

The Insolvency Act 1986

Administrator's progress report

2.24B

Name of Company BBB Network Limited	Company Number 02472302
In the High Court of Justice, Companies Court, Birmingham District Registry (full name of court)	Court case number 4334 of 2006

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

We (a) MC Batten of PricewaterhouseCoopers LLP, Plumtree Court, London EC4A 4HT, and RJ Hunt and MDC Hopkins of PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT

Joint Administrators of the above company attach a progress report for the period

b) Insert dates

from

to

(b) 20 March 2007

(b) 16 August 2007

Signed

msc

Joint / Administrator(s)

Dated

16 August 2007

Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Victoria Bailey	
PricewaterhouseCoopers LLP, Plumtree Court, London EC4A 4HT	
	Tel 020 7804 1132
DX Number	DX Exchange

WEDNESDAY



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22/08/2007

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COMPANIES HOUSE

When you have completed and signed this form please send it to the Registrar of Companies at
Companies House, Crown Way, Cardiff, CF14 3UZ

DX 33050 Cardiff

To all known creditors and customers with potential claims

Our ref MH/AGW/VB

When telephoning please ask for Victoria Bailey

16 August 2007

Dear Sirs

**BBB Network Limited - Formerly Berkeley Independent Advisers Limited – In Administration
("the Company")**

I am pleased to provide you with my final Progress Report on this Administration pursuant to Rule 2 110 of the Insolvency Rules 1986

Statutory Information

I am required to provide certain statutory information within this report as per Rule 2 47(1) (a – d) of the Insolvency Rules 1986 which I attach at Appendix A. I am also required to provide a summary of the Joint Administrators' proposals which were approved by creditors. These are attached at Appendix B. Details of the progress of the Administration, assets to be realised and other relevant information are set out below.

Progress to date

The business and assets of the Company, together with that of BBB Support Services Limited and Berry Birch & Noble Financial Planning Limited was sold to Tenet Group Holdings Limited ("Tenet"). This sale took place prior to my appointment on 6 March 2006.

I have been reviewing the interpretation of certain aspects of the sale contract with the assistance of my legal advisors, and corresponding with Tenet regarding this. The purposes of these discussions are to discover whether further realisations can be made and to ensure that the parties' obligations under the contract are met.

Tenet has provided me with calculations of the further consideration due from them under the sale contract, in accordance with their obligations. However, there are certain other contractual obligations under the sale contract which have not been met making it difficult to determine the adequacy of the calculations.

With the assistance of my legal advisors, the negotiations with Tenet are ongoing and will continue until an agreement is reached.

Exit route from Administration

In accordance with the proposals agreed by creditors, the Company will enter creditors' voluntary liquidation, following the filing of Form 2 34B at the Registrar of Companies, as per Rule 2 117(3) of the Insolvency Rules 1986.

The assets to be dealt with in the liquidation include the cash currently held in the Administration bank account and the further consideration due from Tenet under the sale contract. In addition, there are inter-company debts owed from other Group companies, which have also entered into an insolvency process. I have submitted claims in the estates of these companies, pending the receipt of a dividend. Clearly, the quantum of these dividends will have an impact on the dividend available to creditors. However, the timing and quantum of such dividends is uncertain.

Agreement of Claims

The Financial Services Compensation Scheme ("FSCS") is the UK's statutory fund of last resort for compensating customers of financial services firms. This means that FSCS may pay compensation to consumers if a regulated firm is unable to pay its claims in full.

As mentioned in my previous report, FSCS has declared the Company to be in default (i.e. FSCS is satisfied that the Company is unable (or likely to be unable) to pay claims made against it in full) and has already made compensation payments to some of the Company's creditors. FSCS is currently considering claims for compensation from the Company's remaining creditors.

I have been in discussion with FSCS regarding the differing requirements for the agreement of claims by a company in an insolvency and by FSCS (for the purposes of paying compensation) and how these different requirements can best be managed to achieve the most effective and efficient outcome for creditors.

It is expected that the majority of claims against the Company will, for the reasons set out below, be assessed in the first instance by FSCS. I believe that it is likely that payment of compensation from FSCS will be made significantly earlier than any dividend payment from the Company because of the time that it will take to conclude all the issues within the Liquidation.

You should by now have received an application form for compensation from FSCS. If you would like to apply to FSCS for compensation you should complete the application form and return it to FSCS as soon as possible.

If you have previously notified your claim to me or FSCS and have not received an application form for compensation, please contact the FSCS Customer Services Team on 020 7892 7300.

If you have not previously notified your claim to me or FSCS and you wish to make a claim, please write to FSCS direct (Financial Services Compensation Scheme, 7th Floor, Lloyds Chambers, 1 Portsoken Street, London E1 8BN) or to the Joint Liquidators of BBB Network Limited, c/o PricewaterhouseCoopers LLP, Plumtree Court, London EC4A 4HT.

