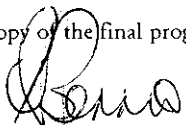


The Insolvency Act 1986

Notice of move from administration to creditors' voluntary liquidation

2.34B

Name of Company BERRYS DIRECT LIMITED	Company number 03400140
In the High Court of Justice [full name of court]	Court case number 4034 of 2005

- (a) Insert name(s) and address(es) of administrator(s) I/We (a) S D Swaden & N A Bennett of Leonard Curtis, One Great Cumberland Place, Marble Arch, London W1H 7LW
- (b) Insert name and address of registered office of company having been appointed administrator(s) of (b) BERRYS DIRECT LIMITED, One Great Cumberland Place Marble Arch, London W1H 7LW
- (c) Insert date of appointment on (c) 21 June 2005 by (d) Neal Menashe as director
- (d) Insert name of applicant / appointor hereby give notice that:
the provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply,
and it is proposed that (e) Neil Andrew Bennett, Leonard Curtis, One Great Cumberland Place, Marble Arch, London W1H 7LW
- (e) Insert name(s) and address(es) of liquidator(s) will be the liquidator(s) of the company (IP No(s) 9083)
I / We attach a copy of the final progress report.
Signed 
Joint / Administrator(s)
Dated 14 December 2006

Contact Details:

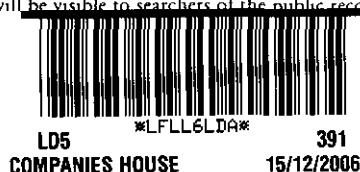
You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record

Leonard Curtis	
One Great Cumberland Place, Marble Arch, London	
W1H 7LW	Tel 020 7535 7000
DX Number	DX Exchange

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

Companies House, Crown Way, Cardiff, CF14 3UZ

DX 33050 Cardiff





LEONARD CURTIS
business rescue & recovery

**BERRYS DIRECT LIMITED
(IN ADMINISTRATION)**

Company Number 3400140

**Joint Administrators' Final Progress Report
pursuant to Rule 2.47 of the Insolvency Rules 1986**

for the period from 21 June 2006 to 14 December 2006

14 December 2006

Leonard Curtis
One Great Cumberland Place
Marble Arch London W1H 7LW
Tel 020 7535 7000 Fax 020 7723 6059
solutions@leonardcurtis.co.uk
ref: SWB/4/BER07

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- 3 Steps taken during the Administration and progress since the Administrators' last report
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- 5 Further assets to be realised
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- A Joint Administrators' Proposals
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- C Summary of Joint Administrators' time costs for the period from 21 June 2005 to 8 December 2006



Joint Administrators' Final Progress Report

TO: THE REGISTRAR OF COMPANIES
THE COURT
ALL CREDITORS

1 Statutory Information

- 1.1 I was appointed Joint Administrator of the Company together with S D Swaden ("Mr Swaden") on 21 June 2005 by the High Court. Both Mr Swaden and I are licensed by the Insolvency Practitioners Association. The appointment of Joint Administrators was made by Mr Neal Menashe, Flat 3, 88 Fitzjohns Avenue, Hampstead, London NW3 6NP, a director of the Company.
- 1.2 The Administration is being handled by Leonard Curtis' office, situated at One Great Cumberland Place, Marble Arch, London W1H 7LW.
- 1.3 The Administration proceedings are under the jurisdiction of the High Court of Justice under Court reference number 4034 of 2005.
- 1.4 The Company operated as a retailer of electrical goods and office equipment. It traded from premises at 77 Kingsway, London WC2B 6ST. The registered office of the Company was at 72 New Cavendish Street, London WC1M 8AU but was changed to One Great Cumberland Place, London W1H 7LW. Its registered number is 3400140.
- 1.5 In accordance with paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the function of the Joint Administrators (**Administrators**) may be exercised by either or both, acting jointly or alone. There have been no changes in office-holder.
- 1.6 The period of the Administrators' appointment was extended by six months to 20 December 2006.
- 1.7 A summary of the Joint Administrators' proposals as approved at a meeting of creditors held on 19 August 2005 is enclosed as Appendix A. There have been no major amendments to, or deviations from, those proposals.

