

KAM JM AB DIALATV Q1

TO ALL KNOWN CREDITORS  
AND SHAREHOLDERS

16 February 2009

Dear Sir or Madam

**Dial-a-TV Limited – In Administration (“the Company” or “DTV”)  
In The High Court Of Justice No. 11581 of 2008**

I refer to my letter of 2 January 2009 in which we advised creditors of the appointment of my partner, Kenneth Touhey, David Oprey and me as Joint Administrators of the Company. In that letter, I indicated that we would write to you again setting out our proposals for achieving the purpose of the Administration.

Therefore, pursuant to paragraph 49 of Schedule B1 to the Insolvency Act 1986, I now set out below our proposals.

## Background

The Company was incorporated in 1992 and its principal activity was the renting and selling (on hire purchase) of domestic appliances to both individuals and businesses. The Company's products mostly comprise of televisions and washing machines although it also supplied other domestic appliances.


At the time of my appointment, the Company operated from a head office occupied on an informal basis at Units 1-3 Green Farm, Abbots Ripton, Huntingdon, Cambridgeshire, PE28 2PL. The Company also operated from two leased premises one in Wednesbury, West Midlands, and the other in York. In addition, the Company currently has one franchisee contracted to trade under the 'Dial-a-TV' name in the Northampton, Milton Keynes, Aylesbury and Oxford areas.

The Company's business is predominantly with individuals who are unable to obtain credit from the high street due to poor credit history. Most customers pay on a monthly basis via direct debit, standing order or cheque and the Company also provide goods for individuals with no bank account and little available cash with payment being made via a slot meter.

The Company focuses on budget brands such as Beko and Sanyo but other brands such as Hotpoint and Samsung are also offered. The Company operates by direct selling to customers via a national call centre.

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INVESTOR IN PEOPLE

Statutory information regarding the Company along with extracts from accounts are attached at Appendix 1.

The Company's bankers were Bank of Scotland plc ("BOS"), who provided overdraft facilities secured by fixed and floating charges. In addition, the Company granted security to a number of funders including Hitachi. I attach further details of the outstanding securities granted by the Company at Appendix 2 which has been prepared by Kennedys, my solicitors.

The Company's funders operated block discounting arrangements with the Company whereby the rental and hire purchase agreements with customers were collected together into "books" which were then assigned to the funders. The funders would advance loans calculated by reference to the values of these books, and these loans would be repaid over time. Please note that realisations from the assigned books belong to the funders rather than the Company, although as is common in the industry, the Company pooled realisations from assigned contracts, and the pooled funds were used to fund its ongoing operations, repayments to funders etc.

Gary Nichols, the director of the Company, has advised that the main cause of failure was the identification by DTV of an error in the calculation of security cover held by one of the block discounters. Forecasts indicated that DTV was not able to make it good until the 2nd half of 2009 but this was not acceptable to the block discounter and they said that they would therefore be unable to provide ongoing support.

Mr Nichols approached my firm for advice in December 2008. In the absence of ongoing support from the largest funder, there was little alternative but to place the company into Administration. On 29 December 2008, Mr Nichols appointed Kenneth Touhey, David Oprey and me as Joint Administrators. BOS and Hitachi consented to the appointment.

### **Actions immediately following the appointment of Joint Administrators**

Following our appointment, we attended the Company's head office and took control of the business. In addition, members of my staff have remained on site for the duration of the trading period in order to ensure the continued supervision of trading.

Following a review of the various areas of the business, it was apparent that there would be benefit in continuing to trade the business for the following reasons:

- Protecting the value of the Company's agreements with its customers
- Finding a purchaser for the business and assets of the Company
- Finding a purchaser for the agreements which had been assigned to the funders (i.e. acting as agent to the funders)

We prepared a cashflow forecast showing the likely costs of continuing to trade, together with the likely receipts from contracts. Since the majority of receipts from customers are in respect of contracts assigned to BOS and Hitachi, we obtained the consent of BOS and Hitachi to use these receipts to fund ongoing trading.

We have proposed to all funders that the costs and expenses of the administration trading (including professional fees) be split in proportion to the value of each funder's book. We understand that the funders have now agreed in principle to this, although this has not yet been documented.

At the time of my appointment there were 97 employees including the director, Mr Gary Nichols. A review of the staffing levels and employment costs was undertaken, together with an analysis of the anticipated level of trading whilst in administration. Based on this a decision was taken to make 16 employees redundant for operational reasons with the remaining employees being retained.

In order to reduce costs during the trading period, purchases of new stock have been minimised and the Company has sought to utilise existing stocks to continue to trade and preserve the customer base. The Company is continuing to provide service and repairs for customers in order to maintain the value of the agreements.

I have also sought to minimise the number of assets operated by the Company subject to finance and where possible, these have been returned to the finance companies.

I attach at Appendix 3 a trading account showing the income and expenditure of the business to 6 February 2009 on a cash basis. Also attached at Appendix 3 is the joint administrators' abstract of receipts and payments. Please note that the majority of the receipts will have been from contracts assigned to the various funders, and these funds are not therefore assets of the Company. However the funders have agreed that these funds may be used in meeting the ongoing trading costs. We are currently performing an exercise to allocate receipts to date to each funder.

In order to alert potential interested parties who may have been interested in purchasing the business an advert was placed in the Financial Times on 13 January 2009 and also placed on the Financial Times' website. In addition, contact has been made with a number of the Company's main competitors to determine whether there was interest from these parties.