If you have previously made a claim and you no longer wish to pursue that claim against the Company, I should appreciate it if you would confirm this to me in writing (quoting your claim reference number, where possible).

If you have previously made a claim and you neither apply to FSCS for compensation nor withdraw your claim, your claim will be assessed as part of the Insolvency of the Company but it will not be assessed by FSCS. It will not be possible for the Company to pay these claims in full and I would encourage you to apply to FSCS for compensation as soon as possible. The Joint Liquidators will contact those claimants in due course in respect of their claims.

Should you have any questions regarding the claims process please do not hesitate to contact the Company's helpline on 020 7212 2070. If you have any questions about the FSCS compensation process, or would like help completing the FSCS compensation application form, please telephone the FSCS Customer Services Team on 020 7892 7300.

Other claims

FSCS will pay compensation on those claims from the Company's customers that it agrees are valid, subject to a maximum of £48,000. For claims relating to investment products, FSCS will only be able to consider your claims relating to business conducted on or after 28 August 1988. For mortgage advice and arrangements, FSCS will only be able to consider your claims relating to business conducted on or after 31 October 2004. For claims relating to advice on or arranging insurance products sold by the Company, FSCS will only be able to consider your claims relating to business conducted on or after 14 January 2005. These activities were not protected by FSCS before these dates and accordingly any claims against the Company arising from advice in relation to these activities before such activities became regulated will not be eligible for compensation from FSCS.

Any claims that do not relate to the financial services aspect of the Company's business (e.g. trade creditor claims) will not be eligible for compensation from FSCS. Such claims will be assessed as part of the insolvency of the Company and the Joint Liquidators will, when appropriate, contact such claimants in due course in respect of their claims.

Claims that do not relate to the financial services

To date, 23 claims that do not relate to the financial services aspect of the Company's business have been received with the total value of £765,021. There are a further 39 non-financial services creditors who were shown on the statement of affairs who have yet to submit their claim.

The claims of creditors will become the responsibility of the Joint Liquidators to review and agree. A strategy for agreeing the claims of creditors will be put in place once the quantum of the available dividend is known.

As previously advised, it is expected that there will be a dividend to unsecured creditors. However, due to the continued negotiations with Tenet, the timing and quantum of such a dividend is uncertain.

Receipts and Payments

I attach at Appendix B, my abstract of Receipts and Payments for the period ended 16 August 2007. As at that date realisations totalled £3,454,369 and cash in hand was £2,383,379. There are some payments shown which are still to be recharged to the appropriate Company within the group. The balance of the Administration account will be transferred to a Liquidation bank account following the Company entering Liquidation.

Creditors Committee

At the initial meeting of creditors held on 24 May 2006, creditors appointed a Creditors Committee. That Committee has met on three occasions in order to review progress with the Administration and to consider the basis and quantum of the Joint Administrators' remuneration.

Joint Administrators' Remuneration

The Creditors Committee has approved remuneration of £445,060 plus VAT which comprises 2,023.16 hours at an average hourly rate of £219.98. This represents the time properly spent by the Joint Administrators and their staff for the period 20 March 2006 to 15 June 2007. The Committee were provided with a detailed time cost analysis and narrative supporting the fee requests, in accordance with Statement of Insolvency Practice 9 ('SIP9').

The Joint Liquidators of the Company will report to creditors within three months following the first anniversary of the Liquidation.

Should you have any queries in respect of this report, please contact Victoria Bailey on 020 7804 1132.

Yours faithfully
For and on behalf of the Company



MDC Hopkins
Joint Administrator

Enclosures

Form 2 24B
Form 2 34B
Appendix A Statutory information for BBB Network Limited
Appendix B The Joint Administrators' proposals
Appendix C Receipts and Payments Account

RJ Hunt, MDC Hopkins and MC Batten have been appointed as joint administrators of BBB Network Limited (formerly Berkeley Independent Advisers Limited) to manage its affairs, business and property as its agents and without personal liability. RJ Hunt, MDC Hopkins and MC Batten are licensed to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.

Administrator's progress report**2.24B**

Name of Company BBB Network Limited	Company Number 02472302
In the High Court of Justice, Companies Court, Birmingham District Registry (full name of court)	Court case number 4334 of 2006

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

We (a) MC Batten of PricewaterhouseCoopers LLP, Plumtree Court, London EC4A 4HT, and RJ Hunt and MDC Hopkins of PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT

Joint Administrators of the above company attach a progress report for the period

b) Insert dates

from

to

(b) 20 March 2007

(b) 16 August 2007

Signed

mscph

Joint / Administrator(s)

Dated

16 August 2007

Contact Details.

