

The Insolvency Act 1986

Joint Administrators' progress report

2.24B

Name of Company BECAUSE LIMITED	Company number 03547059
In the High Court of Justice, Chancery Division	Court case number 5427 of 2011

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

We (a) A J Duncan & M C Healy of Leonard Curtis, One Great Cumberland Place,
Marble Arch, London W1H 7LW

administrator(s) of the above company attach a progress report for the period

from

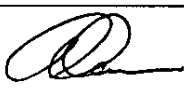
to

(b) Insert dates

(b) 22 June 2011

(b) 16 May 2012

Signed


Joint Administrator

Dated

22 May 2012

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	
Ref MKE/31	Tel 020 7535 7000
DX Number	DX Exchange

*u have completed and signed this form please send it to the Registrar of Companies at Companies
rown Way, Cardiff, CF14 3UZ DX 33050 Cardiff*



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COMPANIES HOUSE

WEDNESDAY



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

**BECAUSE LIMITED
(IN CREDITORS' VOLUNTARY LIQUIDATION
AND FORMERLY IN ADMINISTRATION)**

Registered Number: 03547059

**Joint Administrators' Second and Final Progress Report to Creditors
for the period from 22 December 2011 to 16 May 2012**

22 May 2012

Leonard Curtis
One Great Cumberland Place, Marble Arch,
London W1H 7LW
Tel 020 7535 7000 Fax 020 7723 6059
solutions@leonardcurtis.co.uk
Ref L/31/MKE/SBEC03/1010

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TO: ALL CREDITORS, THE COURT AND THE REGISTRAR OF COMPANIES

1 STATUTORY INFORMATION

- 1 1 I was appointed Joint Administrator of BEcause Limited ("the Company") together with James Bradney on 22 June 2011. M C Healy replaced James Bradney as Joint Administrator on 14 December 2011 by Order of the High Court. M C Healy is licensed in the UK by the Insolvency Practitioners Association and I am licensed in the UK by the Institute of Chartered Accountants in England and Wales. The appointment of the Joint Administrators ("the Joint Administrators") was made by Ms Sharon Richey, a director.
- 1 2 The Administration proceedings are under the jurisdiction of the High Court of Justice under Court reference number 5427 of 2011.
- 1 3 In accordance with paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 ("the Act"), the function of the Joint Administrators may be exercised by either or both, acting jointly or alone. The initial period of the Joint Administrators' appointment has not been extended.
- 1 4 The Company was incorporated on 17 April 1998 and commenced to trade shortly thereafter. The Company's registered office was changed from Lync House, 149 Hammersmith Road, London, W14 0QL to 3rd Floor, 39-45 Shaftesbury Avenue, London W1D 6LA following my appointment and then subsequently changed to One Great Cumberland Place, Marble Arch, London W1H 7LW. The registered number is 03547059.
- 1 5 On 4 August 2011, the Joint Administrators sent a statement of proposals to all creditors of the Company. A meeting of creditors was held on 19 August 2011 at which these proposals, attached at Appendix A, were approved. There have been no major amendments to, or deviations from, those proposals.
- 1 6 The Company's main centre of operations is based in the UK. The EC Regulation on Insolvency Proceedings applies and the proceedings are main proceedings under the Regulation.

2 STEPS TAKEN DURING THE ADMINISTRATION AND PROGRESS TO DATE

- 2 1 This report should be read in conjunction with the Joint Administrators' initial letter to creditors dated 9 June 2011 and previous reports dated 4 August 2011 and 20 January 2012.

Book Debts

- 2 2 Since my last report dated 20 January 2012, an additional £5,923.33 has been recovered. Efforts regarding the collection of the remaining book debts are ongoing.

Deferred Consideration

- 2 3 As previously reported, in accordance with the sale and purchase agreement, 2.5% of the purchaser's gross profit to 31 December 2011 was due to be paid by 31 January 2012. I confirm that £18,277 has since been received in respect of this asset. No further realisations will be made in respect of deferred consideration.