2 Purpose of Administration

- 2.1 The purposes of Administration as defined in Paragraph 3(1) of Schedule B1 of the Insolvency Act 1986 are:
 - (a) rescuing the Company as a going concern, or (if this cannot be achieved)
 - (b) 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 in administration), or (if (a) and (b) cannot be achieved)

- (c) realising property in order to make a distribution to one or more secured or preferential creditors.
- 2.2 It was not possible to achieve the first objective given the fact that the Company's business had been sold prior to my appointment.
- 2.3 The second objective is being achieved by means of enhancing both the collection of the book debts and maximisation of the deferred consideration.
- 2.4 It is now very unlikely that the proceeds of the book debts, deferred consideration and other assets will be sufficient to enable both secured creditors to be paid in full. If this is the case, objective (c) will have been achieved.

3 Steps taken during the Administration and progress to date

3.1 Receipts and Payments Account

- 3.1.1 A summary of the Joint Administrators' receipts and payments for the period from 21 June 2005 to 14 December 2006 is attached at Appendix A. This shows what assets have been realised, for what value, and what payments have been made to creditors and others. The small balances in hand available for Investec Bank (UK) Limited and Paramount Park Limited under their respective fixed and floating charges will be paid to them before the prescribed part balance is paid to the liquidator. No payment has yet been made to ordinary unsecured creditors from the prescribed part of £3,154.35.

3.2 Sale Agreement

- 3.2.1 As previously advised, the Company's business had already been sold to Dudley Inkwell Limited ("DI") prior to my appointment. The terms of the sale to them were explained in my report to creditors dated 3 August 2005. At the date of this report all deferred consideration due up to October 2006 (i.e. earned up to 31 July 2006) has been paid although the payment due at 30 November 2006 has not yet been received. I am in correspondence with DI regarding this and this is something that will need to be continued by the liquidator.

3.3 Book Debts

- 3.3.1 The collection of the book debts is now almost completed. Many residual balances are however well below £100 and will not be economic to collect.

3.4 Secured Creditors

- 3.4.1 The legal advice that I obtained concerning debentures granted by the Company in favour of Paramount Park Limited ("Paramount") and Investec Bank (UK) Limited ("Investec") was summarised in my report dated 10 January 2006.

4 Administrators' Remuneration

- 4.1 At the meeting of creditors held on 19 August 2005 it was resolved that the remuneration of the Joint Administrators, including costs incurred in dealing with matters prior to their appointment, be fixed and payable by reference to the time properly given by the Administrators and their staff in attending to matters arising in the Administration.
- 4.2 The Joint Administrators' time costs at 8 December 2006 total £145,265 comprising 512.8 hours at an average hourly rate of £283.28.. A time analysis is attached as Appendix B. This provides details of the activity costs incurred by staff grade for the entire Administration. These costs have been paid.

5 Further assets to be realised

- 5.1 Unrealised assets comprise the balance of the sales ledger as mentioned in paragraph 3.3 above and deferred consideration due from DI.

6 Other relevant information

- 6.1 The only outstanding costs comprise and corporation tax due on income and gains during the Administration. This will be calculated and paid before the balance of funds is paid to the liquidator.
- 6.2 There is no other information that I consider to be relevant to creditors.

7 Outcome of the Administration

- 7.1 The Company is now being moved from Administration to creditor's voluntary liquidation and formal notice is being filed with the Registrar of Companies. Creditors ought however to be aware that although it was resolved at the meeting of creditors held on 19 August 2005 that Mr Swaden be appointed Liquidator I will be appointed in his place. As I do not think that this is a substantial revision to the Joint Administrators' proposals I do not intend to summon a meeting of creditors to ratify this appointment.
- 7.2 Following registration of this notice the appointment of the Joint Administrators will cease to have effect and the appointment of a Liquidator will be effective. It is intended that, following registration of my appointment I will give formal notice and advertisement for creditors to lodge claims following which I will declare a first and final dividend.
- 7.3 Also, in accordance with the Joint Administrators' proposals, they will be discharged from liability in respect of any action(s) of theirs as Joint Administrators seven days after the cessation of their appointment.

