYSHIRE		SK17 8PH	200020
MR MARTIN STEGGALS		10 PARK VIEW ROAD	EALING	SURREY			WS 2JB	40004
SYS NOMINEES LIMITED	POOL	111 CARSHALTON PARK ROAD	CARSHALTON	GROUNDFLOOR	LONDON		SM5 3SL	3780247
SYS SECURITIES PLC		NO. 2 LONDON WALL BUILDINGS	LONDON WALL				EC2M 5PP	2750250
MR JAWEL SZCZERKOWSKI		2 LONDON WALL BUILDING	LONDON WALL				GL1 1UH	60048
TO WATERHOUSE NOMINEES (EUROPE) LIMITED	SMKTNONS	64 ALEXANDER DRIVE	CRENCSTER	GLoucestershire				
MR WALCOLM TRACEY		EXCHANGE COURT	DUNCORSE STREET	LEEDS			LS1 4AX	1000409
MR ARTHUR UMPLBY		18 LILIAN	HOLLY WALK	BAGINTON			CV8 3AE	45700
MR WILLIAM VATON		16A MANSTON LANE	LEEDS				LS15 8HZ	43030
MR MICHAEL WHITE		54 CLIFTON PARK	CROMER	NORFOLK			NR27 9BG	181618
MR CHRISTOPHER WILSHIRE		51 COLEHERNE COURT	EARLS COURT	LONDON			SW5 0DN	450000
WINTERFLOOD SECURITIES LIMITED	WINSREP	176 LONDON ROAD	ST ALBANS				AL1 1PJ	40404
		THE ATRIUM BUILDING	CANNON BRIDGE	75 DOWGATE HILL	LONDON		EC4R 2GA	121952

Statement of affairs

Name of Company
Inspired Selection Limited

Company number
04108946

In the High Court Justice, Companies Court, The Strand,
London

Court case number
258 of 2010

(a) Insert name and address of
registered office of the company

Statement as to the affairs of (a) Inspired Selection Limited, 1 Heather Way, Chobham, Surrey, GU24 8RA on the (b) 13 January 2010, the date that the company entered administration.

(b) Insert date

Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named Company as at (b) 13 January 2010 the date that the Company entered Administration.

Full name STEPHEN HYDE

Signed 

Dated 27/1/10

A – Summary of Assets

Assets

Assets subject to fixed charge:

—

Assets subject to floating charge:

TRADE DEBTORS.

H2O GROUP LTD INTERGROUP LOAN

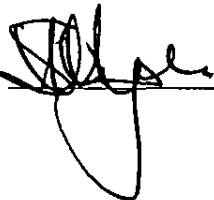
Uncharged assets:

—

Estimated total assets available for preferential creditors

Book Value £	Estimated to Realise £
—	—
49,134	49,134
1673,939	—
—	—
1722,573	49,134

Signature



Date

27/1/10

A1 – Summary of Liabilities

	Estimated to realise £
Estimated total assets available for preferential creditors (carried from page A)	£
Liabilities	£
Preferential creditors:- <i>Bandays Bank Plc - CROSS DEFAULT</i> (1,014,000)	£
Estimated deficiency/surplus as regards preferential creditors	£
Estimated prescribed part of net property where applicable (to carry forward)	£
Estimated total assets available for floating charge holders	£ 49,134
Debts secured by floating charges	£
Estimated deficiency/surplus of assets after floating charges	£
Estimated prescribed part of net property where applicable (brought down)	£
Total assets available to unsecured creditors	£
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	£ (287,842)
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)	£ 1,252,708
Shortfall to floating charge holders (brought down)	£
Estimated deficiency/surplus as regards creditors	£
Issued and called up capital	£ (4)
Estimated total deficiency/surplus as regards members	£ (1,252,712)

Signature



Date

27/1/10

Note: You must include all creditors and identify all creditors under hire-purchase, chattel leasing or conditional sale agreements *and* customers claiming amounts paid in advance of the supply of goods or services *and* creditors claiming retention of title over property in the company's possession.

[illegible]

[Handwritten signature]

27/1/10

14 NOV 37 25 (B) 1/5 N1

COMPANY SHAREHOLDERS

Name of Shareholder	Address (with postcode)	No. of shares held	Nominal Value	Details of Shares held
ITD GROUP PLC	155 LEIGHTON ST, London W18 4J3	4	£4	
TOTALS		4	4	

Signature

[Signature]

Date

27/1/10.

APPENDIX C1

1700 GROUP PLC - IN ADMINISTRATION
JOINT ADMINISTRATORS SUMMARY OF RECEIPTS & PAYMENTS
FOR THE PERIOD 13 JANUARY 2010 TO 26 JANUARY 2010

£

Receipts

100% of Share Capital of Hamblyn Selection Limited	1
100% of Share Capital of Evolution Selection Limited	1
100% of Share Capital of Personal Bandspirit Limited	1
100% of Share Capital of Media Union Limited	1
	<u><u>4</u></u>

Payments

Balance in hand	<u><u>4</u></u>
------------------------	-----------------

APPENDIX C2

INSPIRED SELECTION LIMITED - IN ADMINISTRATION
JOINT ADMINISTRATORS SUMMARY OF RECEIPTS & PAYMENTS
FOR THE PERIOD 13 JANUARY 2010 TO 26 JANUARY 2010