Other Assets

- 2 4 An amount of £1,600 has been received in respect of an award of costs for a legal dispute entered into prior to the Company being placed into Administration

Investigations

- 2 5 We have complied with our statutory obligations under the Company Directors Disqualification Act 1986 and a report has been submitted to the appropriate authority
- 2 6 Attached as Appendix B is a final summary of the Joint Administrators' receipts and payments account for the period of the Administration from 22 June 2011 to 16 May 2012. This shows what assets of the Company were realised and for what value and what payments were made to creditors or others
- 2 7 It also shows details of expenses incurred and paid during the period of this report. No expenses remain unpaid
- 2 8 Funds of £105,690.66 will be transferred to the liquidation

3 ACHIEVING THE PURPOSE OF ADMINISTRATION

- 3 1 As advised in our previous reports dated 4 August 2011 and 20 January 2012, the Joint Administrators must perform their functions with the purpose of achieving one of the following objectives
- (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
- 3 2 We are obliged to perform our functions in the interests of the Company's creditors as a whole and, where the objective of the Administration is to realise property in order to make a distribution to secured or preferential creditors, we have a duty not to unnecessarily harm the interests of the creditors as a whole
- 3 3 In our opinion, the first objective was not achievable. The shareholders and directors had indicated that they were unable to provide further funding and no further third party funding could be obtained
- 3 4 The second objective has been achieved, as a sale of the business upon our appointment has resulted in funds being received in the Administration, which would not otherwise be the case had the Company been wound up and therefore a better result for the Company's creditors as a whole has been achieved
- 3 5 As the second objective has been achieved it is not necessary to consider the third objective
- 3 6 The Administration was financed by monies received from asset realisations

4 JOINT ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS

- 4 1 In accordance with the resolution passed at the meeting of creditors held on 19 August 2011, the Joint Administrators' remuneration is fixed and payable by reference to the time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration
- 4 2 As advised in their previous report dated 20 January 2012, the Joint Administrators' time costs to 21 December 2011 were £17,712 50. Thereafter further costs of £12,510 have been incurred. The total costs are summarised at Appendix C and comprise 145 4 hours at an average rate of £207 86 per hour. In accordance with the approval given, £22,840 50 has been paid on account of these costs and the balance will be paid in the Creditors' Voluntary Liquidation to which the Company is now subject. Costs have been incurred in the following main areas of activity:

Statutory & Review

This includes time spent dealing with statutory requirements such as Companies House filing, advertising and case reviews.

Assets

This includes time spent liaising with the purchaser of the Company's assets, agents and bankers.

Liabilities

This includes time dealing with telephone enquiries from creditors as well as general correspondence with creditors.

General Administration

This includes time spent preparing letters and dealing with day to day queries that arise in the Administration.

Post Appointment Creditor Reporting

This includes time spent in the compiling of reports to creditors, including the Joint Administrators' proposals sent to creditors on 4 August 2011 and all the supporting documentation. This also includes time spent on preparation for the meeting of creditors held on 19 August 2011.

- 4 3 Further details of the Joint Administrators' charge out rates and policy regarding recharge of disbursements, staff allocation, support staff and the use of subcontractors are attached at Appendix D. Please note that Leonard Curtis charge out rates have been amended with effect from 7 May 2012.
- 4 4 Creditors also approved the basis upon which the Joint Administrators recharge internal disbursements that include an element of allocated costs. These are known as Category 2 costs and the basis of the calculation of their recharge is also attached at Appendix D. Specific expenditure relating to the administration of a particular case is recoverable without approval and is referred to as "category 1 disbursement". Category 1 disbursements will generally comprise items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses, including car mileage at 45p a mile, incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and storage.