As stated previously in this report, negotiations with a number of interested parties are ongoing and I remain hopeful that offers will be submitted in order to purchase the business and assets as a going concern.

### **Allocation of Agreements**

One of the most difficult tasks we have faced has been to identify which customer agreement has been assigned to which funder. The Company has some 83,000 contracts, of which some 33,000 are 'live' and 50,000 terminated.

Unfortunately, whilst the Company's database of contracts has a field for Funders' names, the names have never been entered. Therefore this information is being extracted from various spreadsheets and compared with Funders' own records.

The latest allocation / valuation was prepared as at 29 January 2009. We have sent each funder a list of the contracts allocated to them and asked that they compare with their records. We are also allocating the cash receipts to date between the various funders.

We have set out below a valuation of the contracts assigned to each Funder as at 29 January 2009, together with the estimated level of debt due to each Funder.

	Broughame	F. Corp	BOS	Hitachi	Thames	Unallocated	Unidentified	Venture	Yorkshire	Zarany	Grand Total
Gross Valuation	£2,680	£126,632	£2,200,626	£3,286,134	£121,400	£604,523	£262,247	£178,726	£144,801	£3,214	£6,930,983
% of total	0.04%	1.83%	31.75%	47.41%	1.75%	8.72%	3.78%	2.58%	2.09%	0.05%	100.00%
Funder debt	£14,888	£114,076	£4,050,000	£6,593,646	£128,086	n/a	n/a	£237,500	£107,451	£0	

The valuation methodology is set out below. The multiples have been suggested by Gary Nichols as within the range of industry norms.

Rental - Slot

Contracts not more than 3 months in arrears at a multiple of 15 times net rental (i.e. excluding VAT)

Rental - Non slot

Contracts not more than 2 months in arrears at a multiple of 19 times net rental

HP - Slot

Gross recurring rentals for contracts not more than 3 months in arrears at a multiple of 45% of Gross Future Receivables ('GFR')

HP - Non Slot

Gross recurring rentals for contracts not more than 3 months in arrears at a multiple of 67% of GFR

Please note it is far from certain that offers will be received which match Mr Nichols' valuation.

The following should be noted:

- Unallocated contracts have been valued at £604,523. These are contracts where the paper remains with DTV and there is no record of the contracts ever having been assigned to a Funder. However Hitachi are purporting to have assigned to themselves all unallocated contracts created between 1 January 2007 and 19 December 2008 (under powers contained in a power of attorney). We have been advised by Kennedys that this transaction is challengeable as a preference and/or a transaction at an undervalue, and we are seeking Counsel's opinion. In the event the assignment of this paper is not effective, we are advised by Kennedys that these contracts are likely to be caught by BOS's floating charge.

- Unidentified contracts have been valued at £262,247. These are contracts where the paper is not held by DTV. Some of the paper will have been assigned at some stage in the past, possibly to Funders who are no longer owed money. Other paper may have been lost in the post or never returned by customers. We have sent all Funders a list of these contracts. In the event that no evidence of an assignment is forthcoming, we believe these contracts would be caught by BOS's floating charge.

### Objectives of the Administration

The formal purpose of an Administration is the achievement of one or more of the following objectives:

- a. rescuing the Company as a going concern; failing which
- 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); failing which
- c. realising property in order to make a distribution to one or more secured or preferential creditors

We believe it unlikely that the Company will be rescued as a going concern. Such a rescue would usually be effected through a company voluntary arrangement ('CVA'). We have been informed by Mr Nichols that the shareholders would not wish to propose / fund a CVA.

Although the business has not at this stage been sold, negotiations are ongoing with a number of interested parties and I remain hopeful that a sale of the business can still be achieved. A sale of the business would enable the second purpose to be achieved - namely *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)*.

Should a sale not be achieved then it is likely that the third objective of Administration, namely *realising property in order to make a distribution to one or more secured or preferential creditors* would become the most appropriate objective.



### **Administrators' Proposals**

The Administrators formal proposals are therefore: -

- 1 The Joint Administrators be authorised to continue to allow the business to trade to enable the marketing of the business and / or the collect out of the contracts.
- 2 The Joint Administrators take all practicable steps to realise any remaining assets of the Company.
- 3 That as soon as is practicable, the Joint Administrators take all steps necessary to settle the outstanding Administration costs subject to sufficient funds being available.
- 4 In the event that there are no further asset realisations to be made and insufficient funds to make a distribution to unsecured creditors, the Company will move to dissolution. Should asset realisations be ongoing and realisations are sufficient to enable a distribution to unsecured creditors, we shall take all steps necessary to settle outstanding Administration costs and place the Company into liquidation which will be the most appropriate exit route. It is proposed that Kenneth William Touhey, David John Oprey and I be appointed Joint Liquidators of the Company.

Please note that, in accordance with paragraph 83(7) of Schedule B1 to the Insolvency Act 1986 and rule 2.117(3) of the Insolvency Rules 1986, creditors may nominate a different person as the proposed liquidator, provided that the nomination is made after the receipt of these proposals and prior to their approval.

4. The Joint Administrators will be discharged from liability under Paragraph 98 (3) of Schedule B1 to the Insolvency Act 1986 immediately on their appointment as Administrators ceasing to have effect.