- 7.4 Creditors requiring further information should contact my office, in writing.
Electronic communications should also contain a full postal address.

for and on behalf of
BERRYS DIRECT LIMITED



N A BENNETT
Joint Administrator

Licensed by the Insolvency Practitioners Association

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

APPENDIX A

BERRYS DIRECT LIMITED (IN ADMINISTRATION)
("the Company")

Joint Administrator's Proposals

It is proposed that:

- i) The Joint Administrators continue to manage the business, affairs and property of the Company in such a manner as they consider expedient with a view to achieving the purposes set out in Paragraph 3(1) of Schedule B1 to the Insolvency Act 1986.
- ii) The Joint Administrators be at liberty pursuant to the provisions of Paragraph 76(2)(b) and 78(1)(b) of Schedule B1 to the Insolvency Act 1986 to extend their term of office for a specified period not exceeding 6 months or, if they consider it appropriate, they apply to the Court under the provisions of Paragraph 76(2)(a) of Schedule B1 to the Insolvency Act 1986 for an Order that their term of office be extended for a specified period.
- iii) In the event that monies become available, and if they consider it appropriate, the Joint Administrators make application to the Court pursuant to the provisions of Paragraph 65(3) of Schedule B1 to the Insolvency Act 1986 for leave to make one or more dividend distributions to creditors whose claims are neither secured nor preferential.
- iv) In the event that monies become available and leave to make the above distributions is not sought or granted, and if they consider it appropriate, the Joint Administrators present proposals to creditors and shareholders for a Company Voluntary Arrangement pursuant to Part 1 of the Insolvency Act 1986 to be approved as the means of distributing funds.
- v) In the event that a Company Voluntary Arrangement under the provisions of Part 1 of the Insolvency Act 1986 is not approved (or proposed), the Company be placed into creditors voluntary liquidation pursuant to the provisions of Paragraph 83 of Schedule B1 to the Insolvency Act 1986. It is further proposed that Stephen Daniel Swaden be Liquidator of the Company. In accordance with the provisions of Paragraph 83(7) of Schedule B1 to the Insolvency Act 1986 and Rule 2.117(3) of the Insolvency Rules 1986 (as amended) creditors may nominate a different person to be Liquidator provided that the nomination is made after the receipt of the proposals and before the proposals are approved.
- vi) In the event that there are no monies to be distributed to creditors or that all funds have been disbursed following an application to the Court pursuant to the provisions of Paragraph 65(3) of Schedule B1 to the

Insolvency Act 1986 the Company be dissolved as soon as all matters relating to the Administration have been completed.

- vii) The Joint Administrators investigate and, if appropriate, pursue any claims that they or the Company may have against any directors or former directors, other third parties, officers or former officers, advisers or former advisers of the Company.
- viii) The remuneration of the Joint Administrators, including costs incurred in dealing with matters prior to their appointment, be fixed by the Creditors' Committee or failing that by the creditors generally or failing that by the Court. If a Creditors' Committee is not appointed and unless the creditors resolve otherwise, such remuneration shall be deemed to be fixed by the creditors and payable by reference to the time properly given by the Administrators and their staff in attending to matters arising in the Administration.
- ix) The basis for calculation of category 2 disbursements incurred by the Joint Administrators be fixed by the Creditors' Committee or failing that by the creditors generally. If a Creditors' Committee is not appointed and unless the creditors resolve otherwise the basis shall be deemed to be fixed by the creditors and payable by reference to the schedule of charges appended to their report dated 3 August 2005.
- x) The Joint Administrators do all such other things and generally exercise their powers as they, in their discretion, consider desirable in order to achieve the purposes of the Administration or to protect and preserve the assets of the Company or to maximise their realisations for any other purpose incidental to these proposals.
- xi) The Joint Administrators be discharged from liability in respect of any action(s) of theirs as Joint Administrators pursuant to the provisions of paragraph 98(1) of Schedule B1 to the Insolvency Act 1986 7 days after the cessation of their appointment.