BEcause Limited – In Creditors' Voluntary Liquidation

- 4 5 In this case the following Category 2 costs have been incurred during the period of this report and, where shown, reimbursed to our company

Type	Incurred £	Paid £	Unpaid £
Internal photocopying @ 10p per copy	206 80	206 80	-
General stationery, postage, telephone etc @ £100 per 100 creditors/ members or part thereof	-	-	-
Total	206 80	206 80	-

- 4 6 Further details of our company's charge out rates and policy regarding recharge of disbursements, staff allocation, support staff and the use of subcontractors are attached at Appendix D

- 4 7 On this assignment the Joint Administrators used the following professional advisors, including subcontractors

Name of Professional Advisor	Service Provided	Basis of Fees
Gately LLP	Legal Advice	Time Cost Basis
WMT LLP	Marketing Advice	Time Cost Basis
AgentCite Limited	Valuation of Company Assets	Time Cost Basis

- 4 8 Details of our company's charge out rates and policy regarding recharge of disbursements, staff allocation, support staff and the use of subcontractors are attached at Appendix D Further information may be found in "A Creditors Guide to Administrators' Fees" This is available from our office free of charge or may be downloaded from www.leonardcurtis.co.uk/index.php/downloads/Creditors-Guides

5 PRE-ADMINISTRATION COSTS

- 5 1 The following amounts in respect of pre-administration costs have been incurred and paid out of funds paid to Budge Business Recovery prior to appointment

Charged by	Services provided	Amount paid £'s	Amount unpaid £'s
Budge Business Recovery LLP	Advising directors and negotiation of the sale to Simply Because Limited	17,602 50	-
WMT LLP	Marketing report	5,736 00	-
Gateley LLP	Sale and purchase agreement	5,641 50	-
AgentCite Limited	Valuation of Company assets	1,020 00	-

6 CREDITORS' RIGHTS

- 6 1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Joint Administrators provide further information about their remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report

- 6 2 Within 14 days of receipt of the request, the Joint Administrators must provide all of the information asked for, except so far as they consider that -

- i) the time or cost of preparation of the information would be excessive, or

- ii) disclosure of the information would be prejudicial to the conduct of the Administration or might reasonably be expected to lead to violence against any person, or
- iii) we are subject to an obligation of confidentiality in respect of the information

The Joint Administrators must also give reasons for not providing all of the information

- 6 3 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to Court on the grounds that the basis fixed for the Joint Administrator's remuneration, the remuneration charged or the expenses incurred by the Joint Administrator as set out in this progress report are excessive

7 EXTENSION OF ADMINISTRATION

- 7 1 The appointment of the Joint Administrators ceases to have effect at the end of the period of one year beginning with the date on which it takes effect
- 7 2 However, it is possible to extend the period of the Joint Administrators' term of office for a specified period not exceeding six months with the consent of creditors
- 7 3 In this case, the Joint Administrators did not seek an extension

8 FURTHER ASSETS TO BE REALISED

- 8 1 There are no further assets to be realised other than the remaining book debts mentioned in paragraph 2 2 above

9 OTHER RELEVANT INFORMATION AND OUTCOME FOR CREDITORS

- 9 1 Based on current information, the Joint Administrators believe that there will be sufficient funds to be passed to a Liquidator to enable a dividend, or dividends, to be declared to ordinary unsecured creditors. At the present time the timing and quantum of the dividend is uncertain
- 9 2 There are no preferential claims

10 ENDING THE ADMINISTRATION

- 10 1 The automatic deadline for the Administration to end is 21 June 2012
- 10 2 The Company has now been moved from Administration to CVL and formal notice, attached as Appendix E, was registered by the Registrar of Companies on 16 May 2012
- 10 3 With effect from this date the appointment of the Joint Administrators ceased and the appointment of M C Healy and I as Joint Liquidators became effective
- 10 4 Also, in accordance with the resolutions passed at the meeting of creditors held on 19 August 2011, the Joint Administrators were discharged from liability in respect of any actions of theirs as Joint Administrators with effect from this date

BEcause Limited – In Creditors' Voluntary Liquidation

10.5 The Joint Liquidators remuneration and recharge of Category 2 costs will be payable on the same basis as fixed in the Administration

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

for and on behalf of
BECAUSE LIMITED



A J DUNCAN
former Joint Administrator

Licensed in the UK by the Institute of Chartered Accountants in England and Wales

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.

**JOINT ADMINISTRATORS' PROPOSALS APPROVED
AT A MEETING OF CREDITORS HELD ON 19 AUGUST 2011**

It is proposed that

- 1) The Joint Administrators continue the Administration to deal with such outstanding matters in relation to the Company as the Joint Administrators consider necessary until such time as the Administration ceases to have effect
- 2) The Joint Administrators do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Insolvency Act 1986, as they, in their sole and absolute discretion consider desirable or expedient in order to achieve the purpose of the Administration
- 3) When it is anticipated that no better realisations will be made in the Administration than would be available in a winding up, to take the necessary steps to put the Company into either Creditors' Voluntary Liquidation, Company Voluntary Arrangement or into Compulsory Liquidation as deemed appropriate by the Joint Administrators. It is proposed that Andrew Duncan and another Director of Leonard Curtis would act as Joint Liquidators should the Company be placed into Creditors' Voluntary Liquidation
- 4) In the event that a Company Voluntary Arrangement is proposed, the Arrangement will be considered on its merits by the Voluntary Arrangements Service. Acceptance of the Administrator's proposals at this stage does not therefore imply acceptance of any Voluntary Arrangement proposals that may be put forward as a consequence
- 5) In the event that the Joint Administrators form the view that the exit options identified in proposal 3 and 4 above are inappropriate, then, in due course, the Joint Administrators will apply provisions at Paragraph 84 of Schedule B1 to the Insolvency Act 1986 enabling the Company to move from Administration to Dissolution. This will be conditional on the completion of all necessary investigations into the Director's affairs and no deemed distribution to creditors at the end of the Administration period

APPENDIX B

Summary of Joint Administrators' Receipts and Payments
from 22 June 2011 to 16 May 2012

	22 June 2011 to 21 December 2011	22 December 2011 to 16 May 2012	Total	
Statement of Affairs	Floating Charge	Floating Charge	Floating Charge	
£	£	£	£	
RECEIPTS				
Book Debt Surplus	62,426	53,021 05	5,923 33	58,944 38
Office Furniture and Equipment	10,000	10,000 00	-	10,000 00
Work In Progress	10,000	10,000 00	-	10,000 00
Goodwill	30,000	30,000 00	-	30,000 00
Cash at Bank	662	662 00	-	662 00
Deferred Consideration	Uncertain	-	18,277 00	18,277 00
	113,088	103,683 05	24,200 33	127,883 38
Bank Interest		9 35	11 74	21 09
Other Book Debts		1,080 96	-	1,080 96
Sundry Receipts		-	1,600 00	1,600 00
		104,773 36	25,812 07	130,585 43
PAYMENTS				
Legal Fees		552 75	-	552 75
Insurance		316 80	106 00	422 80
Advertisements		213 00	-	213 00
Agents' Fees		200 50	-	200 50
IT Licence Fee		75 00	-	75 00
Legal Disbursements		35 00	-	35 00
Joint Administrators' Remuneration		10,410 50	12,430 00	22,840 50
Joint Administrators' Disbursements		241 68	303 54	545 22
Administration Expenses		-	10 00	10 00
Transferred to Liquidation		-	-	105,690 66
		12,045 23	12,849 54	130,585 43
Balances in Hand		92,728 13	12,962 53	0 00

Summary of Joint Administrators Time Costs from 22 December 2011 to 16 May 2012

	Director		Senior Manager		Manager 1		Administrator 2		Administrator 4		Total		Average
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Hourly Rate £
Statutory & Review	21	945 00	-	-	20	650 00	53	927 50	-	-	94	2 522 50	268 35
Assets	5	225 00	-	-	-	-	18	315 00	-	-	23	540 00	234 78
Liabilities	-	-	-	-	-	-	84	1 470 00	-	-	84	1 470 00	175 00
General Administration	-	-	-	-	25	812 50	251	4 392 50	5	50 00	281	5 255 00	187 01
Post Appointment Credits Mings	-	-	-	-	-	-	143	2 502 50	-	-	143	2 502 50	175 00
Receipts and Payments	-	-	-	-	-	-	-	-	22	220 00	22	220 00	100 00
Total	26	1 170 00	-	-	45	1 462 50	549	9 607 50	27	270 00	647	12 510 00	
Average Hourly Rate (£)		<u>450 00</u>				<u>325 00</u>		<u>175 00</u>		<u>100 00</u>		<u>193 35</u>	

All Units are 6 minutes

Summary of Joint Administrators Time Costs from 22 June 2011 to 16 May 2012

	Director		Senior Manager		Manager 1		Administrator 2		Administrator 4		Total		Average
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Hourly Rate £
Statutory & Review	44	1 980 00	-	-	24	780 00	118	2 065 00	8	80 00	194	4 905 00	252 84
Receipts & Payments	-	-	-	-	-	-	-	-	25	250 00	25	250 00	100 00
Assets	14	630 00	-	-	1	32 50	28	490 00	-	-	43	1 152 50	268 02
Liabilities	25	1 125 00	-	-	6	195 00	178	3 115 00	-	-	209	4 435 00	212 20
Landlords	12	540 00	-	-	-	-	5	87 50	-	-	17	627 50	369 12
General Administration	-	-	-	-	25	812 50	630	11 025 00	5	50 00	660	11 887 50	180 11
Post Appointment Credits Reporting	52	2 340 00	12	420 00	4	130 00	143	2 065 00	12	120 00	223	5 512 50	247 20
Investigations	-	-	-	-	-	-	83	1 452 50	-	-	83	1 452 50	175 00
Total	147	6 615 00	12	420 00	60	1 950 00	1,185	20 300 00	50	500 00	1,454	30,222 50	
Average Hourly Rate (£)		<u>450 00</u>		<u>350 00</u>		<u>325 00</u>		<u>171 31</u>		<u>100 00</u>		<u>207 86</u>	

All Units are 6 minutes

APPENDIX D**CHARGE OUT RATES AND POLICY REGARDING STAFF ALLOCATION, SUPPORT STAFF, THE USE OF SUBCONTRACTORS AND THE RECHARGE OF DISBURSEMENTS**

The following information relating to the policy of Leonard Curtis is considered to be relevant

Charge out Rates

The following hourly charge out rates apply to all assignments undertaken by Leonard Curtis

	Old rates	New rates (with effect from 7 May 2012)
Director	£450	425
Principal Manager/Associate Director	350	N/A
Senior Manager	325	385
Manager 1	250	330
Manager 2	200	285
Manager 3	175	N/A
Senior Administrator	150	N/A
Administrator	100	N/A
Administrator 1	N/A	230
Administrator 2	N/A	210
Administrator 3	N/A	190
Administrator 4	N/A	135
Support	75	Nil

Staff Allocation, Support Staff and the Use of Subcontractors

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is charged. Details of any subcontractor(s) used are given in the attached report.

Professional Advisors

Details of any professional advisor(s) used are given in the attached report. Unless otherwise indicated the fee arrangement for each will be based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements. The choice of professional advisors will be based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

Disbursements

Specific expenditure relating to the administration of a particular case is recoverable without approval and is referred to as a "category 1 disbursement". Category 1 disbursements will generally comprise supplies of incidental services specifically identifiable to the case, typically for items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses, including car mileage at 40p a mile (45p from 12 April 2011), incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

Where we propose to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, documents storage or communication facilities provided by us) they must be disclosed and be authorised by those responsible for approving the joint administrators' remuneration. Such expenditure is referred to as a "category 2 disbursement". The following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision.

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Room Hire	£100
Storage of office files (6 years)	£88.75 per box

The Insolvency Act 1986

Notice of move from administration to creditors' voluntary liquidation

2.34B

Name of Company BECAUSE LIMITED	Company number 03547059
In the High Court of Justice Chancery Division	Court case number 5427 of 2011

(a) Insert name(s) and address(es) of administrator(s) We (a) A J Duncan and M C Healy 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) BECAUSE LIMITED,
One Great Cumberland Place Marble Arch,
London W1H 7LW

(c) Insert date of appointment on (c) 22 June 2011 by (d) High Court

(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,

(e) Insert name(s) and address(es) of liquidator(s) and it is proposed that (e) A J Duncan and M C Healy of Leonard Curtis, One Great Cumberland Place, Marble Arch,
London W1H 7LW

will be the liquidator(s) of the company (IP No(s)) 9319 and 9530

Signed

Joint Administrator

Dated

15 May 2012

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



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16/05/2012

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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

WEDNESDAY