### **Directors' Statement of Affairs**

Following my appointment, I served notice on the Director, pursuant to paragraph 47 of Schedule B1 of the Insolvency Act 1986 requiring submission of a statement of affairs. I attach a copy of the statement of affairs with this report at Appendix 4.

As the amounts that can realised from the Company's assets are dependent upon whether a sale of the business can be achieved or whether the funders require the joint administrators to continue to trade the business to enable their indebtedness to be reduced from ongoing revenue I am unable to determine whether the estimated to realise figures quoted in the statement of affairs are appropriate.

### **Outcome for Creditors**

As stated above I am unable to estimate the likely realisations from the disposal of the Company's assets. I am therefore unable at this stage to provide an indication on the dividend prospects for any class of creditor.



### **Prescribed part**

I advise that the prescribed part was introduced by the Enterprise Act 2002 and came into force in September 2003. The prescribed part is a sum of money set aside from funds subject to floating charges, which is to be distributed to unsecured creditors. The sum is calculated in accordance with the relevant legislation. Although the Director's statement of affairs shows funds available for a prescribed part this is dependent upon the figures in that document being accurate. Given the uncertainty over the sums which could be achieved from the Company's assets I am, at present, unable to determine whether there will be sufficient funds to enable a dividend to be paid to the unsecured creditors via the prescribed part.

### **Joint Administrators' remuneration**

The Joint Administrators are entitled to receive remuneration for their services and this is fixed either as a percentage of the value of the property with which they have to deal or by reference to the time properly given by them and their staff in attending to matters arising in the Administration.

It is for the creditors' committee, if there is one, to determine whether the remuneration is to be fixed on the first or the second basis. If a creditors' committee is not formed the requisite authority will be that of a resolution of the creditors. In the event that remuneration is not fixed in either of the above ways it is open to the Administrators to make an application for their remuneration to be fixed by the Court.

Our firm's time costs from the commencement of the Administration to 31 January 2009 amount to £138,841, a breakdown of which is detailed as shown in the time and charge out summary attached at Appendix 5. A summary of the firm's current hourly charge out rates, by grade of staff, is also enclosed at Appendix 6.

If a committee is not appointed, a formal resolution for the approval of our fees will be considered at the meeting. No fees have been drawn to date and we previously estimated that further time costs amounting to approximately £87,149 would have been required to bring the Administration to a close. However, this estimate was based upon selling the business by 13 February 2009. Accordingly, as trading continues under the control of the joint administrators our fees are likely to be in excess of the original estimate of £226,000.

Further information on the way in which the remuneration of Administrators' may be fixed is contained in the "A Creditors' Guide to Joint Administrators' Fees" which can be found at <http://www.r3.org.uk>. Alternatively, copies can be provided from this office on request.

In this case, a majority of the asset realisations are from cash receipts received since my appointment relating to customer contracts which have been assigned to funders. Accordingly, I will be seeking consent from all funders to draw my fees in dealing with the customer contracts although at this stage, the basis of the apportionment of trading and administration costs has not yet been agreed. I will advise creditors of the position in respect of apportionment of fees in my next report.

**Other Costs**

I have instructed professionals to assist in areas where their specialist knowledge has been required. Solicitors were chosen because of their relevant expertise and experience and their fees have been agreed on a time cost basis. Their fees, together with those of my agents, have not yet been paid. It is anticipated that solicitors' fees in relation to assistance required during the Administration will be in the region of £125,000 given the complexity of the security given by the Company which has been reviewed and also the anticipated work required should the business be sold as a going concern.

It is anticipated that agents' fees will be approximately £10,000.

**Meeting of creditors**

Our proposals will be put forward at the meeting of creditors that has been convened, pursuant to paragraph 51 of Schedule B1 to the Insolvency Act 1986, formal notice of which is enclosed at Appendix 7.

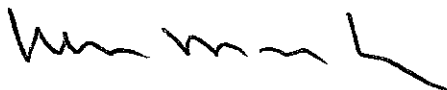
Creditors are not obliged to attend in person and may vote upon the proposals by the enclosed proxy form. The proposals, with or without agreed modifications, will be approved when a majority in value of those creditors voting are in favour. A proof of debt form and a proxy form are attached at Appendix 8.

**Conclusion**

Under the circumstances we recommend acceptance of the above proposals in the terms shown.

Should you require any further information, in addition to that already given, wish to attend or instruct a representative to act on your behalf at the meeting, please contact Andrew Bailey on the direct dial number below.

Yours faithfully



K A MURPHY

Joint Administrator

Licensed by The Institute of Chartered Accountants in England and Wales

Direct Dial 020 7509 9146

kmurphy@cvsdfk.com

Enc

Dial-a-TV Limited - In Administration ("the company")

Kenneth William Touhey, David John Oprey and Kevin Murphy were appointed Joint Administrators on 29 December 2008, to manage the affairs, business, and assets of the company. All enquiries and correspondence should be addressed to the Joint Administrators at Chantrey Vellacott DFK LLP, Russell Square House, 10-12 Russell Square, London, WC1B 5LF. Tel 020 7509 9000 Fax 020 7509 9110. The Administrators are agents of the company and act without personal liability. Kenneth William Touhey, David John Oprey and Kevin Anthony Murphy are authorised to act as Insolvency Practitioners by The Institute of Chartered Accountants in England and Wales (Practitioner Nos 8369, 5814 & 8349 respectively).

**STATUTORY INFORMATION**

**Dial-a-TV Limited  
(In Administration)**

**Statutory Information**

Scheduled below are extracts concerning the Company obtained from the file at Companies House: -

**i) Directors**

The directors of the company were: -

	Appointed	Resigned
Gary Nichols	15/06/1992	-
David Lloyd	15/06/1992	26/04/2008
Maurice Lloyd	01/11/1996	22/01/1998
Anna Nichols	01/02/2002	23/03/2004
Paul Richards	01/02/2002	14/08/2006

**ii) Company Secretary**

Ian Piggott	22/11/2008	-
Julie Ingham	16/10/2007	21/11/2008
Ian Piggott	01/02/2002	16/10/2007
Anna Nichols	24/07/1994	01/02/2002
Gary Nichols	15/06/1992	24/07/1994

**iii) Shareholder Information (as advised by the Director)**

Issued Share Capital – 1,705,750 ordinary shares at £1 per share and 103,500 preference shares at £1 per share held by Dial-a-TV Group Holdings Limited.

**iv) Registered Office**

The Registered Office of the Company is situated at: -

Russell Square House, 10-12 Russell Square, London, WC1B 5LF

Prior to the appointment of Administrators the Registered Office was: -

PO Box 108, Abbots Ripton, Huntingdon, PE28 2PP

**v) Company Number**

The Company's registered number is: 02722882

**vi) Date of Incorporation**

The Company was incorporated on 15 June 1992

**vii) Court Proceedings**

High Court of Justice number 11581 of 2008

**viii) Other**

The proceedings constitute main proceedings as defined in Article 3 of the EC Regulations.

**ix) Statement for the purpose of paragraph 100(2) of Schedule B1 to the Insolvency Act**

All functions, powers and duties of the Administrators may be exercised by either of them acting jointly and severally.

x

**Joint Administrators**

Kenneth William Touhey, David John Oprey and Kevin Anthony Murphy  
Chantrey Vellacott DFK LLP  
Russell Square House  
10-12 Russell Square  
London  
WC1B 5LF

Date of appointment: 29 December 2008

Details of Appointer: Gary Nichols - Director

Dial-A-TV Limited - In Administration

Extracts from filed Accounts for the year ended 31 January 2006 and 31 January 2007

	FILED ACCOUNTS Y/E 31/01/2007	FILED ACCOUNTS Y/E 31/01/2006
Turnover	2,834,469	2,460,194
Costs of sales	<u>948,791</u>	<u>892,285</u>
<b>Gross Profit</b>	1,885,678	1,567,909
Other operating expenses	<u>1,357,804</u>	<u>(1,104,514)</u>
<b>Operating Profit</b>	527,874	463,395
Interest Receivable/Payable	<u>309,915</u>	<u>(315,461)</u>
<b>Profit on ordinary activities before tax</b>	217,959	147,934
Tax on profit on ordinary activities	<u>41,416</u>	<u>38,294</u>
<b>Retained Profits for the year</b>	<u><u>176,543</u></u>	<u><u>109,640</u></u>
	£	£
<b>Fixed Assets</b>		
Intangible Assets	91,160	119,929
Tangible Assets	3,392,596	3,457,879
Investments	405	405
	<u>3,484,161</u>	<u>3,578,213</u>
<b>Current Assets</b>		
Debtors	2,761,143	1,182,235
Stock	232,546	105,884
Cash at bank	<u>194,780</u>	<u>42,183</u>
	3,188,469	1,330,302
<b>Creditors: amounts falling due within one year</b>	<u>(2,916,508)</u>	<u>(2,797,928)</u>
<b>Net current liabilities/assets</b>	<u>271,961</u>	<u>(1,467,626)</u>
<b>Total assets less current liabilities</b>	3,756,122	2,110,587
Creditors falling due after more than one year	(1,571,135)	(1,307,266)
Provisions for liabilities and charges	(176,083)	(134,667)
<b>Net assets</b>	<u><u>2,008,904</u></u>	<u><u>668,654</u></u>
<b>Capital and Reserves</b>		
Called up share capital	1,375,250	204,500
Other reserves	197,000	172,000
Profit and Loss account	436,654 *	292,154
<b>Shareholders' funds</b>	<u><u>2,008,904</u></u>	<u><u>668,654</u></u>

\* after a dividend of £7,034 was paid and the purchase of own shares of £25,000.

**REGISTER OF CHARGES**

SECURITY OF THE FINANCIERS

No.	Funder	Facility letter/Block Discounting Agreement	Additional Security	Agreement for Assignment of Receivables	Registration at Companies House	Ownership of Receivables	Ownership of Assets/Goods under the Agreements	Deed of Priority
1	Bank of Scotland ("BoS")	Facility letter dated 18.07.07 confirming a funding facility up to £4.08M. The sum of £3.75M was by way of a revolving credit facility	<ul style="list-style-type: none"> <li>Debenture dated 18.07.07</li> <li>Corporate Guarantee dated 18.07.07</li> </ul>	<ul style="list-style-type: none"> <li>Assignment of Receivables dated 18.07.07</li> <li>Assignment of Receivables dated 02.12.08</li> </ul>	<ul style="list-style-type: none"> <li>Debenture registered 02.08.07</li> <li>Assignment of Receivables registered 02.08.07</li> <li>Assignment of Receivables registered 05.12.08</li> </ul>	Purchased/Assigned Receivables owned by BoS	<ul style="list-style-type: none"> <li>Goods assigned to BoS under the two Assignments</li> <li>Goods also charged to BoS under the floating charge in the Assignments and under the Debenture</li> </ul>	<ol style="list-style-type: none"> <li>Hitachi and BoS dated 18.07.07 - see No. 2 below</li> <li>Venture dated 08.10.08 - see No. 5 below</li> </ol>

No.	Funder	Facility letter/Block Discounting Agreement	Additional Security	Agreement for Assignment of Receivables	Registration at Companies House	Ownership of Receivables	Ownership of Assets/Goods under the Agreements	Deed of Priority
2	Hitachi	Block Discounting Agreement dated 25.03.98 ("BDA")	None	Assignment dated 19.12.08	BDA registered on 28.03.98	<ul style="list-style-type: none"> <li>Purchased/Assigned Receivables owned by Hitachi under the BDA</li> <li>Assignment dated 19.12.08 seeks to assign to Hitachi receivables for the period 01.07 to 19.12.08 in the sum of £400K<sup>1</sup></li> </ul>	<ul style="list-style-type: none"> <li>Goods subject to the floating charge under the BDA but converted to a fixed charge by notice dated 18.12.08<sup>2</sup></li> </ul>	<ul style="list-style-type: none"> <li>First, Hitachi up to £5.5M in respect of Debts and Goods</li> <li>Second, Bos all monies and unlimited</li> <li>Third, Hitachi for any balance due</li> </ul>

<sup>1</sup> Note: The Administrators are seeking legal advice as to whether the assignment constitutes a transaction at an undervalue and/or a preference under Section 238 and 239 of the Insolvency Act 1986.

<sup>2</sup> Note: The fixed charge will take effect as a floating charge since the definition of "floating charge" under Section 251 of the Insolvency Act 1986 "means a charge which, as created, was a floating charge".

No.	Funder	Facility letter/Block Discounting Agreement	Additional Security	Agreement for Assignment of Receivables	Registration at Companies House	Ownership of Receivables	Ownership of Assets/Goods under the Agreements	Deed of Priority
3	Broughfame Limited	Master Block Discounting Agreement dated 03.03.06	None	None	None	Purchased Receivables owned by Broughfame	<ul style="list-style-type: none"> <li>• HP and Hire Agreements - goods owned by Broughfame</li> <li>• Rental Agreements - goods owned by DTV</li> </ul>	None

No.	Funder	Facility letter/Block Discounting Agreement	Additional Security	Agreement for Assignment of Receivables	Registration at Companies House	Ownership of Receivables	Ownership of Assets/Goods under the Agreements	Deed of Priority
4	Thames Finance A) Leigh Investments Limited	Master Discounting Agreement dated 17.09.01 Block	None	None	None	Purchased Receivables owned by Leigh Investments Ltd	<ul style="list-style-type: none"> <li>• HP and Conditional Sale Agreements - goods owned by Leigh Investments Ltd</li> <li>• Rental Agreements - goods owned by DTV</li> </ul>	None
	B) Kelly's Radio Limited t/a Thames Finance	Master Discounting Agreement dated 13.03.02 Block	None	None	None	Purchased Receivables owned by Kelly's Radio Ltd	<ul style="list-style-type: none"> <li>• HP and Conditional Sale Agreements - goods owned by Kelly's Radio</li> <li>• Rental Agreements - goods owned by DTV</li> </ul>	None

No.	Funder	Facility letter/Block Discounting Agreement	Additional Security	Agreement for Assignment of Receivables	Registration at Companies House	Ownership of Receivables	Ownership of Assets/Goods under the Agreements	Deed of Priority
5	Venture Finance plc ("Venture")	<ul style="list-style-type: none"> <li>Facility letter dated 07.10.08 confirming a Block Discounting Facility of £500K</li> <li>Block Discounting Agreement dated 08.10.08 ("Venture BDA")</li> </ul>	Chattels Mortgage dated 08.10.08	None	<ul style="list-style-type: none"> <li>Venture BDA not registered</li> <li>Chattels Mortgage registered on 02.12.08</li> </ul>	Purchased/Assigned Receivables owned by Venture	<ul style="list-style-type: none"> <li>HP Agreements - goods assigned to Venture</li> <li>Rental Agreements - goods owned by DTV but held on trust for Venture<sup>3</sup></li> </ul>	<p>Venture and BoS dated 08.10.08</p> <ul style="list-style-type: none"> <li>First, Venture up to £500K in respect of assigned receivables and goods</li> <li>Second, BoS for all monies and unlimited</li> <li>Third, Venture for any balance due</li> </ul>

<sup>3</sup> Any security interest relied upon under the Venture BDA will be void for non-registration under Section 395 of the Companies Act 1985.

No.	Funder	Facility letter/Block Discounting Agreement	Additional Security	Agreement for Assignment of Receivables	Registration at Companies House	Ownership of Receivables	Ownership of Assets/Goods under the Agreements	Deed of Priority
6	Yorkshire Bank ("YB") and Clydesdale Bank ("CB")	<ul style="list-style-type: none"> <li>Facility letter dated 09.04.01 confirming an asset finance block discounting facility in the sum of £500K</li> <li>Block Discount Master Agreement with YB dated 24.05.01</li> </ul>	<ul style="list-style-type: none"> <li>YB Chattel Mortgages</li> <li>CB Chattel Mortgages</li> </ul> <p>(see Appendix A)</p>	None	Numerous (see Appendix A)	Purchased Receivables owned by YB and CB	<ul style="list-style-type: none"> <li>HP and Conditional Sale Agreements - goods owned by YB/CB</li> <li>Rental Agreements - goods owned by DTV</li> </ul>	<p>CB and BoS dated 18.07.07</p> <ul style="list-style-type: none"> <li>First, CB up to £600K in respect of receivables and goods</li> <li>Second, BoS all monies and unlimited</li> <li>Third, CB for any balance due</li> </ul>

No.	Funder	Facility letter/Block Discounting Agreement	Additional Security	Agreement for Assignment of Receivables	Registration at Companies House	Ownership of Receivables	Ownership of Assets/Goods under the Agreements	Deed of Priority
7	Funding Corporation ("FC")	<ul style="list-style-type: none"> <li>• Facility letter dated 26.08.05 confirming a receivables discounting facility up to £1.25M</li> <li>• Master Receivables Discounting Agreement dated 01.09.08 ("MRDA")</li> </ul>	None	None	MRDA not registered	Purchased Receivables owned by FC	<ul style="list-style-type: none"> <li>• HP Conditional Sale Agreements - goods owned by FC</li> <li>• Rental Agreements - goods owned by DTV</li> </ul>	None

**JOINT ADMINISTRATORS' ABSTRACT  
OF  
RECEIPTS AND PAYMENTS ACCOUNT  
&  
TRADING ACCOUNT TO 6 FEBRUARY 2009**

**Dial-a-TV Limited  
(In Administration)**

**Joint Administrators' Trading Account  
To 6 February 2009**

<b>RECEIPTS</b>	<b>Total (£)</b>
Income	497,219.66
VAT - Output	45,772.10
Gross Interest	31.67
	<hr/>
	543,023.43
 <b>PAYMENTS</b>	
Net Wages (including Pension Payments)	206,921.27
Purchases	72.50
Bank Charges	4,256.10
Cash Received Returned Unpaid	36,675.28
Office Cleaning	461.13
Withdrawal from Company Bank Account	7,426.15
Life Cover	1,025.10
Petrol	4,411.83
Postage	449.48
Ransom Payments	1,327.28
Rent	3,714.17
Staff Expenses	2,037.47
Telephone	472.02
Tax deducted from interest	5.85
Sub Contractors and Temporary Staff	6,336.00
TV Licences	976.50
IT Costs	1,747.12
Vehicle Costs (Repairs and Leasing)	3,172.80
Equipment Leasing Costs	752.10
Payroll Costs	852.77
VAT - Input	2,641.19
	<hr/>
	285,734.10
 Current surplus from trading	 <b>257,289.33</b>

**Notes**

The above account reflects trading income and expenses on a cash basis and also includes cheques issued for payment which have yet to be drawn on the Joint Administrators' bank account.

The output VAT figure of £45,772.10 includes an element which is estimated. This has been necessary due to the inability to access data relating to income to determine the actual VAT liability. This matter is currently being resolved.

The majority of the income and thus the current surplus will have been from contracts assigned to the various funders, and these funds are not therefore assets of the Company. However the funders have agreed that these funds may be used in meeting the ongoing trading costs. We are currently performing an exercise to allocate receipts to date to each funder.

**Dial-a-TV Limited  
(In Administration)**

**Joint Administrators' Abstract Of Receipts And Payments  
To 6 February 2009**

<b>RECEIPTS</b>	<b>Total (£)</b>
Cash at Bank	16,935.45
Vehicles	2,173.91
Sale of Road Tax Licence	72.50
Surplus from Trading	257,289.33
	<hr/> 276,797.28
 <b>PAYMENTS</b>	
Statutory Advertising	369.72
	<hr/> 369.72
 <b>BALANCE IN HAND</b>	 <hr/> <u>276,427.56</u>
 <b>REPRESENTED BY</b>	
Balance in Joint Administrators' Bank Account	211,205.52
Uncleared cheques	(21,872.32)
Balance in Company Bank Accounts from Trading Receipts	87,038.89
VAT Recoverable	(270.63)
	<hr/> <u>276,427.56</u>

**DIRECTOR'S STATEMENT OF AFFAIRS**

# Statement of affairs

Name of company Dial-a-TV Limited	Company number 02722882
High Court of Justice	Court case no. 11581 of 2008

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

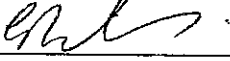
Statement as to the affairs of (a) Dial-a-TV Limited, c/o Chantrey Vellacott DFK LLP, Russell Square House, 10-12 Russell Square, London WC1B 5LF

(b) Insert date

on the (b) 29 December 2008, the date that the company entered administration.

## Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named company as at (b) 29 December 2008, the date that the company entered administration.

Full name GARY NICHOLS.  
Signed   
Dated 11. 2-09

Signature \_\_\_\_\_ Date \_\_\_\_\_

## A - Summary of Assets

	Book Value £	Estimated to Realise £
<b>ASSETS SUBJECT TO FIXED CHARGE:</b>		
<b>Hitachi</b>		
Goodwill Homebuy and Reliant Acquisitions	2,000,371	935,440
Arrears and HP Balances Outstanding	3,076,493	1,438,670
Monies Owed to Hitachi	-6,583,399	-6,583,399
	-1,506,535	-4,209,289
<b>Bank of Scotland (HBOS)</b>		
Goodwill Richards and Bennets Acquisitions	607,368	360,951
Arrears and HP Balances Outstanding	2,034,597	1,209,134
Monies Owed To HBOS	-4,012,066	-4,012,066
	-1,370,101	-2,441,981
<b>Broughfame</b>		
Arrears and HP Balances Outstanding	2,844	2,195
Monies Owed to Broughfame	-14,888	-14,888
	-12,044	-12,693
<b>Lombard North Central PLC ( Formally The Funding Corporation)</b>		
Arrears and HP Balances Outstanding	120,907	93,303
Monies owed to Lombard North Central Plc	-114,076	-114,076
	6,831	-20,773
<b>Thames Finance</b>		
Arrears and HP Balances Outstanding	115,909	89,446
Monies Owed to Thames Finance	-122,622	-122,622
	-6,713	-33,176
<b>Venture Finance</b>		
Arrears and HP Balances Outstanding	176,749	136,396
Monies owed to Venture Finance	-237,500	-237,500
	-60,751	-101,104

*John P*  
11/2/09

**Yorkshire Bank**

Arrears and HP Balances Outstanding  
 Monies Owed To Yorkshire Bank

141,509	109,202
-108,593	-108,593
32,916	609

**Zaramy**

Arrears and HP Balances Outstanding  
 Monies Owed to Zaramy

3,462	2,672
-545	-545
2,917	2,127

**Other assets**

Motor Vehicles

**CLOSE MOTOR FINANCE**

Net book value of Vehicles  
 Settlement

41,811	12,000
-23,577	-23,577
18,234	-11,577

**British Hardware Federation**

Net book value of Vehicles  
 Settlement

42,318	16,800
-16,877	-16,877
25,441	-77

**Black Horse Finance**

Net book value of Vehicles  
 Settlement

5,141	3,015
-3,015	-3,015
2,126	0

**BANK OF SCOTLAND**

Net book value of Vehicles  
 Settlement

93,198	60,000
-80,034	-80,034
13,164	-20,034

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<b>ASSETS SUBJECT TO FLOATING CHARGE:</b>		
<b>Rental assets</b>	4,354,433	0
<b>Debtor Balances HP &amp; Rental</b>		
Unallocated	560,095	432,222
Unidentified	246,689	190,368
	806,784	622,590
<b>Debtors and prepayments</b>		
Amortized Marketing Expenditure	820,624	0
Prepayments	214,778	0
Sundry Debtors	8,472	0
Hitachi Facility Fee	458,333	0
	1,502,207	0
<b>Other assets</b>		
Unencumbered Motor Vehicles	14,358	16,000
Office Equipment, Plant & Machinery	141,261	12,500
Building Refurbishment	1	0
Phone system	4,328	2,500
Computer Servers	885	100
	160,833	31,100
<b>Cash</b>	37,392	37,392
<b>Subsidiary Undertakings</b>	405	0
<b>DTV Group Holdings Inter-co balance</b>	317,456	0
<b>UNCHARGED ASSETS:</b>		
None		
<b>Estimate total assets available for preferential creditors</b>	<b>7,281,139</b>	<b>693,818</b>

*AdS*  
11/2/09

## A - Summary of Liabilities

	Estimated to Realise £
<b>Estimated total assets available for preferential creditors (carried from page A)</b>	<b>693,818</b>
<b>Liabilities:</b>	
Preferential creditors:	
Holiday pay	-8,576
	685,242
Prescribed part	-140,048
Available for floating Charge Holder	545,193
Bank of Scotland	-2,441,981
<b>Surplus/Deficiency of assets after floating charge</b>	<b>-1,896,788</b>
Prescribed Part Brought Down	140,048
<b>Non Preferential claims</b>	
<b>Trade and other creditors</b>	
Trade creditors - See listing	-445,679
DTV Holdings Limited	-15,621
HMRC (VAT, CT AND PAYE/NIC)	-237,474
HP - Bank of Scotland	-20,034
HP - CLOSE	-11,577
HP - BHF	-77
Employees Residual Claims	-43,000
Potential Customer Refunds	-268,758
<b>Estimated Surplus/Deficiency as regards non-preferential creditors (excluding shortfall to floating charge holder)</b>	<b>-902,172</b>
Hitachi	-4,209,289
Broughframe	-12,693
Lombard North Central	-20,773
Thames Finance	-33,176
Venture Finance	-101,104
Bank of Scotland	-1,896,788
<b>Estimated (deficiency)/surplus as regards creditors</b>	<b>-7,175,995</b>
<b>Issued and called up share capital</b>	<b>-1,809,250</b>
<b>Estimated total (deficiency)/surplus as regards members</b>	<b>-8,985,245</b>