£

Fixed Charge

Receipts

Goodwill

213,776

Payments

Balance in hand available to fixed chargeholder

213,776

Floating Charge

Receipts

Debtors

34,994

Contracts

1

Fixtures & Fittings

1

Intellectual Property

1

Books and records

1

Lease

1

Plant and machinery

1

35,000

Payments

Balance in hand

35,000

APPENDIX D

1700 GROUP PLC
INSPIRED SELECTION LIMITED
- IN ADMINISTRATION

SIP 9 TIME COST ANALYSIS FOR THE PERIOD 13 JANUARY 2010 TO 21 JANUARY 2010

HOURS SPENT	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs	Average hourly rate
Administration and Planning							
Appointment	0.0	0.5	0.6	0.0	1.1	£206.50	£187.73
Case Management	0.0	0.0	1.1	0.0	1.1	£154.00	£140.00
Post-appointment - general	0.0	2.0	2.9	0.0	4.9	£746.00	£152.24
Post-appointment taxation	0.0	0.0	0.7	0.0	0.7	£98.00	£140.00
Receipts and Payments	0.0	0.0	1.1	0.0	1.1	£165.00	£150.00
Shareholders/Director/Debtor/ Bkpt	0.0	0.0	0.8	0.0	0.8	£112.00	£140.00
Statement of Affairs	0.0	0.5	0.4	0.0	0.9	£141.00 ##	£141.00
Totals	0.0	3.0	7.6	0.0	10.6	£1,622.50	
Investigations							
Investigations/CDDA	0.0	0.0	0.6	0.0	0.6	£84.00	£140.00
Totals	0.0	0.0	0.6	0.0	0.6	£84.00	
Realisation of Assets							
Assets - general/other	0.0	0.0	0.4	0.0	0.4	£56.00	£140.00
Sale of business	0.0	3.3	0.0	0.0	3.3	£658.50	£199.55
Totals	0.0	3.3	0.4	0.0	3.7	£714.50	
Creditors							
Secured Creditors	0.0	1.0	0.4	0.0	1.4	£226.00	£161.43
Totals	0.0	1.0	0.4	0.0	1.4	£226.00	
TOTAL HOURS	0.0	1.8	9.0	0.0	10.8	---	
TOTAL TIME COST	£0.00	£441.00	£1,271.00	£0.00	---	£2,647.00	

APPENDIX E

BAKER TILLY RESTRUCTURING AND RECOVERY LLP

CURRENT CHARGE OUT RATES

	1 April 2009 to 31 March 2010 £
Partner and Consultant	400-475
Manager and Director	195-395
Administrator	140-175
Assistants and Support Staff	100

It is the Office Holders' policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it.

Baker Tilly Restructuring and Recovery LLP's charge out rates are reviewed periodically.

CURRENT "CATEGORY 2" DISBURSEMENT RATES

Authority will be sought to recover the following costs as "Category 2" disbursements:

Fax	5 pence per sheet
Photocopying	2 pence per sheet
Subsistence	£23 per night
Travel (car)	38 pence per mile

Appendix F

SUMMARY OF PAYMENTS TO JOINT ADMINISTRATORS AND ASSOCIATED PARTIES

AMOUNTS PAID OR PAYABLE TO THE JOINT ADMINISTRATORS' FIRM	
TYPE AND PURPOSE	£
Total	

AMOUNTS PAID OR PAYABLE TO ASSOCIATED PARTIES OF JOINT ADMINISTRATOR	
TYPE AND PURPOSE	£
Total	

AMOUNTS PAID OR PAYABLE TO THE JOINT ADMINISTRATORS' SOLICITOR	
TYPE AND PURPOSE	£
Total	

AMOUNTS PAID OR PAYABLE TO THE JOINT ADMINISTRATORS' AGENT	
TYPE AND PURPOSE	£
Total	

BAKER TILLY RESTRUCTURING AND RECOVERY LLP

CHARGING, EXPENSES AND DISBURSEMENTS POLICY STATEMENT

Charging policy

- Partners, directors, managers, administrators, cashiers, secretarial and support staff are allocated an hourly charge out rate which is reviewed from time to time.
- Work undertaken by cashiers, secretarial and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by partners, directors, managers and administrators.
- Time spent by partners and all staff in relation to the insolvency estate is charged to the estate.
- Time is recorded in 6-minute units.
- The current charge rates for Baker Tilly Restructuring and Recovery LLP London are attached
- Time billed is subject to Value Added Tax at the applicable rate.

Expenses and disbursements policy

- Only expenses and disbursements properly incurred in relation to an insolvency estate are re-charged to the insolvency estate.
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to creditors, but do not require creditors' approval prior to being drawn from the insolvency estate. These are known as "Category 1" disbursements.
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) require the approval of creditors prior to being drawn from the insolvency estate. These are known as "Category 2" disbursements.
- A resolution to consider approving "Category 2" disbursements at the attached rates applicable to Baker Tilly Restructuring and Recovery LLP London will be proposed to creditors' in general meeting
- General office overheads are not re-charged to the insolvency estate as a disbursement.
- Any payments to outside parties in which the office holder or his firm or any associate has an interest will only be made with the approval of creditors.
- Where applicable, expenses and disbursements re-charged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate.