Filed on behalf of: Applicant
Witness Statement of: Mark James Wood
Number of Statement: Second
Exhibit: "MJW3"
Dated: 15 May 2008

IN THE HIGH COURT OF JUSTICE **CASE NO: 146 of 2002**

CHANCERY DIVISION

COMPANIES COURT

IN THE MATTER OF EDI REALISATIONS LIMITED (FORMERLY MARSHALL EDITIONS LIMITED) (IN ADMINISTRATION)

AND IN THE MATTER OF THE INSOLVENCY ACT 1986

(1) Michael Vincent McLoughlin

(2) Allan Watson Graham
(the Joint Administrators of EDI Realisations Limited)

Applicants

and

(1) HM Revenue and Customs

(2) Newscreen Media plc

(3) Think Entertainment plc

Respondents

SECOND WITNESS STATEMENT

OF MARK JAMES WOOD

I, Mark James Wood, a Senior Associate at Eversheds LLP, 1 Royal Standard Place, Nottingham NG1 6FZ state as follows:

1. Introduction

1.1 I am a senior associate of Eversheds LLP at the above address. Subject to the supervision of my principals, I have the conduct of this matter on behalf of Allan Watson Graham and Michael Vincent McLoughlin, the Joint Administrators of EDI Realisations Limited (in Administration) formerly Marshall Editions Limited ("EDI").

1.2 I am duly authorised to make this witness statement on behalf of the Applicants.

1.3 Save as stated otherwise all facts and matters referred to in this witness statement are within my own knowledge, information and belief and I believe them to be true.

1.4 There is now produced and shown to me marked "**MJW3**" a bundle of true copy documents to which I shall refer to in this witness statement. References in this statement in bold square brackets are references to page numbers within the copy bundle marked "**MJW3**".

2. **The Application of the Third Respondent**

2.1 This statement is made in connection with the application made by the Third Respondent dated 27 February 2008.

2.2 I have read the evidence in support of the application set out in Part C of the Third Respondent's application notice and now provide this witness statement for and on behalf of the Applicants and in order to assist the Court in advance of the directions hearing to be held on 20 May 2008.

3. **Preferential claim**

3.1 The Third Respondent alleges that the Applicants have deliberately withheld information in relation to the entitlement of the First Respondent to the sum of £356,000 paid by Newscreen to the Company or that in some way the Applicants have deliberately withheld information from the Court and/or the First Respondent and/or the Third Respondent. For the avoidance of doubt the Applicants reject any allegation that they may have mislead either the Court, the Third Respondent or any other Respondent.

3.2 It appears that the allegation made by the Third Respondent is that £356,000 was received by the Administrators to be held by them to pay the preferential creditor, HM Revenue & Customs ("HMRC"). It appears that the Third Respondent is suggesting that the Funds should have been used to pay HMRC and that the suppression of this information in some way allowed the Administrators to make their application to the Court (to determine entitlement to the Funds) with a view to the Administrators obtaining a pecuniary advantage in respect of professional fees. Of course, the position of the Third Respondent is entirely incorrect.

3.3 I refer the Court to paragraph 13 of the First Witness Statement signed by Allan Graham. In this Statement Mr. Graham confirmed

"the source of the Funds is the payment in the sum of £1,850,000 made by JAG to Mischcons on 23 August 2002, as shown on the account card, at page 96 [of

*"**AWG1**"]. These monies were then paid to Newscreen. This payment was made pursuant to and in accordance with the terms of the CVA. Following receipt of these monies by Newscreen, the sum of £356,000 was paid by Newscreen to the Company in respect of the preferential claims notified in the administration of the Company."*

3.4 Mr Graham further stated at paragraph 17 of his First Witness Statement that:

"I am advised that the preferential creditors may be entitled to have recourse to the Funds to meet their claims on the basis that a trust in their favour arose on payment of the £356,000 by Newscreen to the Company for the purpose of meeting preferential claims."

3.5 The First and Third Respondents were respondents to the application and have received a copy of Mr. Graham's First Witness Statement. This Statement highlighted the potential entitlement of the First Respondent and went on to explain the various other claims made to the Funds. Thereafter further evidence has been filed by the parties in order to determine their respective rights to the Funds.

3.6 The Respondents rights to the relevant proportion of the Funds has now been determined within these proceedings and, indeed, the Third Respondent was party to the settlement reached between the First, Second and Third Respondents. This agreement was explained to the Court on 17 July 2007 when a final order was granted by Registrar Nicholls [**1 - 5**].

3.7 As a result I believe that the serious allegations made by the Third Respondent are completely unfounded.

4. The Order of 17 July 2007

4.1 The second limb of the Third Respondent's application appears to be that the Applicants' costs should be subject to an immediate assessment by a specialist Taxing Judge. Of course, if the Third Respondent had attended the hearing on 17 July 2007 it would be aware that Registrar Nicholls considered the appropriate mechanism for assessing costs and ordered that an independent assessor should be used. In fact Registrar Nicholls mentioned the name of Peter Horrocks as being a person with a reputation for dealing with assessments of this nature. Furthermore the learned Registrar provided a framework in which the assessment should take place. I therefore believe that the mechanics for dealing with an assessment have been properly considered by the Court.

4.2 In light of the Third Respondent's comments I think it is worth explaining the actions taking place since the Order of 17 July 2007 ("**the Order**"). The parties have been attempting to agree the Applicants' remuneration and disbursements in this matter pursuant to paragraph 1 of the Order. Although the Order set out

a timetable to be followed by the parties, the timetable was varied, initially by consent and latterly by Court Order [**6**]. The witness statement referred to in paragraph 3 of the Order has been served and the notification referred to in paragraph 4 of the Order has been sent. However, the Applicants have not agreed the matters listed in paragraph 4 of the Order. The reason for this is that the Applicants have continued to attempt to agree their remuneration with the First and Second Respondents, notwithstanding the expiry of the time period ordered by the Court. There was a meeting in February 2008 at the Applicants' solicitors' offices and subsequently further correspondence has been entered into between the Applicants and the First and Second Respondents.

4.3 As set out within the Third Respondent's application notice, the Third Respondent was excluded from the meeting that occurred in February 2008. This exclusion was as a result of the need to conduct sensible discussions for settlement bearing in mind the fact that paragraph 4 of the Order envisaged only the First and Second Respondents participating.

4.4 The Third Respondent has however attempted to continue to litigate this matter and to make separate allegations in correspondence with the Applicants. By way of example, we now enclose a selection of recent e-mails received by Applicants, from the Third Respondent [**7 - 41**], over the past few weeks. The communications culminate in Mr Hardy's complaints to the Serious Fraud Office, The Financial Services Authority, the Institute of Chartered Accountants in England & Wales, the Insolvency Practitioners Association and the Solicitors Regulation Authority.

4.5 The Applicants and the First and Second Respondents have conducted meetings between themselves following the Order made on 17 July 2007 in an attempt to agree a position in relation to the level of costs in the main application. At the time of drafting this witness statement, the Applicants and the First and Second Respondents have thus far failed to agree a position in relation to the costs in the main application.

4.6 In view of the foregoing, I respectfully submit that the Third Respondent's application be dismissed and the matter should now proceed before a costs assessor to fix the remuneration and costs.

Statement of Truth

This statement is true to the best of my knowledge and belief dated this 15th day of May 2008

Signed: .....

Full Name: MARK JAMES WOOD
Position: Senior Associate

Filed on behalf of: Applicant
Witness Statement of: Mark James Wood
Number of Statement: Second
Exhibit: "MJW3"
Dated: 15 May 2008

IN THE HIGH COURT OF JUSTICE **CASE NO: 146 of 2002**

CHANCERY DIVISION

COMPANIES COURT

IN THE MATTER OF EDI REALISATIONS LIMITED (FORMERLY MARSHALL EDITIONS LIMITED) (IN ADMINISTRATION)

AND IN THE MATTER OF THE INSOLVENCY ACT 1986

(1) Michael Vincent McLoughlin

(2) Allan Watson Graham (the Joint Administrators

of EDI Realisations Limited)

Applicants

and

(1) HM Revenue and Customs

(2) Newscreen Media plc

(3) Think Entertainment plc

Respondents

EXHIBIT "MJW3"

This is the exhibit marked **"MJW3"** in the Witness Statement of Mark James Wood.

Signed: .....

Full Name: MARK JAMES WOOD

Position: Senior Associate

IN THE HIGH COURT OF JUSTICE
Chancery Division
Companies Court

No. 146 of 2002

In the matter of EDI Realisations Limited (formerly Marshall Editions Limited) (in administration)

And in the matter of the Insolvency Act 1986

BETWEEN

(1) MICHAEL VINCENT MCLOUGHLIN
(2) ALLAN WATSON GRAHAM
(THE JOINT ADMINISTRATORS OF EDI REALISATIONS LIMITED)

Applicants

-and-

(1) H.M. REVENUE AND CUSTOMS
(2) NEWSCREEEN MEDIA GROUP PLC
(3) THINK ENTERTAINMENT PLC
(4) MR CHRISTOPHER JONES

Respondents

MINUTE OF ORDER

UPON THE APPLICATION of the Applicants by ordinary application ("the Application")

AND UPON HEARING Counsel for the Applicants, Counsel for the First Respondent and the Fourth Respondent appearing in person

AND UPON the Second Respondent and the Third Respondent not appearing

AND UPON READING the written evidence filed

AND UPON THE COURT being informed of the terms of the agreements reached between the Applicants, the First Respondents, the Second Respondent and the Third Respondent and set out at Schedule 1 hereto

IT IS ORDERED that:

1. The balance of the funds as defined in paragraph 2 of the Application and in paragraph 2 of the First Witness Statement of Allan Graham filed in support of the Application ("the Funds") remaining in the hands of the Applicants following:

    a. the discharge from the Funds of all remuneration, costs and expenses of and incidental to the Applicants' application for the discharge of the administration order pursuant to section 18 of the Insolvency Act 1986 ("the Act") and their release pursuant to section 20 of the Act;

    b. the discharge of all remuneration, costs and expenses of the Applicants of and incidental to the investigation into the ownership of the Funds (including for the avoidance of doubt any remuneration, costs and expenses incurred pursuant to paragraphs 2 to 5 of the Order herein); and

    c. the discharge of all remuneration, costs and expenses of the Applicants to which the Applicants are entitled pursuant to s.19(4) Insolvency Act 1986

shall be paid out in accordance with the terms of the agreement between the Applicants, the First Respondents, the Second Respondent and the Third Respondent and set out at paragraph 1 of Schedule 1 hereto.

2. The Applicants' remuneration, costs and expenses of and incidental to their investigation of the ownership of the Funds, as set out in the Order of Chief Registrar Baister dated 20th March 2006 ("the Order"), be the subject of a detailed assessment by an assessor as set out at paragraph 4 if not agreed. For the avoidance of doubt (a) the remuneration, costs and expenses of the Applicants incurred in relation to the detailed assessment shall constitute remuneration, costs and expenses within the meaning of paragraph (1) of the Order; and (b) the legal costs of the Applicant shall be assessed pursuant to CPR 48.8.

3. The Applicants do by 4 p.m. on 31st August 2007 file and serve upon the parties by way of witness statement details of their remuneration, costs and expenses in relation to such investigation. For the avoidance of doubt, the remuneration, costs and expenses of the Applicants incurred in relation to the preparation of the witness statement shall constitute remuneration, costs and expenses within the meaning of paragraph (1) of the Order.

4. The detailed assessment be stayed until 4 p.m. on 28th September 2007, whilst the parties try to agree the Applicants' remuneration, costs and expenses as aforesaid. The Applicants shall notify the Court in writing at the end of that period whether agreement has been reached (and, if so, shall submit a draft Consent Order recording such agreement). In the event that no such agreement has been reached, the Applicants, the First Respondent and the Second Respondent shall by 4pm on 19th October 2007 lodge an agreed order which provides for the following matters:
   a. the appointment of a named assessor by the parties to conduct the detailed assessment ("the Assessor");

b. the fact that the Assessor shall be remunerated from the Funds in the conduct of the detailed assessment;

c. the date by which each party should lodge papers with the Assessor for the purpose of the detailed assessment;

d. a list of issues for determination by the Assessor;

e. the date by which the Assessor shall provide his draft report to the parties ("the Draft Report");

f. the date by which the parties shall submit any comments to the Assessor in relation to the Draft Report; and

g. the date by which the Assessor shall provide his final report.

5. In the event that the parties are unable to agree an order for the timetable for the detailed assessment by 4 p.m. on 19th October 2007, an application shall be made to the Court for directions to be given for the conduct of the detailed assessment.

6. For the avoidance of doubt, the remuneration, costs and expenses of the Applicants incurred in relation to the agreement or attempts to agree the remuneration, costs and expenses as aforesaid and any ancillary work upon the same shall constitute remuneration, costs and expenses within the meaning of paragraph (1) of the Order.

7. Save as aforesaid, there be no order as to costs.

DATED THIS 17TH DAY OF JULY 2007

SCHEDULE 1

1. The sum shall be paid 60% to the First Respondents and 40% to the joint liquidators of the Second Respondent.

2. The First Respondents and the Second Respondent (acting by its joint liquidators) acknowledge and agree that upon receipt of any sums paid pursuant to this Schedule, they will have no further claim against the Applicants or as between themselves in relation to the beneficial ownership of the Funds.

3. The Third Respondent acknowledges and agrees that save for the appropriate share of the sums payable to the joint liquidators of the Second Respondent pursuant to an agreement dated 9th May 2006, it will have no further claim against the Applicants or any of the other Respondents in relation to the beneficial ownership of the Funds.

We consent to an order in these terms

.....

Solicitors for the Applicants

.....

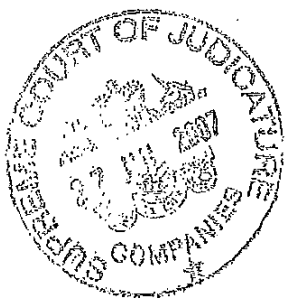
Solicitor for the First Respondent

.....

Solicitor for the Second Respondent

.....

Third Respondent



IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION
COMPANIES COURT

No: 146 of 2002

Registrar Derrett

In the Matter of Marshall Editions Limited

and

In the Matter of the Insolvency Act 1986

Between:

Michael Vincent McLoughlin and Allan Watson Graham (the Joint Administrators of EDI Realisations Limited (formerly Marshall Editions Limited) In Administration — Applicants

And

(1) H.M. Revenue And Customs
(2) Newscreen Media Group Plc
(3) Think Entertainment Plc
(4) Mr Christopher Jones

Respondents

UPON THE APPLICATION NOTICE dated the 15th November 2007 of the Applicants

AND UPON HEARING Counsel for the Applicants and the Solicitor for the third Respondent and no one appearing for or on behalf of the first, second and fourth Respondents

AND UPON READING THE EVIDENCE

IT IS ORDERED THAT :

1. the time by which the Applicants are required to file and serve a witness statement in accordance with paragraph 3 of the Order dated 17th July 2007 is hereby extended to 31st December 2007 and the remaining time periods in the order are extended by corresponding periods

2. the Applicants costs of the Application are to be paid by the fund as defined in paragraph 2 of the first witness statement of Mr Allan Watson Graham

Dated: 21st November 2007

From: mark hardy [thinkplc@gmail.com]
Sent: 23 April 2008 08:56
To: Kreling, Paul A (Solicitors Office London); Radford, Chris; Stuart Frith
Cc: John Twizell; Mark Gledhill
Subject: EDI Costs taxation
Attachments: kpmg dishcarge.pdf

Gentlemen,

Please find attached a copy of the order of the High Court granting the discharge of the Administration of NewscreenMedia Group,

You will note that KPMG's costs were authorised on a time cost basis.

To date those costs have not been assessed or otherwise approved.

Do any of you have any objection if I ask to have the application for the assessment of those costs to be consolidated with the EDI costs hearing? It would seem sensible as the taxing master is going to need to be satisfied that KPMG have only charged one estate - albeit at the "typical upto 25%" unmerited rate.

On a lighter note, I read the Times 100 most influential lawyers list yesterday and lo and behold in the top 10, 1 is a dinner guest and 1 a relative by marriage, and then of the remaining 90, I have instructed 3, Appeared before 3, "co-advocated" with one, leaving poor old Richard Fleck as the sole one who was instructed against me but we never went to trial because Herbert Smith gave up!

Not a bad tally for a mere litigant in person?

Regards

Mark Hardy

Form 2.19

The Insolvency Act 1986

Notice of discharge of administration order

Pursuant to section 18(4) of the Insolvency Act 1986

S.18(4)

To the Registrar of Companies

For official use

Company number
2870308

Name of company

Insert full name of company

Newsoreen Media Group Plc formerly Just Group Plc

Insert full names and addresses

We, Allan Watson Graham
of KPMG Corporate Recovery
1 Waterloo Way
Leicester
LE1 6LP

Michael Vincent McLoughlin
KPMG
8 Salisbury Square
London
EC4Y 8BB

Joint administrators of the company hereby give notice that on

Insert date

23 April 2004

the administration order was discharged. An office copy of the said order of discharge is attached.

Signed _____ Dated 29 April 2004

Presenter's name, address and reference (if any)

KPMG Corporate Recovery
1 Waterloo Way
Leicester
LE1 6LP

For official use
Insolvency section Post room

ADM H07 / Apr 1998

IN THE HIGH COURT OF JUSTICE

CHANCERY DIVISION

COMPANIES COURT

NO 148 OF 2002

SUPREME COURT OF JUDICATURE
23 APR 04
ENTERED
COMPANIES

The Honourable Mr Justice David Richards

~~Friday 23 April 2004~~ FRIDAY THE 23RD DAY OF APRIL 2004

IN THE MATTER OF NEWSCREEN MEDIA GROUP PLC (formerly Just Group plc)

AND IN THE MATTER OF THE INSOLVENCY ACT 1986

ORDER

UPON THE APPLICATION of Allan Watson Graham and Michael Vincent McLoughlin ("the Administrators") the Administrators of NEWSCREEN MEDIA GROUP PLC (formerly Just Group plc) ("the Company") appointed pursuant to an Order of Mr Justice Lawrence Collins on 9 January 2002 ("the Administration Order")

AND UPON HEARING Counsel for the Administrators

AND UPON READING the ~~documents recorded on the Court file as having been read~~

AND the Court being satisfied that these proceedings are main proceedings as defined in Article 3 of the EC Regulation

IT IS ORDERED that:

1. The Administration Order be discharged pursuant to Section 18 of the Insolvency Act 1986.

2. The Administrators be released from liability as Administrators of the Company pursuant to Section 20 of the Insolvency Act 1986 [illegible] after the filing of the account of receipts and payments pursuant to Rule 2.52(1) of the Insolvency Rules 1986.

3. The Administrators' remuneration and expenses incurred in the Administration including the costs of this application be settled from the Company's assets as an expense of the Administration on a time basis.

No: 148 of 2002

~~NO 148 OF 2002~~

IN THE HIGH COURT OF
JUSTICE
CHANCERY DIVISION
COMPANIES COURT
MR JUSTICE DAVID RICHARDS
23 APRIL 2002

IN THE MATTER OF
NEWSCREEN MEDIA GROUP
PLC

AND IN THE MATTER OF THE
INSOLVENCY ACT 1986

ORDER

UPON THE COURT HAVING SEALED CERTAIN DOCUMENTS IN THIS ORDER IT IS:—

Eversheds
1 Royal Standard Place
Nottingham
NG1 6FZ
Tel: 0115 950 7000
Fax: 0115 950 7111
Ref: WOODMX/059779-010220

Solicitors for the Applicants

From: mark hardy [mailto:thinkplc@gmail.com]
Sent: 23 April 2008 09:17
To: Graham, Allan W; Mcloughlin, Mick
Cc: david.hudson@begbies-traynor.com; jamie.taylor@begbies-traynor.com; John Twizell
Subject: JUST GROUP plc (now Newscreen Media Group)
LETTER BEFORE LEGAL ACTION

Gentlemen

Please find attached a copy of the order of the High Court granting the discharge of the administrators.

You will note the basis upon which your remuneration was authorised.

To date that remuneration has not been assessed or seemingly otherwise independently determined contrary to the binding provisions of the CVA.

You are all aware that Eversheds have recently written stating that upon taxation typically upto 25% of Insolvency Practitioner and their lawyers fees are disallowed.

I assume that you are all familiar with SIP9 and the "profit costs" matter which would also seem germane in this instance.

Acting on behalf of Think Entertainment plc, successor in title to the assets of Newscreenmedia Group, I now intend to apply to the High Court for those costs to be assessed by a Taxing Judge as there would prima facie seem to be a large six figure sum to be recovered for the benefit of the creditors of this company and those remaining unpaid in the CVA.

You are aware of the EDI Realisations matter rumbling on through the High Court, and I have today written to the solicitors acting for HMRC, KPMG and Newscreenmedia asking if they have any objections to me seeking a consolidated hearing of all the costs matters.

It would be nice to think that we could reach agreement without recourse to assessment but the history of dissembling, intransigence and refusal to countenance admission of simple mistake, leads me to the only conclusion that I will inevitably have to resort to Judicial Intervention not least in view of the limitation period fast running out as the terms of the CVA were being negotiated nearly 6 years ago.

Accordingly please note that in the absence of an offer of settlement and compromise within 14 days, I shall make application to the Court and request it be set down for a directions hearing on May 20th.

Regards

Mark Hardy

From: mark hardy [thinkplc@gmail.com]
Sent: 29 April 2008 15:32
To: Kreling, Paul A (Solicitors Office London); Radford, Chris; Stuart Frith
Cc: John Twizell; Mark Gledhill
Subject: Re: EDI Costs taxation

Gentlemen

I take your silence to mean you have no objection so I will make the necessary application in the Newscreen media case on Thursday, and ask for directions for consolidation on May 20th given that all KPMG have to do is produce a few more time sheets

I have now seen a most bizarre letter from the in-house lawyer at KPMG to Carter Ruck which seems to be saying that so far as they are concerned the entire CVA is rolled up into the EDI case - wishful thinking as the transcripts show!

Regards

Mark Hardy

On Wed, Apr 23, 2008 at 8:56 AM, mark hardy <thinkplc@gmail.com> wrote:

> Gentlemen,
>
> Please find attached a copy of the order of the High Court granting the discharge of the Administration of NewscreenMedia Group,
>
> You will note that KPMG's costs were authorised on a time cost basis.
>
> To date those costs have not been assessed or otherwise approved.
>
> Do any of you have any objection if I ask to have the application for the assessment of those costs to be consolidated with the EDI costs hearing? It would seem sensible as the taxing master is going to need to be satisfied that KPMG have only charged one estate - albeit at the "typical upto 25%" unmerited rate.
>
> On a lighter note, I read the Times 100 most influential lawyers list yesterday and lo and behold in the top 10, 1 is a dinner guest and 1 a relative by marriage, and then of the remaining 90, I have instructed 3, Appeared before 3, "co-advocated" with one, leaving poor old Richard Fleck as the sole one who was instructed against me but we never went to trial because Herbert Smith gave up!
>
> Not a bad tally for a mere litigant in person?
>
> Regards
>
> Mark Hardy

From: Stuart Frith [SJF@brookenorthllp.co.uk]
Sent: 29 April 2008 15:58
To: Radford, Chris; mark hardy; Paul A (Solicitors Office London) Krelling
Cc: John Twizell; Mark Gledhill
Subject: Re: EDI Costs taxation

Dear Mr Hardy,

I have to tell you that my clients do not support your application.

Yours sincerely,

Stuart Frith

>>> "mark hardy" <thinkplc@gmail.com> 29/04/2008 15:32 >>>
Gentlemen

I take your silence to mean you have no objection so I will make the necessary application in the Newscreen media case on Thursday, and ask for directions for consolidation on May 20th given that all KPMG have to do is produce a few more time sheets

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Mark Hardy

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>
> to trial because Herbert Smith gave up!
>
> Not a bad tally for a mere litigant in person?
>
> Regards
>
> Mark Hardy

Sent: 08 May 2008 20:55
To: Cook, Colin
Cc: John Twizell; Kreling, Paul A (Solicitors Office London); Graham, Allan W; Mcloughlin, Mick; ric.traynor@begbies-traynor.com; davidgray@eversheds.com; miller.mclean@rbs.com
Subject: Re: Just Group CVA

Dear Mr. Cook

I don't think that you have taken my previous emails seriously, so let me emphasise that after 3.30pm tomorrow there will be no compromise with your, Eversheds and RBS' continuing pattern of lying and obfuscation by your in house lawyers or otherwise.

This is not a threat (N.B. Special Boy): this is a statement of fact that unless by 3,30pm on the afternoon of Friday 9th May you have accounted for monies properly due to Think Entertainment (as successor in title to all monies due to Newscreen Media Group plc) to its account at Barclays Bank, Leicester, then I will not only file complaints against your firm, its two partners, RBS, Begbies and Eversheds but will lay criminal charges against your firm and its partners.

As for nearly 20% of the Board of RBS being KPMG or Eversheds men, Wednesday May 14th is going to be such fun - just ask BBC Scotland!

Regards

Mark Hardy

On Mon, May 5, 2008 at 9:49 PM, mark hardy <thinkplc@gmail.com> wrote:

> Dear Mr. Cook,
>
> **In the matter of the Just Group plc Creditors Voluntary Arrangement I formally accuse your firm, itself and by its two partners Mick McLoughlin and Allan Graham, of FRAUD, THEFT, FALSE ACCOUNTING, BREACH OF TRUST and OFFENCES CONTRARY TO THE PERJURY ACT 1911.**
>
> **TAKE NOTE that unless full restitution - in an amount to be agreed as the principal values plus interest and costs - has been made by close of banking hours in London on Friday May 9th 2008 to the account of Think Entertainment plc as successor in title to the assets of Newscreen Media Group plc (formerly Just Group plc) I will without further notice and immediately commence legal action against your firm and its partners in both the Criminal and Civil Courts for recovery of monies stolen and otherwise misapplied, and for the application of criminal sanctions against your firm and Messrs McLoughlin and Graham for their criminal acts.**
>
> I draw your attention to the attached pdf file of the scanned records at Companies House of Just Group Properties Limited, and to the copies of the CVA documents and all other papers in your possession.
>
> You have had many months to explain your firm's gross professional misconduct in the Just Group CVA, but all that has been seen are disingenuous, dissembling and misleading letters and emails trying to cover up your firms outrageous, fraudulent and criminal conduct.

BUT to find last week when I went digging even further into the bowels of the filings you have made with the registrar of Companies, that your firm couldn't even be bothered to try and adhere to the purposes of the CVA by applying monies to the secured creditor, proper shortfall in your fees, and otherwise by reimbursement or refund to "the company" - frankly beggars belief - you just paid them into the "liquidation" that your firm sought with Messrs Graham and McLoughlin as liquidators! Since when was any contribution to unsecured creditors on the CVA agenda?

Why oh why did I ever trust anything your firm ever said and not go digging before into those companies where you hadn't already disclosed unlawful transfer of the £1,850,000 CVA monies?

Well, the Official Receiver seems to be horrified at the evidence of your criminal conduct, and I suspect will support my proposal that no partner of KPMG be allowed to be appointed to any Insolvency for a period of 5 years as a sanction for such blatant criminal acts.

This discovery has snapped all patience with your corrupt firm, enough is enough, and if you want to get your ex-Special Branch boy to threaten me again so be it..

As for the Supervisors gross professional negligence in not spotting these outrageous act of Theft, it "Begbies belief"! But that is for another forum.

You know where to reach me. My cell phone is 078 5599 5228.

Regards

Mark Hardy

On Fri, May 2, 2008 at 11:25 AM, mark hardy <thinkplc@gmail.com> wrote:

> Oh dear Mr. Cook,
>
> I'm really sorry to spoil your long weekend, but having just left the Official Receivers office at 21 Bloomsbury, I write to suggest that you get your in-house legal department upto speed on the matter of **Just Group Properties Ltd** as a matter of great urgency.
>
> **This is nothing to do with the £322,000 Escrow money where Carter Ruck are instructed to act.**
>
> This is to do with the other "CVA trust monies"and this time your two chums have really dumped you "in the brown stuff" as the most simple scrutiny of the R&P filings for Just Group Properties and the terms of the CVA will show.
>
> The company number is 04118587.
>
> I will write further after the weekend, but I felt you should have the chance to investigate and prepare yourself, as I personally hate to be what is judicially described as "sandbagged".

Regards

Mark Hardy

3 St Mary's Square
Bury St Edmunds
IP33 2AJ

9th March 2008

To:

Richard Alderman Esq.
Director
The Serious Fraud Office
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Gentlemen,

Complaints against
Royal Bank of Scotland,
KPMG llp, Begbies Traynor, Eversheds llp
and
Four Licensed Insolvency Practitioners
numbered 2748, 6418, 8719 and 8977 at the Insolvency Service
(Jamie Taylor, Michael V. McLoughlin, Allan W. Graham and David P. Hudson)

BREACH OF TRUST, FRAUD, THEFT, FALSE ACCOUNTING, UNMERITED FEES
GROSS PROFESSIONAL NEGLIGENCE AND CHEATING THE PUBLIC REVENUE

in the matter of
JUST Group plc and a Creditors Voluntary Arrangement ("CVA")

I write to make formal complaint against the above entities and Licensed Insolvency Practitioners and set out the basic facts and allegations in the attached documents.

I fully appreciate that the allegations are extremely serious and please be assured that they have only been made after careful verification to what I consider represents the criminal burden of proof – i.e. "beyond all reasonable doubt" - and the accused have been considerable time to consider the matters and provide explanations but none have been forthcoming.

As the CVA was filed in the High Court on 17th June 2002, there is a pressing need to address any 6 year limitation rules and accordingly I have caused Claims to be issued in the High Court in relation to some of the matters, whilst KPMG trundle on with their confused application for directions in relation to another matter, and I therefore can no longer delay filing these complaints. It is of course trite law that litigation does not delay or prejudice regulatory investigation.

Given that there are so many different regulatory authorities covering the same facts (albeit in the case of RBS the sole allegation is Breach of Trust as they must surely be presumed to have had no knowledge of KPMG and Evershed's subsequent actions, even though nearly 20% of the RBS Directors are retired partners or otherwise publicly connected with those firms), it seems sensible for me not to burden you with too much paperwork until you can advise me whether you wish to take a "joined-up" approach to the initial investigations you must now make or whether each of you requires only the papers related to your particular role.

Many of the documents can in any event be downloaded from the website that I use to communicate with as many of the 55,000+ shareholders as I can. It is at www.thinkentertainmentplc.blogspot.com

I look forward to hearing from you as soon as possible.

Regards

Mark Hardy

enc: Copy of the CVA

THE BACKGROUND

- JUST and 15 of its subsidiaries were made the subject of Administration Orders on 9th January 2002 and McLoughlin and Graham – partners in KPMG and Insolvency Practitioners licensed by by the ICAEW – were appointed Administrators.

- NATWEST had lent money to JUST and its subsidiaries secured by Fixed and Floating charges with Group wide cross guarantees and indemnities. (NB Royal Bank of Scotland replaced NatWest for purposes of the CVA)

- KPMG set about realising assets with the outcome being forecast that there would be no dividend for unsecured creditors, and there would be a shortfall to RBS and/or the Preferred Creditors of the Group.

- Prior to the grant of the Administration orders, a shareholder action group had been created ("JAG") to investigate what had caused the collapse of JUST and whether shareholders could obtain any legal redress for their losses.

- Discussions between JAG and KPMG eventually led to suggestions of the CVA on the basis that JAG had to prove that shareholders would contribute to a new share issue by JUST. JAG solicited money from shareholders based on representations that it would be securely held by Mishcon de Reya and returned in full if the CVA did not proceed.

- More than £1,850,000 was raised and KPMG were then able to propose the CVA to the Creditors and the High Court on 17th June 2002 with Hudson and Taylor – partners of BEGBIES and Insolvency Practitioners licensed by the IPA - as the Nominees to act as Supervisors of the CVA.

- Creditors and Shareholders approved the CVA on 2nd August 2002

- A total of £5,694,000 was raised by the JUST share issue and monies conditionally held by Mishcon de Reya became wholly vested in JUST.

- JUST experienced some delays in opening accounts at Barclays and accordingly on 23rd August 2002 at KPMG and BEGBIES's direction instructed Mishcon to remit to KPMG £1,850,000 from the funds Mishcons were still holding in their client account, in order to speedily implement the CVA.

- The CVA document makes clear that the sum of £1,850,000 represented:
  - £322,000 to be held in Escrow in an account at a clearing bank under the control of BEGBIES for the sole benefit, and at the sole direction, of RBS in the event that there was a shortfall in repayment to RBS caused by the existence of a priority preference claim of HM Revenue & Customs in the JUST subsidiary – EDI Realisations Ltd for unpaid PAYE estimated at £322,000.

- RBS had sole control over the utilisation of the Escrow and were required to ensure its repayment to JUST if there was no shortfall in repayment of the loans.
- £1,528,000 to be held on trust in an account a clearing bank under the control of BEGBIES and to be utilised solely to meet any shortfall to the Bank and upto £1,300,000 for any fees properly payable to KPMG (and KPMG only) for acting as Administrators to the various JUST companies when all asset realisations had been made
- None of these monies were to be used for payment to any other parties for any services whatsoever.

- RBS having determined that the Escrow was not needed, directed KPMG to repay its loans in full at a date sometime in late August or early September 2002.

THE COMPLAINTS

1. BEGBIES failed to ensure that the CVA monies were held in accounts under their control and were disbursed solely in accordance with the terms of the CVA

2. RBS failed to direct that the Escrow monies were repaid to JUST

3. KPMG falsely accounted for the receipt of £1,850,000 in filings with the Registrar of Companies that they made as Administrators of JUST Group plc and not as Administrators of any other companies.

4. Without any authority whatsoever, and in breach of contract and trust, KPMG transferred monies to various subsidiaries of JUST and then rendered false accounts to creditors and the Registrar of Companies

5. KPMG falsely stated in accounts to creditors and the Registrar of Companies that the sum of £356,000 was "ring fenced" under the terms of the CVA for the benefit of HMRC and other preferential creditors of EDI Realisations Ltd

6. KPMG failed to account for and/or repay to JUST the difference between the £1,300,000 estimate of their time-cost fees and the actual fees payable on a meritorious basis as determined in accordance with the binding provisions of Statement of Insolvency Practice 9 ("SIP9").

7. BEGBIES failed to ensure that KPMG properly conducted the Administrations and rendered invoices to them for any actual shortfall in time-cost fees they had not recovered from the estates by agreement with the Creditors of those estates and JUST after all asset realisations had occurred.

8. KPMG have Cheated the Public Revenue contrary to Common Law by intentionally failing to timeously or at all pay the claims of HMRC in the EDI Realisations Administration as required by law.

9. In April 2004 KPMG informed the directors of JUST Group that they could make sworn declarations of

solvency in accordance with the provisions of the Insolvency Act relying on KPMG's representations that £385,000 should be accounted for as a current asset of JUST for the purposes of inducing its shareholders to enter into a reorganisation under s110 of the Insolvency Act.

10. BEGBIES failed to diligently exercise their duty of care and verify the reasonableness of the matters related to the CVA contained in the Declaration of Solvency before confirming to JUST's creditors that the s110 reorganisation would protect their interests, and in so doing failed to carry out their duty of care to JUST and its assignees.

11. Think Entertainment plc ("THINK"), successor to JUST by virtue of the s110 was induced into providing an indemnity to JUST's creditors in part based upon the representations of KPMG and relying upon the duty of care owed by BEGBIES.

12. Following the s110 reorganisation in May 2004, KPMG attempted to cover up their misconduct by bad faith and inducing THINK's solicitors, Addleshaw Goddard, into negotiating that EDI Realisations Ltd would enter into a loan agreement with THINK by falsely representing that they could not pay any monies away until the Judicial Committee of the House of Lords had ruled in the matter of RBS -v- Spectrum Plus ("BRUMARK").

13. Such accounting as does exist proves beyond all doubt that KPMG were lying as to any possible relevance of BRUMARK to the JUST CVA, as not only had RBS been repaid in full but there was more than enough cash to pay HMRC and all other preferential creditors in full in early 2003 as they were required to do, and that their delay was part of a well documented policy by all Insolvency Practitioners not to pay any monies to HMRC in any Administration, Receivership or Liquidation ahead of the BRUMARK ruling - even in cases such as JUST where the ruling was of no relevance.

14. In January 2005 relying upon Addleshaw Goddards representations that KPMG had told them not less than £250,000 would be imminently made available and paid to THINK, without making further enquiry I accepted the grant of a Power of Attorney to act for THINK. At all times I asked KPMG, and their solicitors EVERSHEDS why any money was in EDI Realisations and that they justify why BRUMARK was justification for any delay as to payment.

15. In April 2005 I and the liquidators of JUST wrote to KPMG pleading with them to sort out the monies and provide accounting for why money was in EDI, as otherwise the liquidation of JUST would have to be converted from a Members Voluntary to a Creditors Voluntary in late May 2005. They refused.

16. BEGBIES then threatened the liquidators of JUST that unless their outstanding fees as Supervisors of the CVA, unverified as to merit in accordance with SIP 9, were immediately paid, they would petition the High Court to have JUST placed in Compulsory liquidation. Such conduct is reprehensible and unethical and in breach of all applicable codes of professional conduct.

17. After the BRUMARK decision, in January 2006 KPMG, acting by EVERSHEDS (formerly solicitors to JUST), finally applied to the High Court for directions in the EDI Realisations matter asking to whom the more than £500,000 remaining should be paid.

18. KPMG and EVERSHEDS made that application knowing they were withholding information relevant to the Court in relation to the order they sought, with the intention of Perverting the course of Justice contrary to the Rules of Court and the Perjury Act 1911, and for the purpose of covering up their prior improper acts and gaining improper financial advantage by obtaining one of the most perverse costs orders ever given by the High Court. EVERSHEDS and KPMG failed to tell the High Court, THINK and JUST that in 2003 they had told EDI creditors that £356,000 was ring fenced for HMRC, and it therefore being unarguable that HMRC should have been paid in full before making the application.

19. Since then KPMG and EVERSHEDS have claimed more than the entire £500,000 on as yet unassessed fees for themselves, and KPMG have admitted taking more than £60,000 in fees for other administrations (already ordered closed by the High Court) from the EDI estate contrary to all statutory and professional obligations.

20. THINK, JUST and HMRC have sought to resolve the EDI matter with KPMG and EVERSHEDS by agreement but have failed to do so because of what HMRC have stated by letter in November 2007 are claims for fees that "are, frankly, staggering ... we can see no justification for costs of this magnitude ... HMRC are of the view that your costs should be assessed by the Court, as a matter of principle and public interest" an opinion shared by THINK and JUST's liquidators.

21. EVERSHEDS response in January 2008 was an admission that their and KPMG's fees are usually reduced by upto 25% upon independent assessment by the High Court in any event. Such a statement conflicts with the provisions of SIP 9 as to fees and expenses that may be claimed by Licensed Insolvency Practitioners.

22. Following the November 2007 discovery of the 2003 "ring fenced" statement, which neither THINK nor JUST could have known about before, THINK has applied to the High Court for an order setting aside all prior orders in the January 2006 KPMG/EVERSHEDS application and ordering that the entire sum be paid into Court forthwith together with interest. A directions hearing is set for 20th May.

RELIEF SOUGHT

- INVESTIGATIONS
- PROSECUTIONS
- SANCTIONS
- RESTITUTION

IN THE HIGH COURT OF JUSTICE NO. OF 2002

IN THE MATTER OF THE INSOLVENCY ACT 1986

AND IN THE MATTER OF

JUST GROUP PLC – IN ADMINISTRATION

REPORT of David Paul Hudson, a partner in the firm of Messrs. Begbies Traynor, the Old Exchange, 234 Southchurch Road, Southend-on-Sea, Essex SS1 2EG, a licensed Insolvency Practitioner, and the Joint Nominee named in the Proposal presented by the Administrators of Just Group Plc ("the Company"), under Section 2 of the Insolvency Act 1986.

I have considered the proposals of the Administrators for the implementation of a Voluntary Arrangement in respect of the Company.

1. The Administrators of the Company have submitted to me:

1.1 A Proposal for a Voluntary Arrangement for the Company which includes all the matters required by Rule 1.3(c) of the Insolvency Rules 1986 ("the Rules") to be stated therein. A copy of the proposal is attached.

1.2 A Statement of Affairs for the Company as at 13th June 2002 with supporting schedules. A copy of the Statement of Affairs is attached to the proposal. The Statement of Affairs and Schedules include all matters required by Rule 1.5(2) of the Rules to be stated therein.

2. In reaching my opinion, I have taken into consideration the following matters:

2.1 I have reviewed the Company's estimated Statement of Affairs as at 13th June 2002. I have also been provided with a list of creditors, including the Inland Revenue and VAT liabilities. The company was placed into Administration on 9th January 2002 and A. Graham and M. McLoughlin of KPMG were appointed Joint Administrators. I have relied upon information provided by the Administrators and former members of the Company's staff. In the time available, I have not had an opportunity to examine in detail or verify the financial information upon which the Proposal and Statement of Affairs are based. However, Creditors' interests are safeguarded after the commencement of the Voluntary Arrangement. This is because if it is discovered in the course of the Voluntary Arrangement that the financial information provided was misleading to Creditors in a material way, the Supervisor will apply to the Court for a Winding Up Order in relation to the Company.

2.2 It is proposed that all assets of the Company will be excluded from the Voluntary Arrangement, other than the continued trading via the Intellectual Property Rights and Licence Rights. No formal valuation of these assets has been undertaken.

2.3 The Administrators have co-operated entirely in relation to the information which I have requested.

2.4 The performance of the Arrangement does depend upon the response of the secured creditor, Royal Bank of Scotland, who hold a fixed debenture conferring a fixed and floating charge as security. I have spoken to a representative of the Bank who has advised me that the Bank is willing to support the proposal.

2.5 The approval of this Arrangement will not depend upon the response of the preferential creditors, given their estimated claims. In any event, should the Company be placed into liquidation, it is unlikely that any of the unsecured creditors would receive a dividend from the Administration or Liquidation.

2.6 The approval of the Arrangement will depend on the approval of the major Creditors, together with the approval of the Shareholders. With representatives of the Shareholders, I have sought to canvass views from a number of Creditors. A majority of these Creditors have indicated that the prospect of receiving a dividend by way of a CVA is preferable to the liquidation of the Company, given that no dividend will be payable to the unsecured Creditors in a Liquidation.

2.7 In the event that the Arrangement is approved and implemented successfully, unsecured Creditors will receive redeemable loan notes equal to 40% of their claim. Preferential Creditors will be paid in full. In the event that the Company is placed into liquidation, it is unlikely that there will be a dividend for any ordinary unsecured Creditors.

2.8 In the event that the proposal is rejected, it is likely that the Administrators will seek to dispose of the remaining assets of the Company. It is unlikely that realisations would be sufficient to enable a dividend to ordinary unsecured Creditors.

2.9 I have been advised by the Administrators that a potential preference has been identified in respect of a payment made by Just Group Plc on or around 6th August 2001, when contractually, this payment was not due until 1st October 2001. The Company was placed into administration on 9th January 2002. In the event that the Voluntary Arrangement is accepted, the Supervisors would be unable to pursue this action.

3. Opinion

3.1 I agree with the Administrators that a Voluntary Arrangement is desirable and in the interest of the Creditors and Shareholders of the Company. I am satisfied that:-

(a) from the information which as been provided to me, the Company's position as to assets and liabilities is not materially different from that which is to be presented to the Creditors and Shareholders.

(b) the Administrators' proposals have a real prospect of being implemented in the way it is represented.

3.2 There is no manifest or prospective unavoidable unfairness.

I am therefore of the opinion that meetings of the Creditors and Members of the Company should be convened and held on the 2nd day of August 2002 at 11.00am and 2.00 pm respectively.

Signed: _____
David Paul Hudson

Dated this 17th day of June 2002

Just Group Plc.

Just Licensing Limited

Just Entertainment Limited

Proposal for a Company Voluntary Arrangement under Part I of the Insolvency Act 1986

WE, the Administrators of the Just Group Plc, Just Licensing Limited and Just Entertainment Limited propose a Voluntary Arrangement under Section 1 of the Insolvency Act 1986 in satisfaction of the debts of these companies.

The Proposal consists of eight pages and five Appendices as well as three statements of affairs. For the avoidance of doubt, any other documents sent to you with this Proposal by the Shareholder Action Group, or any other person, does not form part of it and we accept no responsibility for the content thereof.

1. DEFINITIONS

1.1 In this Voluntary Arrangement proposal the following definitions shall apply, unless the context otherwise requires:

"The Act"	The Insolvency Act 1986 and any statutory modification or enactment thereof.
"The Bank"	The Royal Bank of Scotland Plc
"The New Company"	Just Group Plc, Just Licensing Limited and Just Entertainment Limited – all in Company Voluntary Arrangement.
"The Creditors"	The Secured Creditors, the Preferential Creditors and the Unsecured Creditors.
"The Directors"	The Directors of the Group, details of whom are set out in the Statutory Information in "Appendix I" to these proposals.
"Fixed Date"	The date (if any) of approval of this Voluntary Arrangement.
"The Administrators"	A.W. Graham and M.V. McLoughlin of KPMG.
"The Nominees"	David Paul Hudson and Jamie Taylor of Begbies Traynor.
"Preferential Creditors"	Creditors to the Group whose claims as at the Fixed Date are Preferential under Sections 4 and 386 of the Act.
"The Rules"	The Insolvency Rules 1986, as amended from time to time.
"The Supervisors"	David Paul Hudson and Jamie Taylor or any other person for the time being duly appointed Supervisor of this Voluntary Arrangement.
"Secured Creditors"	The Bank, and those companies listed in paragraph 10.2.1 as having supplied assets to the Group on the terms of hire, hire purchase, lease or similar agreements.
"Group"	Just Group Plc and subsidiary companies.
"Unsecured Creditors"	Creditors of the New Company who would have been entitled to prove in a Liquidation had the New Company gone into Creditors Voluntary Liquidation on the Fixed Date including prospective and contingent Creditors other than: (i) Secured Creditors to the extent of their security; (ii) Preferential Creditors.
"The Voluntary Arrangement"	This Voluntary Arrangement in its present form or with any modification made at the meetings of the Shareholders or Creditors of the Company summoned under Section 3 of the Act.
The Solicitors	Mischon de Reya who are legal advisors to JAG.
The Shareholders	The registered shareholders Just Group Plc.

2. BACKGROUND INFORMATION

2.1 Just Group Plc was incorporated on the 9th November 1993, and on 11th March 1994 acquired the whole of the issued share capital of Just Licensing Ltd, a toy development and licensing business which was founded in 1987.

2.2 The business historically traded from Bakewell, Derbyshire.

2.3 During May 1996, Just Group Plc was listed on the alternative investment market, since when the Group has expanded rapidly.

2.3.1 Investment was made during 1999 to secure merchandising rights in a TV property entitled Jellikins/Jellabies. This was the Group's first entertainment property which was followed by significant investments in Butt-Ugly Martians, McDonalds Farm and Pinky and Perky. The IP rights of Jellikins/Jellabies are still owned by Just Licensing Ltd. The IP rights of Butt Ugly Martians are co-owned by Just Group Plc, Just Licensing Limited and Just Entertainment Limited.

2.3.2 During 2000, the Group acquired two further businesses, Optical Image Ltd, a television production, motion & post production house and MediaKey Plc, predominantly a creator and publisher of illustrated reference books and owner of children's Intellectual Properties, including Wide Eye, a pre-school learning range.

2.4 The overheads of the Group increased substantially following flotation, particularly from the end of 2000 with the acquisition of MediaKey Plc.

During 2001, the Group incurred significant additional costs associated with the purchase and refurbishment of a freehold office block in Shepherds Bush, London and the refurbishment of its offices in Bakewell, Derbyshire.

2.5 Early in 2001, the Directors became aware of a significant creditor backlog inherited by the Group following its acquisition of MediaKey Plc. Consequently, there was a need to raise further cash to sustain the Group's growth plans and to assist with working capital.

2.6 Delays in the uptake of Butt-Ugly Martians broadcast licences adversely affected the level of licensing and consumer product revenues in the spring of 2001, resulting in further shortfalls in cash generation.

2.7 In the summer of 2001, a cease and desist letter was received from Universal in respect of the Butt-Ugly Martians property, preventing the finalisation of a number of licensing contracts, resulting in further significant shortfalls in cash generation. This letter was issued as a result of a dispute concerning the ownership of the rights. This dispute was later resolved.

2.8 During this period the Board of Directors reviewed its accounting policies for revenue recognition of licensing income. Whilst its policy of recognising guaranteed licensing income in full in the period in which a contract was signed was acceptable accounting practice, the Board of Directors agreed to change to a more prudent policy and that the new policy should be applied to the April 2001 accounts. The new policy apportioned the guaranteed revenue evenly over the period of the license. We understand from the Directors that non refundable advances were to be included as a creditor and released in line with reported royalties.

2.9 The Group's auditors reported to the Directors, during the second half of 2001 that the Group would require circa £7.5 million of additional funding to overcome the creditor pressure that had accumulated.

2.10 Despite the Director's efforts to raise additional funds by inviting investment from financial institutions, sufficient funding was not generated.

2.11 By the end of 2001, the Group had utilised its available funding and the Directors took legal advice which resulted in the following companies within the Group being placed into Administration on the 9th January 2002.

Just Group Plc.
Just Licensing Limited
Just Group Properties Limited
Just Publishing Limited (formerly Burghley Publishing Limited)
Just Entertainment Limited
Newsstand Publications Limited
Abbey Home Entertainment Group Limited
Monster Innovations Group Limited
MediaKey Plc.
EDI Realisations Limited (formerly known as Marshall Editions Limited)
DEV Realisations Limited (formerly known as Marshall Editions Developments Limited)
PBL Realisations Limited (formerly known as Marshall Publishing Limited)
Marshall Information Limited
Marshall Direct Learning Limited
Marshall Media Limited
eMediaKey.com Ltd

2.12 The purpose of the Administration was to enable a more advantageous realisation of the Group's assets than would be effected in a winding up and or the approval of a Voluntary Arrangement under the Insolvency Act 1986.

Company Voluntary Arrangement

2.13 It is proposed that three of the Group's companies enter into a Company Voluntary Arrangement. The companies are:-

Just Group Plc
Just Entertainment Limited
Just Licensing Limited

2.14 Just Group Plc was the ultimate parent company and holding company of the Group.

2.15 Just Group Plc, Just Entertainment Limited and Just Licensing Limited form the traditional core of the Just business owning rights in Butt-Ugly Martians and Jellikins/Jellabies respectively.

3. CURRENT FINANCIAL POSITION

3.1 Attached as 'Appendix 2' is the estimated Statement of Affairs submitted to the Administrators of Just Group Plc, Just Licensing Limited and Just Entertainment Limited as at 27th February 2002.

3.2 Attached as 'Appendix 3' is an Estimated Statement of Affairs in respect of Just Group Plc, Just Licensing Limited and Just Entertainment Limited as at 1st June 2002.

3.3 It should be noted that following the submission of the Statement of Affairs to the Administrators, assets have been sold and a review of the estimated to realise values of assets has been undertaken accordingly. The Statement of Affairs differ significantly.

4. PROPOSALS

4.1 The Voluntary Arrangement is proposed as a means of enabling Just Group Plc and its two subsidiaries, Just Entertainment Limited and Just Licensing Limited to continue to trade (the "New Company"). Continuing to trade will enable the New Company to:-

a) Collect royalties from existing signed contracts;

b) Develop the licenses that are held; and

c) Seek new opportunities in the expanding children's entertainment market and media industry.

By continuing to trade it is anticipated that a greater return will be provided to Creditors and Shareholders than would be available if the three companies were to enter into liquidation. It is anticipated that in the event of liquidation, there is little likelihood of a dividend to Unsecured Creditors.

4.2 The principal assets of the three companies relate to the rights in Butt-Ugly Martians and Jellables/Jellikins. Universal Studios has a significant ownership share of the rights in Butt Ugly Martians and we understand from the "Just Action Group" (JAG – See paragraph 4.3) that Universal Studios is prepared to support the Proposal for a Voluntary Arrangement. In the event that funds were realised from a sale of the rights, they would be due to the Bank under the terms of its security. There would be little likelihood of a return to Creditors or Shareholders from any sale.

4.3 Following the granting of the Administration Orders, a shareholders action group 'Just Action Group' (JAG) was formed. We understand from members of JAG that it was formed in order to seek to preserve value in the Group for the benefit of Creditors and Shareholders. We understand that substantial funds have been raised by the Shareholders in order to assist in securing the acceptance of the Arrangement and to provide working capital for the New Company. These funds would not of course, be available in the event of a liquidation.

4.4 It is proposed that all the Unsecured Creditors between the three companies will be treated equally as creditors of the New Company. Each company is dependent upon the other for support and services to maximise the value of its assets and therefore it is equitable that the claims against the companies should be treated equally.

4.5 In consideration of the claims against the New Company, it is proposed that Just Group Plc, will issue redeemable loan notes. These notes will be issued as follows:-

a) The loan notes issued by Just Group Plc. to its Creditors will equate to 40% of the agreed unsecured claims of creditors of Just Group Plc, Just Licensing Limited and Just Entertainment Limited.

b) The repayment of these loan notes will equate to 10% of the agreed Unsecured claims after three years, 10% after five years and the balance of 20% of the agreed claim after seven years. The redemption date will be the respective anniversary of the acceptance of the Voluntary Arrangement. Attached as "Appendix 4", is a further explanation of the loan notes.

c) Interest will be payable on the redeemable loan notes at a rate of 3% per annum. This interest will be payable annually in arrears.

d) Creditors will be given the opportunity to transfer the redeemable loan notes into shares in Just Group Plc. during the seven years prior to the final payment under the loan notes. Shares will be issued on the quarter date after the application for transfer and the share price will be calculated at the market value as at the quarter date.

e) Prior to the shares being re-listed on a recognised exchange, the shares will be deemed to have a value of 1.9p. The shares will only become disposable on the same date and in the same proportions as the loan notes. If a Creditor elects to transfer its entire holding of loan notes to shares during the first three years then 25% can be disposed of between years three and five, 50% between years five and seven and 100% after seven years. The commencement of the quarter date for the purposes of the transfer of loan notes will be 1st April.

f) The redemption of the final tranche of redeemable loan notes will be taken as full and final settlement of a Creditors' claim against Just Group Plc, Just Licensing Limited and Just Entertainment Limited.

4.6 The estimated shortfall to the Bank after taking into consideration assets to be realised and due to the Bank under its security totals £2.15 million. This figure includes an estimate of the amount required to discharge Administrators' fees and the costs of the Administration. The Bank holds security over the assets of the Group in the form of a debenture comprising a fixed and floating charge. There are cross guarantees throughout the Group with supporting security. The principal remaining assets relate to a free hold property and book debts.

4.7 Redeemable loan notes will be issued to the connected companies/associates in respect of any claim that they may have against Just Group Plc, Just Licensing Limited and Just Entertainment Limited. It will be for the Supervisors to adjudicate any claims submitted.

4.8 The claims of the Preferential Creditors are estimated at £198,000. The agreed preferential claims will be met in full from funds currently held by Solicitors on behalf of Shareholders. Sufficient funds to meet the estimated Preferential Claims will be passed immediately to the Supervisor.

4.9 A Proposal that the Administrators' fees could be drawn on a time cost basis was approved by the Creditors at the Section 23 Insolvency Act 1986 Meeting of Creditors held on 3rd April 2002. It is estimated that the Administrators' time costs will total £1.3m. This liability has been included in the shortfall to the Bank.

4.10 The shortfall to the Bank and the Administration will be settled as follows:-

a) The sum of £1.3 million will be paid to the Administrators immediately following the agreement of the Voluntary Arrangement. The funds to meet this payment have been raised by Shareholders and are held by Solicitors on behalf of Shareholders.The funds will be used towards discharging the estimated shortfall to the Bank.

b) A further £322,000, which has been raised by Shareholders, will be held in escrow. These funds will not be utilised until the validity of the Bank's fixed charge on book debts has been agreed. The conduct of this matter will be determined solely by the Bank, but will be in any event settled not more than 24 months from the date of approval of the Arrangement. In the event that the Bank's charge is not valid these funds will be passed to the Bank in reduction of its liability. The funds will be returned to the New Company only if the Bank's fixed charge on book debts is valid and to the extent that there is no remaining shortfall to the Bank. If such a shortfall exists, the funds will be used first to discharge any remaining shortfall to the Bank.

4.11 A second further letter from JAG to the Shareholders has been issued inviting further funding. The funds raised as part of this exercise will be used as follows:-

a) The first £200,000 will be paid to the Administrators in reduction of any remaining outstanding liability to the Bank and the Administration.

b) The next £700,000 will be paid to Tiger Aspect to allow the New Company to purchase the shareholding Tiger Aspect holds in Target Distribution Limited. The proposed merger with Target Distribution Limited is detailed in paragraph 5.2.

c) The next £364,000 will be retained by the New Company as working capital.

d) In the event that funds in excess of those detailed above are raised from Shareholders, they will be utilised to extinguish any remaining shortfall to the Bank and the Administration.

4.12 In the event that more than £1,246,000 of additional funds are raised from Shareholders (following the fund raising excercise in 4.11 above) on or before 28th June 2002 and a shortfall to the Bank still exists, the first £136,000 of any remaining shortfall to the Bank will be repaid by the New Company to the Bank within six months of the date of approval of the Voluntary Arrangement. The repayment will be made in six equal monthly instalments on the last business day of each month. The first instalment will be paid on 31st July 2002. In the event that there is any residual liability to the Bank after the above, the Bank will have the discretion to take an equity stake in the New Company or opt for repayment of the remaining shortfall over a period to be negotiated between the Bank and the Directors of the New Company. It should be noted that the Bank retains its security over all the remaining assets of the Group until it is repaid in full including interest accruing to the date of full repayment.

4.13 In the event that less than £1,246,000 of additional funds are raised from Shareholders on or before 28th June 2002 a renegotiation of the terms in 4.12 above will be required. The Bank will have the discretion to take an equity stake in the New Company and/or opt for repayment of the remaining shortfall over a period to be negotiated between the Bank and the Board of the New Company. In the event of either of the aforementioned options being excercised by the Bank, and regadless of the time taken by the Bank to arrive at its decision, this proposal will remain valid and will nevertheless proceed to voting and approval by the Creditors and Shareholders of Just Group Plc., Just Licensing Limited and Just Entertainment Limited. It should be noted that the Bank retains its security over the assets of the New Company until it is repaid in full including interest accruing to the date of full repayment.

4.14 It is proposed that Just Group Plc will assume the pre-Arrangement ordinary unsecured liabilities of Just Entertainment Limited and Just Licensing Limited. Loan notes will be issued to the Unsecured Creditors of Just Entertainment Limited and Just Licensing Limited in respect of these liabilities which will equate to 40% of Unsecured Creditors' claims in these companies.

4.15 It is proposed that Creditors with specified rights under license agreements will be treated as Unsecured Creditors and receive redeemable loan notes under 4.5. However, the proposed Board of Directors of the New Company recognises that these creditors are of strategic importance, without whose support the Arrangement would not be possible, and the Directors will undertake to renegotiate their entitlement once the up to date royalty position has been quantified. We understand from JAG that the strategic creditors include:-

i)	Winchester Entertainment	ii)	Trebor Bassett
iii)	Universal Studios	iv)	Mike Young Productions
v)	DCDC		

4.16 Prior to the Group being placed into Administration a dispute arose with a firm of accountants regarding due diligence undertaken in anticipation by Just Group Plc of the acquisition of MediaKay Plc. The Directors instructed solicitors to review a claim by the Just Group Plc against the accountants for negligence. The Supervisors will review the merits of this claim. In the event that any claim is successful the funds received by the New Company will go first towards discharging any remaining shortfall to the Bank.Thereafter, 15% of the net proceeds will be used to finance a dividend to Creditors in addition to the redeemable loan stock. The maximum distribution to Creditors will equate to 60p in the £ on the claim agreed by the Supervisors. The balance will be retained by the New Company as working capital and in meeting the costs of agreeing disputed Creditors' claims.

5. FUTURE TRADING

5.1 It is proposed that a new Board of Directors will be incorporated. This will provide the New Company with a new board to manage the New Company's activities and the ability to develop the licenses held, and seek new opportunities. A meeting of Shareholders has been convened for the purpose of appointing a new Board of Directors.

5.2 Terms have been agreed, conditional upon the acceptance of the Voluntary Arrangement at the Extraordinary General Meeting which has been convened in respect of the Arrangement, for a merger with a private company, Target Distribution Limited. JAG believes that this company is a successful and profitable business, established four years ago. We understand from JAG that the merger will provide the New Company with almost 1,000 hours of television programming and global licensing opportunities, providing the potential to create substantial additional revenue for the New Company.

5.3. It is proposed that following the satisfaction of the conditions in 7.1, the Company Voluntary Arrangement will be completed. Following the completion of the Arrangement, the New Company will seek advice from its nominated Brokers and Advisors regarding the timing and other issues in order to seek a re-listing on a recognised Stock Exchange.

5.4 Any Creditors whose debts have been incurred by the New Company in the carrying on of the business of the New Company after the fixed date, will be paid from the ongoing trade outside of the Voluntary Arrangement.

5.5 Immediately following the Fixed Date:-

5.5.1 For the duration of the Voluntary Arrangement and subject to the provisions of paragraph 10.2.1, no Creditors (save for the Bank and the Supervisors) shall have any remedy against the assets or the property of the New Company nor shall any such Creditors proceed with or commence any demand, legal proceeding, execution, judgement, distress or other step whatsoever against the New Company.

5.5.2 Creditors who have issued legal proceedings against the Just Group Plc, Just Licensing Limited or Just Entertainment Limited as at the Fixed Date shall only be entitled to continue those proceedings for the purpose of establishing their claim in the Voluntary Arrangement.

5.5.3 The New Company shall execute and deliver to the Supervisors powers of attorney in such form as the Supervisors require irrevocably appointing the Supervisors the attorneys of the New Company and in their names and on their behalf and in their acts and deeds or otherwise to seal and deliver and otherwise perfect any deed, assurance, agreement, instrument or right which may be required or may be deemed proper by the Supervisors for any of the purposes of the Voluntary Arrangement.

5.6 The New Company shall provide the Supervisors with its management accounts on a six monthly basis, together with any explanatory information which the Supervisors may require. This will enable the Supervisors to monitor the performance of the New Company throughout the duration of the Voluntary Arrangement.

5.7 All outstanding Value Added Tax and Corporation Tax returns are to be rendered within six months of the approval of the Voluntary Arrangement with all future returns to be rendered and paid by the due date. In the event that outstanding returns are not lodged within six months, the Supervisors shall review the position and may extend the period to twelve months or eighteen months i.e., the devaluation of the arrangement, if appropriate. The New Company recognises that substantial work will be required to reconcile the Corporation Tax position. In the event that the New Company is unable to agree the position in the timescale detailed the Supervisor/New Company will seek further time from the Inland Revenue.

5.8 All tax liabilities not included in the Inland Revenue's final claim to the Supervisors as Creditors of the New Company shall be paid as and when they fall due for payment.

6. THE SUPERVISORS

6.1 PERSONS PROPOSED AS SUPERVISORS

The proposed Supervisors are David Hudson and Jamie Taylor of Messrs. Begbies Traynor, The Old Exchange, 234 Southchurch Road, Southend-on-Sea, Essex SS1 2EG. Both David Hudson and Jamie Taylor are Members of the Insolvency Practitioners Association and are both Licensed Insolvency Practitioners.

6.2 DUTIES AND POWERS OF THE SUPERVISORS

6.2.1 The Supervisors their servants or agents shall incur no personal liability in connection with the negotiation or implementation of the Voluntary Arrangement or under any deeds instruments or documents entered into pursuant to or in connection with it.

6.2.2 In exercising their powers, the Supervisors are deemed to act at all times as the New Company's agents and without prejudice to the generality of the foregoing the New Company shall keep the Supervisors and each of them indemnified on demand against all actions, claims, proceedings and demands brought or made against them or either of them in respect of the conduct of the business during the period of the Voluntary Arrangement and in respect of all expenses and liabilities properly incurred by them in carrying out their functions.

6.2.3 The Supervisors have all powers specified in Schedule 1 of the Act as if they were Administrators of the New Company.

6.2.4 Any act to be done in connection with the Voluntary Arrangement may be done by any one of the Supervisors.

6.2.5 A person dealing with the Supervisors in good faith and for value is not concerned to enquire whether the Supervisors are acting with in their powers.

6.2.6 Should this Arrangement be approved by the requisite majority of Creditors and Members, the Supervisors shall within 28 days of the Fixed Date provide all Creditors with a notice of claim form.

6.2.7 The Supervisors shall consider the claims of all persons claiming to be Creditors of the New Company. For the purpose of quantifying claims of Creditors, the rules in Part 4, Chapter 9, Section B of the Rules shall apply as if the New Company had gone into Creditors Voluntary Liquidation on the Fixed Date. No Creditors shall be entitled to challenge a decision by the Supervisors to admit the claim of another Creditor unless they can prove bad faith on the part of the Supervisors. The Supervisors shall have power to compromise the claim of any Creditor at their discretion.

6.2.8 The Supervisors shall distribute the funds retained in the Voluntary Arrangement in the following order of priority:-

6.2.8.1 (a) All fees, costs, charges and expenses of the Administration that have been properly incurred by the Administrators in carrying out their duties.

(b) In paying or providing for the fees, costs, charges and expenses of the Voluntary Arrangement including:-

i) The fees, costs and expenses of the Supervisors fixed by reference to the time properly spent by them and their staff in attending to matters arising in the Voluntary Arrangement; and

ii) The costs and expenses of any agent or Solicitor appointed by the Supervisors to assist or advise in the performance of their duties.

(c) The New Company will within 28 days from the fixed date and at the end of every calendar month thereafter ensure that sufficient funds are passed to the Supervisor's to meet these liabilities.

6.2.8.2 In paying the Preferential Creditors.

6.2.9 The Supervisors shall make initial distributions under paragraphs 6.2.8.2 as soon as reasonably practicable after the Fixed Date. Any Preferential Creditors who have not notified the Supervisors of their claims before a dividend is paid, but whose claims are thereafter admitted by the Supervisors, shall be entitled to be paid out of any money or property of the New Company in the Supervisors hands in respect of any dividend which they have failed to receive before that money or property is applied in payment of future dividends, but such Preferential Creditors are not entitled to disturb distributions made before they notified their claim to the Supervisors.

6.3 FUNCTIONS AND ADDITIONAL POWERS OF THE SUPERVISOR

6.3.1 The Supervisors will monitor the payment of contributions of funds held by Solicitors on behalf of Shareholders which are payable under the terms of the Voluntary Arrangement.

They will have such access to the books and records of the New Company as they may require. The Supervisors will agree Creditors claims and deal with all queries on behalf of Creditors and make the appropriate distributions. It is expressly noted for the avoidance of doubt that the Supervisors shall not in any circumstances be personally liable for any liabilities incurred in connection with the continued trading of the New Company.

6.3.2 It is proposed to give the Supervisors the power to convene and hold further meetings of Creditors and Shareholders at any time throughout the duration of the Voluntary Arrangement. Any decision or resolutions passed by those meetings should be binding on the Supervisors, the New Company and all Creditors.

6.3.3 A Meeting of Creditors may be convened at any time throughout the duration of the Voluntary Arrangement on not less than 21 days notice in writing by post to the last business address known to the New Company to consider, and if necessary to vote on, matters of relevance to the Voluntary Arrangement including, without limitation, the variation or termination there of. Such Creditors Meetings may be called at the request of the Supervisor, or one or more Creditors whose claims in aggregate exceed more than 25% of the total claims at the time.

6.3.4 At a Creditors Meeting pursuant to Clause 6.3.3 to consider a matter of relevance to, including a variation in the terms or termination of the Voluntary Arrangement, a majority in value of 75% calculated by reference to the provisions of paragraph 1.17 of the Rules, present and voting in person or by proxy shall be required to approve such variation or termination.

6.3.5 The Supervisors will have the power to compel Creditors to lodge with them their claim in the proceedings by serving upon them a notice giving at least 21 days notice of an intention to issue the redeemable loan stock. If any Creditors should fail to submit their claim before expiry of that time then they may be excluded from the distribution. In the event that any of the Creditors claims are disputed, the Supervisors may reject that claim and invite that Creditor to issue legal proceedings against the New Company which will ultimately decide the validity of such claims. The legal costs of defending and any costs awarded against the New Company are to be paid as an expense of the Voluntary Arrangement. If within 28 days of such an invitation being served upon a Creditor no proceedings are received, then the Creditor may be excluded from all distributions by the issue of a notice by the Supervisors on the Creditor.

7. COMPLETION OF THE VOLUNTARY ARRANGEMENT

7.1 The Voluntary Arrangement shall finally be completed when:-

i) The Supervisors have received all payments due from the New Company and Shareholders without needlessly protracting the Voluntary Arrangement and have paid Preferential Creditors in full.

ii) The company has issued the redeemable loan stock to Unsecured Creditors.

iii) All fees, costs, charges and expenses incurred by the Supervisors have been settled.

iv) All fees, costs, charges and expenses incurred in the Administration have been settled.

7.2 Once the loan notes have been redeemed and the appropriate distributions made by the Supervisors and the New Company to a Creditor that Creditor shall be deemed to have irrevocably waived and released the New Company from all claims of that Creditor and that Creditor shall have no further additional rights against the New Company in respect of its claims, other than the redemption of the loan notes issued to them.

7.3 In the event that the New Company is unable to redeem the loan notes, any Creditor will have the right to pursue the New Company for the amount due to them at the date of the Arrangement, less any funds received from the New Company in respect of that debt.

8. FAILURE OF THE VOLUNTARY ARRANGEMENT

8.1 In the event that the New Company fails to pay to the Administrators the shortfall to the Bank and the Administration in accordance with 4.10 and 4.11 within seven days of the date of approval of the Arrangement, the Arrangement will be deemed to have failed.

8.2 The Supervisors, in their absolute discretion, will have power to deem that the Voluntary Arrangement has failed and petition for the winding up of the New Company on the following grounds:-

8.2.1 In the event that the funds deposited with the Supervisors to meet preferential claims are insufficient, the New Company will have 28 days, or such longer period as determined by the Supervisors, from the date the New Company is notified by the Supervisors of any deficiency. If funds are not received to meet the claims of the Preferential Creditors within that period, the Arrangement will be deemed to have failed.

8.2.2 The New Company fails to issue the redeemable loan notes, as requested by the Supervisor.

8.2.3 Failure to co-operate with the Supervisors to provide information required under the terms of this proposal or requested in connection with the New Company's affairs;

8.2.4 Failure to comply with the requirements of paragraph 10.13;

8.2.5 If the Bank appoint a Receiver under the terms of its security.

8.3 The Arrangement will also be deemed to have failed should any post Voluntary Arrangement Creditor successfully petition for a Winding-up Order against the New Company.

9. DESIRABILITY OF A VOLUNTARY ARRANGEMENT

The principal reason why a Voluntary Arrangement is desirable and in the interests of the Creditors is that they can expect to receive a higher return than they would receive in Compulsory or Voluntary Liquidation of Just Group Plc, Just Licensing Limited and/or Just Entertainment Limited.

10. MATTERS REQUIRED BY RULE 1.3 OF THE RULES TO BE STATED OR OTHERWISE DEALT WITH IN THE PROPOSALS

10.1 THE NEW COMPANY'S ASSETS

The assets of the New Company and their estimated realisable values are shown in the Statements of Affairs attached at "Appendix 3".

10.1.1. CHARGED ASSETS

The New Company's liability to its Secured Creditors are shown in the Statement of Affairs at "Appendix 3".

The security held by the Secured Creditors is detailed at "Appendix 1".

10.1.2 EXCLUDED ASSETS

With the exception of any funds which are payable by the New Company to the Supervisors, all assets of the New Company are to be excluded from the Voluntary Arrangement.

10.2 THE NEW COMPANY'S LIABILITIES

The liabilities of the New Company are set out in the Estimated Statement of Affairs at "Appendix 3".

10.2.1 SECURED CREDITORS

It is anticipated that where the assets, subject to any charge in favour of Secured Creditors, are required for the ongoing trading purposes of the New Company that the New Company will maintain the payments scheduled under the respective agreements. It should be noted that the Bank retains its security in the form of a debenture dated 18th April 2001 conferring a fixed and floating charge over the assets of the Group. This security will remain until the liability has been settled in full including interest accruing to the date of full repayment.

10.2.2 PREFERENTIAL CREDITORS

Preferential Creditors (as defined under Section 4 of 386 of the Act) will receive a dividend out of funds being paid to the Supervisors. Preferential Creditors will be paid in full.

10.2.3 UNSECURED CREDITORS

Unsecured Creditors will receive redeemable loan notes in respect of their liability. The value of the loan notes will equate to 40% of the outstanding liability.

10.3 CONNECTED COMPANIES AND PARTIES

A list of connected companies and parties is attached as "Appendix 5".

10.4 GUARANTEES OF THE COMPANY'S DEBTS

The Bank holds an unlimited guarantee from the Group in respect of the indebtedness owed to it across the Group.

10.5 CIRCUMSTANCES GIVING RISE TO CLAIMS IN THE EVENT OF LIQUIDATION

S.238 Transactions at an undervalue

We are not aware of any such transactions.

S.239 Preferences

A potential preference has been identified in respect of a payment made by Just Group Plc of £68,750 on or around 6th August 2001 when contractually this payment was due on 1st October 2001. Just Group Plc was placed into Administration on 9th January 2002. In the event that the Voluntary Arrangement is accepted the Supervisors would be unable to pursue this action and the Administrators will therefore give consideration to pursuing this alleged preference.

S.244 Extortionate Credit Transactions

We are not aware of any such transactions.

S.245 Invalid Floating Charges

We are not aware of any such charges having been created.

10.6 PROPOSED DURATION OF THE VOLUNTARY ARRANGEMENT

The Voluntary Arrangement is intended to continue for 1 year and 6 months or until:-

1) All contributions payable to the Administrators, the Bank and the Supervisors have been received and the appropriate distributions made by the Supervisors to the Preferential Creditors.

2) All redeemable loan notes have been issued by the New Company to Unsecured Creditors.

3) The Supervisors may alter the duration of the Voluntary Arrangement in their absolute discretion if they consider it appropriate.

10.7 PROPOSED DISTRIBUTIONS

Distributions are proposed to be made to the Creditors as indicated in paragraph 6.2.9 above.

10.8 NOMINEES REMUNERATION

The Nominees' remuneration will be set at a maximum of £36,000 plus VAT.

10.9 SUPERVISORS REMUNERATION

The Supervisors' remuneration is addressed in paragraph 6.2.8.1(c).

10.10 GUARANTEES

No guarantees are to be offered by Directors or other persons other than those already in existence.

10.11 FUNDS FOR PAYMENT TO CREDITORS

Funds held for the purpose of the Voluntary Arrangement are to be lodged in a recognised Clearing Bank under the control of the Supervisors. Funds held pending distribution should be invested by the Supervisors on deposit or otherwise with a recognised Clearing Bank under the control of the Supervisors.

10.12 FUNDS ON TERMINATION

It is proposed that all sums realised will be distributed in accordance with the terms of the Voluntary Arrangement. If, however, upon the termination of the Voluntary Arrangement the Supervisors retain funds for the purpose of payment to the Creditors and such funds have not been so paid, the Supervisors will either return the funds to the New Company or pursuant to Section 7(4) of the Act will seek the directions of the Court or petition to wind up the New Company so that the funds can be dealt with by a Liquidator.

10.13 FURTHER CREDIT FACILITIES

The New Company will on normal trade terms incur credit from suppliers for the purpose of carrying on its business under the Voluntary Arrangement. The New Company will continue trading for some or all of the duration of the Voluntary Arrangement meeting its day to day liabilities as and when they fall due. In the event that the New Company fails to meet its day to day liabilities as and when they fall due, the Supervisors will notify the New Company of their intention to fail the arrangement and the New Company will have 14 days in which to respond to this notice prior to the arrangement being failed. Following the expiry of this notice period the Supervisors will have the power to commence winding up proceedings against the New Company.

Signed  Dated 17th June 2002

Joint Administrator

HM Revenue & Customs

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Date 22nd November 2007
Our Ref SLR 163148/PAJK
Your Ref

WITHOUT PREJUDICE SAVE AS TO COSTS

PART 36 OFFER

Dear Sirs

EDI Realisations Limited ("EDI") (In Administration)

I refer to previous our correspondence in relation to this matter. Following a review of the information relating to costs recently provided, we are now in a position to set out formally our views on the position reached regarding the trust funds held by your client in the Administration of EDI ("**the Funds**").

In summary, we are extremely concerned about the way in which this whole matter has been handled. It appears to us that following the CVA (at a time when secured liabilities to the bank had been discharged), the Joint Administrators of EDI were holding a sum in excess of £524,000 in trust monies. We attach a summary analysis of the Joint Administrators' Receipts and Payments, which shows that at January 2005, when the ownership of the Fund was the only outstanding issue in the Administration, they were holding the sum of £591,488.50.

In reality there can have been very little room for doubt as to who was entitled to the Funds: it was inevitably one or both of Her Majesty's Revenue & Customs (**"HMRC"**) and Newscreen Media Group Plc (**"Newscreen"**), the original source of the monies in question. Indeed, the Joint Administrators' Reports to Creditors consistently expressed the view that the Funds should be applied to settle the claims of the preferential creditors. If they had acted in accordance with that belief, HMRC would have received its preferential claim in full

and there would have been some £200,000 to return to Newscreen as well as adequate funds to cover the cost of closing the Administration. (This is reflected in the agreement which HMRC reached with Newscreen, whereby it was agreed to divide what remained of the Funds in the proportions 60:40, which broadly equates to HMRC's original claim of £324,000 out of trust monies of £524,000.)

The manner in which the Joint Administrators chose to deal with the one remaining issue in relation to ownership of trust monies is also of concern. It is not easy to understand why they did not simply pay the Funds into Court and allow interested parties to make representations if they chose to do so. Instead, we are told that your clients have incurred costs of almost £500,000 in order to have determined an issue in whose outcome your clients had no financial interest and which, frankly, could have been resolved in a far more straightforward manner. It seems to us that the method chosen has led to far greater costs being incurred than was necessary, and that trust monies have been expended in dealing with other matters unrelated to the question of ownership of the Funds, such as criticism of the Joint Administrators by Mr Jones and Mr Hardy in relation to their conduct of the Administration. In this regard, it is helpful to remind oneself that as your clients' counsel put it at the hearing on 18.12.06: "The Court has already made it plain that the question in this application is a narrow one, namely who is entitled to these funds. If Mr Jones, Mr Hardy, or anyone else genuinely believes that as a matter of substance and law the insolvency practitioners, which I represent today, have acted in breach of duty in the administration of the estate of EDI Realisations, then of course it is up to them to bring proceedings to that effect. But in relation to these proceedings it must be noted that the allegations need to centre on the funds." In reality, however, HMRC considers that the level of costs incurred is primarily attributable to matters such as the "allegations of false accounting, deception, conspiracy and fraud" on the part of the Joint Administrators to which reference is made in paragraph 3.5 of Mr Graham's third witness statement and the conduct of Newscreen's former directors, rather than the limited issue concerning beneficial ownership of the Funds.

You have recently informed us that of the sum of £591,488.50 which was held by the Joint Administrators at January 2005, there now remains less than £100,000. You have also gone so far as to state that these remaining monies could be absorbed in the costs assessment process, with the consequence that there will be no monies available for distribution to the parties entitled.

We can see no justification for costs of this magnitude, when you and your clients have known throughout that you were dealing with trust monies.

We have discussed these matters with the other parties entitled to the Funds and confirm that they and HMRC are of the view your costs should be assessed by the Court, as a matter of principle and public interest. You should be aware that HMRC will be vigorously challenging your entire approach in relation to the handling of this issue as well as specific items of costs incurred.

We have also briefly reviewed the information provided by you and are concerned by the following matters in particular:

- The high level of internal meetings, correspondence and consideration especially by Eversheds LLP (**"Eversheds"**). There is no indication that any of this was of any value to the beneficiaries of the Funds.

- The number of staff involved by Eversheds in relation to this issue and the fact that the total fees exceed £333,000 to date in relation to what can only be regarded as a fairly simple claim.

- The fees taken by KPMG LLP ("**KPMG**") (some £60,000 to April 2007) in relation (so we assume) to the Administrations of other group companies, when those Administrations were closed in April 2004, prior to your clients' application being issued.

An analysis of the costs incurred by KPMG and Eversheds in line with the 6-monthly Reports to Creditors of EDI is enclosed herewith. The amounts spent are, frankly, staggering given the limited role which you and your clients ought to have played.

However, in order to try to avoid further Court proceedings and to try to bring this matter to a swift resolution HMRC is prepared to make the following proposals in settlement of your and your clients' claims:

	£000	£000
Initial trust fund		524
Add interest accrued (from January 2005 at, say, 3.5% per annum)		51
		575
Reasonable costs of determining ownership of trust monies		
Eversheds	(55)	
KPMG	(50)	
Counsel	(20)	
		(125)
		450
Reasonable costs of closing Administration (KPMG)*		(25)
Settlement offer		425

*It should also be noted that at January 2005 there were significant funds of some £60,000 to £70,000 available over and above the Funds (i.e. trust monies) in the Administration, which would have been available for this purpose if the Administration had been closed promptly in 2004.

No deduction should have been made from the capital sum in respect of fees without the permission of the Court, and accordingly interest at 3.5% per annum should run throughout on the full capital sum.

Accordingly, HMRC is prepared to settle on the basis that the sum of £425,000 is agreed to be the amount now available for distribution. Please send 60% of this amount to HMRC and 40% to Newscreen.

This offer is intended to have the consequences specified in CPR Part 36. Please note that if the offer is accepted within 21 days then HMRC will be entitled to the costs of these proceedings up to the date on which notice of acceptance is served on us. This offer relates to the whole of your costs in this case.

We look forward to hearing from you.

Yours faithfully

Paul A J Kreiling

Mr M Hardy
3 St Mary's Square
Bury St Edmunds
IP33 2AJ

Date 17 January 2008
Your ref
Our ref WOODMX/145720-000001
Direct dial 0845 497 7
Direct fax 0845 497 7477
markwood@eversheds.com

By email: thinkplc@gmail.com
WITHOUT PREJUDICE SAVE AS TO COSTS

Dear Mr Hardy

EDI Realisations Limited (in Administration) ("the Company")

In accordance with the sealed Orders dated 27th July 2007 and 9 January 2008 made in this matter, we now write in an attempt to reach settlement of the Applicants' remuneration, costs and expenses. As you are aware, we have until 28 January 2008 to agree the same before continuing to a costs assessment.

This letter contains an offer to the Respondents of an amount that the Applicants, as agents of the Company, are willing to make available in full and final settlement of all claims.

A similar letter has been forwarded to all other Respondents in this action.

Background

In providing this offer, we would comment as follows:-

The Court has confirmed that the Joint Administrators' remuneration, costs and expenses of and incidental to their investigation of the ownership of the Funds, to include the costs of and incidental to the application, be paid out of the Funds. The only issue which is now subject to the settlement negotiations is therefore the level of the Administrators' remuneration, costs and expenses of and incidental to their investigation of the ownership of the Funds, including the costs of and incidental to the application.

The costs that have been incurred by the Administrators and their advisers in dealing with this matter have been increased significantly by some of the Respondents' actions, the manner in which they have responded to the application and their inability to agree a proportional split of the Funds at an earlier date. In particular, we would state as follows:-

(i) the Respondents failed to agree to Alternative Dispute Resolution ("ADR") when this was suggested by Registrar Simmonds at the hearing on 15 May 2006 (lines 15 to 26 of page 11 of the transcript of the hearing) and by suggestion by the Administrator's solicitors in correspondence dated 30 June 2006 and 11 July 2006;

(ii) the Respondents failed to submit evidence as to why they claimed they were entitled to the Funds as directed by Registrar Simmonds on 15 May 2006;

(iii) although the Respondents were claiming entitlement to the Funds, they did not appear to hold evidence which could be of assistance to the Court in determining where the Funds should be paid. In this regard, we refer to paragraphs 3 to 7 of the Second Witness Statement of Allan Graham;

(iv) the Respondents only submitted evidence as to why they believed they were entitled to the Funds when the Administrators applied to the Court on 9 October 2006;

(v) the Respondents did not agree until July of 2007 as to who was entitled to the Funds and in what proportions. The contradictory arguments put forward by the Respondents are summarised in Allan Graham's Witness Statements and, in particular, at paragraph 35 of Allan Graham's Fourth Witness Statement;

(vi) further substantial correspondence has been necessary due to allegations made by the Third Respondent and Fourth Respondent, which are more fully particularised at paragraphs 47 to 49 of Allan Graham's Fourth Witness Statement and paragraph 5 and 6 of Allan Graham's Second Witness Statement;

(vii) the Respondents' actions also resulted in the further application made by the Administrators on 15 November 2007; and

(viii) the Administrators and their advisers have responded as fully as possible in the circumstances to the relevant points raised and information requested by the Respondents. Again, however, this has had the effect of further increasing the costs in this matter.

The Administrators consider they have acted properly throughout. They sought directions from the Court given the competing interests in the Funds and the Court has found that the Applicants' remuneration, costs and expenses are rightfully drawn from the Funds held. As such, the Administrators consider that they are entitled to the full extent of the remuneration, costs and expenses incurred in this matter.

We have considered the recent correspondence with our client provided by the respective Respondents and there is nothing contained within those letters that would lead us to conclude that our client is not entitled to their remuneration, costs and expenses to date.

The Administrators are therefore fully prepared to continue with the directions provided by the Court and proceed to a detailed costs assessment and to abide by the Court's decision on the appropriate level of fees in this matter, if this is necessary.

Previous Offers

By email dated 29 October 2007, our clients made a best and final offer to settle this matter which was available for acceptance until 5.30 pm on 2 November 2007. This offer was in the sum of £150,000. The Respondents rejected this offer and made a counter offer in the sum of £425,000 by letter dated 22 November 2007. This was rejected by the Administrators in a letter dated 11 December 2007.

Offer

As you are aware, further remuneration, costs and expenses have been incurred by the Administrators in dealing with this matter since the offer was made on 29 October 2007. In particular, the Administrators and Eversheds have been involved in the preparation of two Bills of Costs as well as the Fourth Witness Statement of Allan Graham and dealing with correspondence from the Respondents.

The Administrators are entitled to be paid their remuneration, costs and expenses in investigating the ownership of the Funds and of the assessment process from the Funds. In addition, the Administrators are entitled to their remuneration and expenses properly incurred as defined by section 19(4) of the Insolvency Act 1986.

Although the Administrators consider that they are entitled to their remuneration, costs and expenses of dealing with this matter in full, in the interests of reaching a final settlement in this matter, they are willing to take a frank and pragmatic approach.

As you may be aware, parties to costs assessment proceedings rarely obtain full recovery for their fees. They can typically expect to receive, where the standard basis is applicable, a reduction of somewhere between 0-25%, and where the indemnity basis is applicable, a reduction of somewhere between 0-10%. For the purposes only of these settlement negotiations the Administrators and Eversheds are willing to assume that they would face reductions at the higher ends of these scales: a reduction of 25% in respect of the Joint Administrators' fees (£81,000) since they are subject to assessment on the standard basis; and a reduction of 10% in respect of Eversheds' costs (£395,735) which are subject to assessment on an indemnity basis. We emphasise that these assumptions are for the purposes of negotiation only, and at any costs assessment proceedings, recovery in full of both the Administrators fees and Eversheds costs would be vigorously sought.

On the basis of these assumptions, the maximum amount which we estimate would be available to the Respondents, if a cost assessment were to take place, is £71,656. A breakdown of the calculation of this figure is set out at Appendix 1 to this letter. We have assumed that an assessment process would proceed smoothly. It is of course self-evident to all concerned, that the amount would be much less if the assessment process became protracted.

We would remind the Respondents of the comments made by Registrar Nicholls at the hearing on 17 July 2007 that, if an agreement cannot be reached then in all likelihood there will be no Funds available at the end of this matter and that the Order dated 17 July 2007 provides for the legal costs in this matter to be assessed on an indemnity basis.

In the interests of settling this matter, the Administrators and Eversheds are prepared to offer a significant reduction in their fees in order to make available to the Respondents a settlement sum of £105,000. This offer is in full and final settlement of all claims between the Administrators, Eversheds, HM Revenue & Customs, Newscreen Media Group Plc, Mark Hardy and Think Entertainment Plc.

In view of the much lesser sum which would be available were a costs assessment to take place (on the basis set out above), this offer represents a more favourable outcome to the Respondents. We look forward to receiving Respondents' responses to this offer.

Appendix 1

Item		Amount
Approximate Funds held as at 17January 2008		151,833.00
Less outstanding legal work in progress		60,000.00
Balance		**91,833.00**
Less Costs of assessment		
Legal fees	20,000.00	
Assessor's fees	20,000.00	
Joint Administrators' fees	10,000.00	
Counsel's fees	15,000.00	
Total costs of assessment		65,000.00
Balance		**26,833.00**
Plus Estimated Maximum Potential Abatements		
Joint Administrators (25% of £81,000)	20,250.00	
Legal fees (10% of £395,735)	39,573.00	
Total Estimated Maximum Potential Abatements		59,823.00
Balance		**86,656.00**
Less costs to exit administration		
Legal fees	7,500.00	
Joint Administrators' fees	7,500.00	
Total costs to exit administration		15,000.00
Maximum estimated amount available to respondents post assessment		**£71,656.00**

IN THE HIGH COURT OF JUSTICE **NO 146 OF 2002**

CHANCERY DIVISION

COMPANIES COURT

20 May 2008

Mr Registrar Simmonds

IN THE MATTER OF EDI REALISATION LIMITED (IN ADMINISTRATION)

AND IN THE MATTER OF THE INSOLVENCY ACT 1986

BETWEEN:

(1) MICHAEL VINCENT McLOUGHLIN

(2) ALLAN WATSON GRAHAM

(in their capacity as joint administrators of the above named company)

Applicants

-AND-

(1) HM REVENUE & CUSTOMS

(2) NEWSCREEN MEDIA GROUP PLC (in liquidation)

(3) THINK ENTERTAINMENT PLC

(4) CHRISTOPHER JONES

Respondents

SKELETON ARGUMENT ON BEHALF OF THE APPLICANTS

Pre-reading (t/e 30 mins)

1. If time permits, the Court is invited to read:

a. this skeleton argument;

b. the application of the Third Respondent ("Think") and the witness statement of Mr Hardy;

c. the second witness statement of Mark Wood; and

d. the order 17 July 2007.

Introduction

2. This skeleton argument is filed on behalf of Allan Graham and Michael McLouglin ("the Joint Administrators"), the joint administrators of EDI Realisation Limited ("the Company") in opposition to the application of Think dated 27 February 2008 which seeks an order that all prior orders of the Court in this matter be set aside and that the matter be referred to a Costs Judge. In summary, there is no substance to any of the allegations made by the Third Respondent and the application should be dismissed.

Background

3. On 9 January 2002, administration orders were made in relation to the Company and 15 related companies (together "the Group") by Mr Justice Lawrence Collins. The Joint Administrators were also appointed as the administrators of the other companies in the Group. The companies placed into administration included the Company's parent company, Newscreen Media Group plc (formerly Just Group plc) ("Newscreen").

4. On 17 June 2002, company voluntary arrangements were proposed by the Joint Administrators in their capacity as joint administrators of Newscreen and two of the other companies within the Group ("the CVAs").

5. On 2 August 2002, the creditors of each of Newscreen, Licensing and Entertainment approved the CVA proposals, appointing David Hudson and Jamie Taylor of Begbies Traynor as Supervisors of the CVAs.

6. Following the approval of its CVA, Newscreen made two payments to the Company in the sums of £356,000 and £168,000. The proceeds of these payments are held in account numbers 12656453 and 12656461 at National Westminster Bank plc, 1 Granby Street, Leicester ("the Funds").

7. On 21 May 2004, Newscreen entered into members' voluntary liquidation. The Joint Liquidators were authorised to enter into a reconstruction agreement pursuant to section 110 of the Insolvency Act 1986 ("the Act"). On 21 June 2004, pursuant to the agreement under section 110 of the Act, the entirety of Newscreen's assets were transferred to the Third Respondent ("Think") in consideration of the issue of shares in Think to the shareholders of Newscreen.

8. On 8 May 2005, Newscreen entered into creditors' voluntary liquidation.

9. The Joint Administrators were advised that the Funds represented trust monies which did not form part of the general assets of the Company. Accordingly, the Joint Administrators applied to the Court for directions as to the party or parties who are entitled to the Funds and as to the respective share to which each such party is entitled. Each of the Respondents asserted an entitlement to the Funds.

Previous hearings of the application

20 March 2006

10. On 20 March 2006, Chief Registrar Baister determined the parties who should be joined as Respondents to the application.

11. Chief Registrar Baister also ordered that the Joint Administrators' remuneration, costs and expenses of and incidental to their investigation of the ownership of the Funds, to include the costs of and incidental to this application, be paid out of the Funds[1].

[1] Chief Registrar Baister relied on the decision of the Court in *Re Berkeley Applegate (Investment Consultants) Ltd (No.2)* (1988) 4 BCC 279 as establishing that there was jurisdiction to make such an order.

15 May 2006

12. The matter came before Mr Registrar Simmonds on 15 May 2006. The hearing was attended by Counsel for the Joint Administrators, Counsel for the liquidator of Newscreen, Mr Hardy on behalf of Think, and Mr Jones in person.

13. Counsel for Newscreen stated that the liquidator was without funding and applied without notice for an order that the costs and expenses of and incidental to his involvement in the application be paid out of the Funds. Mr Registrar Simmonds doubted that he had jurisdiction to make such an order. The learned Registrar invited Newscreen to make an application to the Judge forthwith in the event that it wished to pursue an application for such relief. No such application was made by Newscreen.

14. Mr Hardy and Mr Jones sought to raise various matters extraneous to the application at the hearing. This included bald allegations of misconduct against the Joint Administrators. The learned Registrar indicated that the Court was only concerned with matters relevant to the entitlement to the Funds and that any such issues did not arise for consideration on the application and that separate applications should be issued by Think and Mr Jones if they wanted to pursue such allegations

15. Mr Registrar Simmonds gave directions for the filing and service of evidence by the Respondents by 4:30pm on 16 July 2006. The Respondents failed to serve and file evidence as ordered. None of the Respondents applied for an extension to the timetable. On 14 December 2006, Newscreen filed and served the witness statement of Mr Twizell.

18 December 2006

16. The application then came before Registrar Derrett on 18 December 2006. The hearing was attended by Counsel for the Joint Administrators, Mr Krelling of HMRC, the solicitor for the liquidator of Newscreen, Mr Hardy on behalf of Think, and Mr Jones in person.

17. The learned Registrar gave directions for the filing of evidence and consequential directions to take the matter through to a final hearing.

18. Once again, Mr Hardy and Mr Jones sought to raise various matters extraneous to the application at the hearing, including bald allegations of misconduct against the Joint Administrators. The learned Registrar indicated that the Court was only concerned with matters relevant to the entitlement to the Funds and that any such issues did not arise for consideration on the application and that separate applications should be issued by Think and Mr Jones if they wanted to pursue such allegations. Indeed, the learned Registrar advised Mr Jones and Mr Hardy that their approach to the litigation as characterised by the wide ranging allegations made in hundreds of pages of correspondence was unfortunate and that "*obviously you should confine yourself in respect of this application to the matters which are relevant to this application because ultimately it will simply be dissipating funds*".

17 July 2007

19. The effective hearing of the application took place before Mr Registrar Nicholls on 17 July 2007. Immediately prior to the hearing, HMRC and Newscreen reached an agreement pursuant to which, following the deduction of the remuneration, costs and expenses of the Joint Administrators, the remainder of the Funds are to be paid 60% to HMRC and 40% to Newscreen. In turn, Think and Newscreen reached an agreement in relation to the subdivision of the 40% which Newscreen is to receive. The Court is invited to read the minute of order at pp1-5 of MJW3.

20. Mr Registrar Nicholls ordered that the remuneration, costs and expenses of the investigation into the ownership of the Funds should be the subject of a detailed assessment by an assessor if not agreed. Furthermore, the learned Registrar recommended that Mr Horrocks be appointed as the assessor for the purpose of the assessment exercise and, at paragraph 4 of the order, made provision for the appointment of an assessor and the preparation of his report in the event that the parties could not reach an agreement on the level of the remuneration, costs and expenses.

21. As detailed at paragraph 4 of the second witness statement of Mark Wood, the parties extended the timetable in the order whilst seeking to reach agreement on the level of remuneration, costs and expenses of the Joint Administrators. Unfortunately, it has not proved possible to reach agreement. Accordingly, the matter now needs to be placed before an assessor.

22. By letter dated 15 May 2008. Mr Horrocks indicated that he would be prepared to be appointed as the assessor. The Court is therefore invited to appoint Mr Horrocks to conduct the assessment which is required to be performed by an assessor under the terms of order of Mr Registrar Nicholls.

The application of Think

23. The application of Think has no merit as:

    a. the question of entitlement to the Funds has been the subject of detailed consideration by the Court in these proceedings, culminating in the order of Mr Registrar Nicholls on 17 May 2007;

    b. pursuant to the terms of the order of Mr Registrar Nicholls, the remuneration, costs and expenses of the Joint Administrators are to go before an assessor and not a Costs Judge; and

    c. this relief is entirely appropriate as a Costs Judge does not have the same experience in the assessment of the remuneration of insolvency practitioners, whereas Mr Horrocks is experienced in the assessment of such remuneration.

24. Mr Hardy of Think has sent a large volume of correspondence to the solicitors to the Joint Administrators over the course of this application (it runs to many hundreds of pages). This correspondence has included serious allegations of misconduct which have been made without the provision of any or any sufficient particulars.

25. The conduct of the Mr Hardy has placed a huge costs burden on the Joint Administrators. While bald assertions of misconduct and fraud are inexpensive to make, it is very time consuming and expensive to respond to such allegations. The need to respond to these allegations has significantly reduced the level of the Funds.

26. It should be noted, as set out above, that on the previous hearings of the application, the Registrar has expressly disapproved of the litigation tactics adopted by Mr Hardy. Ultimately, these matters will need to be considered in the context of any assessment of the costs of and incidental to the application. However, it is important that the Court appreciates the huge burden which has been placed on the Joint Administrators as a result of the conduct of Mr Hardy.

Conclusion

27. The Court is requested to:

    a. dismiss the application of Think; and

    b. order the appointment of Mr Horrock as an assessor pursuant to paragraph 4 of the order of Mr Registrar Nicholls.

19 May 2008

David Allison

3/4 South Square

Gray's Inn

NO 146 OF 2002

IN THE HIGH COURT OF JUSTICE

CHANCERY DIVISION

COMPANIES COURT

20 May 2008

Registrar Simmonds

IN THE MATTER OF EDI REALISATION LIMITED (IN ADMINISTRATION)

AND IN THE MATTER OF THE INSOLVENCY ACT 1986

SKELETON ARGUMENT ON BEHALF OF THE APPLICANTS

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