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Victoria Bailey	
PricewaterhouseCoopers LLP, Plumtree Court, London EC4A 4HT	
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DX 33050 Cardiff

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22/08/2007
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WEDNESDAY

The Insolvency Act 1986

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

Name of Company BBB Network Limited
--

Company number 02472302

In the High Court of Justice Case, Birmingham District Registry [full name of court]
--

Court case number 4334 of 2006

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

I / We (a) MC Batten of PricewaterhouseCoopers LLP, Plumtree Court,
London EC4A 4HT, and RJ Hunt and MDC Hopkins of
PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street,
Birmingham, B3 2DT having been appointed administrator(s)

(b) Insert name and address
of registered office of
company

of (b) BBB Network Limited, Plumtree Court, London, EC4A 4HT

(c) Insert date of
appointment

on (c) 20 March 2006 by

(d) Insert name of applicant /
appointor

(d) Andrew Shortis (director)

hereby give notice that

(e) Insert name(s) and
address(es) of liquidator(s)

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

and it is proposed that (e) MDC Hopkins and RJ Hunt of

PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street,
Birmingham, B3 2DT

will be the liquidator(s) of the company (IP No(s) 8597 and 8365)

I / We attach a copy of the final progress report

Signed 
Joint/Administrator(s)

Dated 16 August 2007

Contact Details:

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the box opposite but if you do, it will help Companies
House to contact you if there is a query on the form
The contact information that you give will be visible
to

Victoria Bailey

PricewaterhouseCoopers LLP, Plumtree Court, London, EC4A 4HT
--

Tel 020 7804 1132

DX Number

DX Exchange

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Companies House, Crown Way, Cardiff, CF14 3UZ

DX 33050 Cardiff

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22/08/2007

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COMPANIES HOUSE

WEDNESDAY

Registered number:	02472302
Registered office:	Plumtree Court, London EC4A 4HT
Court details:	High Court of Justice Case, Birmingham District Registry - No 4334 of 2006
Date of appointment:	20 March 2006
Name of person appointing:	The Company's Directors
Appointed Administrators:	RJ Hunt MDC Hopkins MC Batten
Joint Administrators' address:	PricewaterhouseCoopers LLP PricewaterhouseCoopers LLP Plumtree Court And Cornwall Court London 19 Cornwall Street EC4A 4HT Birmingham B3 2DT
Division of the Administrators' responsibilities:	In relation to Paragraph 100(2) Sch B1 IA86, during the period for which the Administration is in force, any function to be exercised by the persons appointed to act as Administrators may be done by any or all of the persons appointed or any of the persons for the time being holding that office
Details of any extensions for the initial period of appointment:	A six month extension to the administration was granted by creditors to 19 September 2007

Receipts and Payments

Appendix B

BBB Network Limited

Assets/Receipts

	Statement of Affairs (£)	Transactions (£) 20 Mar 06 to 19 Mar 07	Transactions (£) 20 Mar 07 to 16 August 07	Transactions (£) 20 Mar 06 to 16 August 07
Cash at bank	3,146,264	3,196,335	-	3,196,335
Other debtors	3,897,799	-	-	-
Accrued income	14,748	11,731	-	11,731
Refunds	-	96,406	-	96,406
Dividend received	-	-	1,890	1,890
Gross Interest	-	114,051	32,089	146,140
VAT Refund	-	-	1,867	1,867
	<u>7,058,811</u>	<u>3,418,523</u>	<u>35,846</u>	<u>3,454,369</u>

Costs of realisations & payments

Office holder's remuneration	345,131	99,929	445,060
Service charges	138,212	6,525	144,737
Legal fees	82,061	42,639	124,700
Postage, stationery & printing	15,359	-	15,359
Utilities	18,284	7,882	26,166
IT costs	15,468	30	15,498
Licenses and trade marks	-	18,000	18,000
Rent	29,099	15,425	44,524
Office holders' disbursements	9,856	3,341	13,197
Statutory advertising	441	-	441
Hire of meeting room	297	-	297
Bank charges	260	411	671
Miscellaneous expenses	165	308	473
Subcontractors fees	4,030	2,731	6,761
Wages & salaries	3,972	24,697	28,669
Storage costs	2,269	37,510	39,779
PAYE/NIC	1,937	11,960	13,897
VAT paid	96,088	36,673	132,761
	<u>762,929</u>	<u>308,061</u>	<u>1,070,990</u>
Cash in hand	2,655,594		2,383,379

The Joint Administrators make the following proposals for achieving the purpose of the Administration