Berrys Direct Limited – In Administration

Joint Administrators' Receipts and Payments Account
for the period from 21 June 2005 to 14 December 2006

	Investec Bank (UK) Limited	Paramount Park Limited	Total
	Fixed Charge £	Fixed Charge £	Floating Charge £
RECEIPTS			
Balance at Bank	-	-	51,852.03
Stock	-	-	57,121.71
Deferred Consideration	277,412.17	-	277,412.17
Book Debts	-	1,002,272.71	1,002,272.71
Dudley Inkwell Limited	-	-	124,500.00
Cash with Solicitor re sale of Goodwill	60,000.00	-	60,000.00
Leasehold Property	20,000.00	-	20,000.00
Sundry Refunds	-	6,375.00	6,375.00
Deposit Interest	854.58	4,522.19	5,376.77
	<hr/>	<hr/>	<hr/>
	358,266.75	1,013,169.90	233,473.74
	<hr/>	<hr/>	<hr/>
			1,604,910.39
PAYMENTS			
Administrators' Trading & Retention of Title	-	-	93,191.64
Warehousing Costs	-	-	22,329.26
Property Charges	3,916.19	-	3,916.19
Office Running Costs	11,500.00	23,000.00	34,500.00
Solicitors' Fees and Expenses	3,246.58	5,170.08	11,663.25
Agents' Fees & Expenses	-	-	3,053.20
Statutory Advertising	-	-	914.08
Bordereau Fee	-	-	400.00
Insurance	-	-	3,529.73
Storage Charges	-	-	1,795.61
Sundry Expenses	-	-	386.87
Bank Interest and Charges	1,141.52	1,141.52	3,424.56
Corporation Tax	-	798.00	798.00
Joint Administrators' Remuneration	47,937.45	31,958.30	145,265.00
VAT Input Tax	4,355.04	1,543.99	7,706.32
	<hr/>	<hr/>	<hr/>
	72,096.78	63,611.89	197,165.04
	<hr/>	<hr/>	<hr/>
	286,169.97	949,558.01	36,308.70
	<hr/>	<hr/>	<hr/>
			1,272,036.68
PAID TO CREDITORS			
Paramount Park Limited - on account	-	947,547.90	30,000.00
Investec Bank (UK) Ltd - on account	274,812.18	-	-
	<hr/>	<hr/>	<hr/>
BALANCE IN HAND	11,357.79	2,010.11	6,308.70
Less Prescribed Part Provision	-	-	3,154.35
	<hr/>	<hr/>	<hr/>
	11,357.79	2,010.11	3,154.35
	<hr/>	<hr/>	<hr/>
			16,522.25
	<hr/>	<hr/>	<hr/>

Berrys Direct Limited
(In Administration)

Summary of Joint Administrators' Time Costs from 21 June 2005 to 1 December 2006

	Partner		Senior Manager		Manager 1		Manager 2		Assistant		Support		Total	
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £
Statutory & Review	10	450.00	36	1,170.00	15	375.00	-	-	-	-	-	-	61	1,995.00
Receipts & Payments	-	-	62	2,015.00	-	-	382	7,640.00	102	1,020.00	-	-	546	10,675.00
Insurance	-	-	-	-	-	-	5	100.00	-	-	-	-	5	100.00
Assets	100	4,500.00	636	20,670.00	-	-	935	18,700.00	-	-	-	-	1,671	43,870.00
Liabilities	-	-	90	2,925.00	-	-	20	400.00	-	-	-	-	123	3,422.50
Landlords	-	-	2	65.00	-	-	40	800.00	-	-	-	-	42	865.00
Debenture Holder	20	900.00	130	4,225.00	-	-	15	300.00	-	-	-	-	165	5,425.00
General Administration	-	-	470	15,275.00	-	-	105	2,100.00	35	350.00	-	-	610	17,725.00
Appointment	60	2,700.00	55	1,787.50	120	3,000.00	-	-	50	500.00	-	-	285	7,987.50
Pre-Appointment	260	11,700.00	60	1,950.00	120	3,000.00	-	-	-	-	-	-	440	16,650.00
Post Appointment Creditor Reporting	70	3,150.00	290	9,425.00	115	2,875.00	300	6,000.00	-	-	-	-	775	21,450.00
Investigations	155	6,975.00	250	8,125.00	-	-	-	-	-	-	-	-	405	15,100.00

Total	675	30,375.00	2,081	67,632.50	370	9,250.00	1,802	36,040.00	187	1,870.00	13	97.50	5,128	145,265.00
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Average Hourly Cost (£)

	450.00	325.00	250.00	200.00	100.00	75.00	283.28
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All Units are 6 minutes