- i) The Joint Administrators will continue to manage the Company's affairs and property in such manner as they consider expedient with a view to achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being placed in Administration)
- ii) The Joint Administrators may investigate and if appropriate pursue any claims that the Company may have under the Companies Act 1985 or Insolvency Act 1986. In addition, the Joint Administrators shall do all such other things and generally exercise all their powers as Joint Administrators as they in their discretion consider desirable in order to achieve the purpose of the Administration or to protect and preserve the assets of the Company or to maximise their realisations or for any other purpose incidental to these proposals
- iii) If the Joint Administrators determine that funds should become available for unsecured creditors, the Joint Administrators may at their discretion establish in principle the claims of unsecured creditors although these will fall to be agreed in a subsequent liquidation, Scheme of Arrangement or Company Voluntary Arrangement and that the costs of so doing be met as a cost of the Administration as part of the Joint Administrators' remuneration
- iv) A creditors' committee will be established if sufficient creditors are willing to act on it. The Joint Administrators propose to seek the election of a creditors' committee and to consult with it from time to time. Where the Joint Administrators consider it appropriate they will seek sanction from the committee to a proposed action rather than convening a meeting of all creditors
- v) The Joint Administrators will consult with the creditors' committee concerning the necessary steps to extend the Administration beyond the statutory duration of one year if an extension is considered advantageous. The Joint Administrators shall either apply to the court or seek consent from the appropriate classes of creditors to an extension
- vi) The Joint Administrators may use any or a combination of the "exit route" strategies in Paragraphs 76 to 80 and 83 to 84 of Sch B1 IA86 in order to bring the Administration to an end, but in this particular instance the Joint Administrators are likely to wish to pursue one of the following options as being the most cost effective and practical in the present circumstances -
 - (a) A Scheme of Arrangement under section 425 of the Companies Act 1985. In such circumstances, the Administration will be brought to an end either
 - (i) automatically one year after the Joint Administrators' appointment pursuant to Paragraph 76(1) Sch B1 IA86 or
 - (ii) by notice to the Registrar of Companies on completion of the Administration under Paragraphs 80 or 84 Sch B1 IA86OR
 - (b) Should it be tax advantageous in particular, the Joint Administrators may formulate a proposal for a Company Voluntary Arrangement and put it to meetings of the Company's creditors and shareholders for approval. In such circumstances, the Administration will be brought to an end either
 - (iii) automatically one year after the Joint Administrators' appointment pursuant to Paragraph 76(1) Sch B1 IA86 or
 - (iv) by notice to the Registrar of Companies on completion of the Administration under Paragraphs 80 or 84 Sch B1 IA86OR
 - (c) Alternatively, the Joint Administrators may place the Company in Creditors' Voluntary Liquidation. In these circumstances, it is proposed that Robert Jonathan Hunt and Mark David Charles Hopkins be appointed as Joint Liquidators and any act required or authorised to be done by the Joint Liquidators may be done by either or both of them. In accordance with Paragraph 83(7) Sch B1 IA86 and Rule 2.117(3) Insolvency Rules 1986 ("IR86") creditors may nominate alternative Liquidators provided that the nominations are made after the receipt of these proposals and before they are approvedOR
- (d) Once the asset disposals are complete the Joint Administrators may apply to the Court to allow the Joint Administrators to distribute surplus funds if any to non-preferential unsecured creditors. In such circumstances the Administration shall be brought to an end either
 - (i) automatically at the end of one year after the Joint Administrators' appointment pursuant to Paragraph 76(1) Sch B1 IA86 or

(ii) by notice to the Registrar of Companies on completion of the Administration under Paragraphs 80 or 84 Sch B1 IA86

OR

(e) If it transpires that there are insufficient funds available to make a distribution in respect of non-preferential unsecured claims then once all of the assets have been realised and the Joint Administrators have concluded all work within the Administration the Joint Administrators will register notice under Paragraph 84(1) Sch B1 IA86 with the Registrar of Companies, following which the Company will be dissolved three months thereafter

vii) The Joint Administrators shall be discharged from liability pursuant to Paragraph 98(1) Sch B1 IA86 in respect of any action of theirs as Joint Administrators either at a time appointed by the creditors' committee or if there is no creditors' committee, then automatically 14 days after the Joint Administrators cease to act as Joint Administrators of the Company. In any event the Joint Administrators shall be at liberty to apply to the Court for their discharge from liability

viii) It is proposed under Rule 2.106(2) IR86 that the Joint Administrators' fees will be fixed by reference to the time properly given by them and the various grades of their staff according to their firm's usual charge out rates for work of this nature and that Category Two disbursements (as defined by Statement of Insolvency Practice No 9) be charged in accordance with their firm's policy. It will be for the creditors' committee to fix the basis and level of the Joint Administrators' fees and Category Two disbursements but if no such Committee is appointed then it will be for the general body of creditors to determine these instead

Creditors will be asked to vote upon the following matters at the initial meeting of creditors

- First – that the Joint Administrators' proposals for achieving the purpose of the Administration dated 5 May 2006 be approved
- Second – the formation and composition of a creditors' committee
- Third – the basis and level of the Joint Administrators' fees and Category Two disbursements (if no creditors' committee is formed)
- Fourth – that the creditors agree to extend the period of administration by six months