*Glades* 11/2/09

COMPANY CREDITORS

Name Of Creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of £
1st Choice Recruitment	8 St Loyes Street Bedford MK40 1EP	£2,526.25			
Abbots Ripton Farming Co. Ltd	The Estate Office Grange Farm Abbots Ripton Huntingdon, Cambs PE28 2PH	£244.03			
Alidos (UK) Ltd	Gee House Holborn Hill Birmingham B7 5JR	£6,428.60			
Alliance & Leicester Comm Bank	Corporate Charging Bootle Bridle Road Merseyside GIR 0AA	£1,264.81			
Alpha Talk	Silk House 109A Digbeth Birmingham B5 6DT	Uncertain			
Alphason Design	Alphason House Swan Lane Hindley Green Wigan WN2 4EZ	£4,905.60			
Archant Herts & Cambs	Prospect House Rouen Road Norwich Norfolk NR1 1RE	£1,551.18			
Archant London	Prospect House Rouen Road Norwich NR1 1RE	£852.65			
Archant Regional Ltd	Prospect House Rouen Road Norwich NR1 1RE	£1,548.45			
Arco Ltd A/C 175969	Po Box 21 Waverley Street Hull HU1 2SJ	£369.70			
Arval Phh Ltd 4619862	Phh Centre Windmill Hill Swindon SN5 6PE	£13,234.33			
Asl	10 Viking Way Bar Hill Cambridge CB3 8EL	£523.72			
Ats Euromaster Ltd	Heavens Walk, Doncaster Carr Doncaster, S Yorkshire DN4 5HZ	£2,190.77			
Baker Tilly	Garrick House 76-80 High Street Old Fletton Peterborough PE2 8ST	£5,036.05			
Bank of Scotland Asset Finance	3rd Floor, 24 Hillis Road, Cambridge, CB2 1JW	£80,034.00	Finance Agreement		£ 60,000
Bank Of Scotland Corp	19 Long Causeway, Peterborough PE1 1NE	£4,012,066.00	Debenture	18/07/2007	£ 2,115,278
Barnsley Chronicle	47 Church Street Barnsley South Yorkshire S70 2AS	£845.18			
Beko Plc Acc 43276	Beko House Caxton Way Watford Herts WD18 8UF	£35,803.98			
Bennetts	Unit 1 Cirrus Court Glebe Road Huntingdon PE29 7DL	£433.55			
Bibby Factors Leicester Ltd	A/C Secura-Cam Mansfield House 74 Belgrave Gate Leicester LE1 3GS	£264.38			
Black Horse Finance	St William House , Tresillian Terrace, Cardiff, CF10 5BH	£3,015.00	Finance Agreement		£ 3,015
Bosch Car Service Diattech	Invicta Works Owen Road Willenhall West Midlands WV13 2PZ	£7,442.09			
British Hardware Federation	225 Bristol Road, Edgbaston, Birmingham, B5 7UB	£16,877.00	Finance Agreement		£ 16,800
British Telecommunications	8t Telephone Payment Centre Tyte Newcastle-Upon-Tyne NE82 6XX	£459.87			
Broughfame Limited	115A St John's Hill, Sevenoaks, Kent, TN13 3PE	£14,888.00	Block Discounting Agreement	03/03/2006	£ 2,195
Calculus Software Solutions	Branksome Mill Hill Edenbridge Kent TN8 5DQ	Uncertain			
Cambridge Newspapers	Winship Road Milton Cambridge CB4 6PP	£1,060.54			
Cf Asset Finance Limited	Cornwallis House Instone Road Darford Kent DA1 2AG	Uncertain			
Charles Hyde & Son Ltd	Prospect House Barmby Road Pocklington York YO42 2DP	£261.89			

Signature 

Date 11/2/09.

COMPANY CREDITORS

Name Of Creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of £
Chips Away Alan Piggott	35 Edinburgh Drive St Ives Cambs PE27 3DA	£138.00			
Chris Clubleby & Co Ltd	62-64 Market Place Marketweighton York YO43 3AL	Uncertain			
Chris Jacson	21 Camberley Mount Bradford BD4 9HD	£150.00			
Close Motor Finance Limited	Roman House, Doncaster, DN4 5EZ	£23,577.00	Finance Agreement		£ 12,000
Cpc	Faraday Drive Fulwood Preston PR2 9PP	£598.05			
Cromwell Business Systems Ltd	Kings View House 3 Bartholomew's Walk Cambridgeshire Business Park Ely CB7 4EA	Uncertain			
Daewoo Electronics Dial002	640 Wharfedale Road Wimmers Triangle Wokingham Berkshire RG41 5TP	£7,905.95			
Darling & Wood Ltd	56 Cherry Hinton Road Cambridge CB1 7AQ	£1,221.89			
Dial-a-TV Holdings Limited	Units 1-3, Green Farm, Abbots Ripton, Huntingdon, Cambs, PE28 2PL	£15,621.00			
Donbarton Waste Management	Ely Road Waterbeach Cambridge CB25 9PG	£751.03			
East Riding Council	County Hall	£959.45			
Edf Energy	Payment Processing Centre Po Box 61 Plymouth PL3 5YL	£1,921.07			
Electrue A/C 2598	Connect Distribution Services Connect Business Park Bordesley Green Road Birmingham B9 4UA	£2,585.45			
Elliott Business Connexions	Palace Cottage Chippenham Ely Cambs CB7 5QE	£8,212.24			
Employees		£51,576.00			
Emw Ltd	The Barn Millfield Oxtou Notts NG25 0TD	Uncertain			
Eon Energy	Po Box 123 Nottingham NG1 6HD	£4,034.38			
Experian Ltd - A/C 18905	Accounts Receivable Talbot House Talbot Street Nottingham NG1 5HF	£12,204.15			
Friday - Ad Ltd	London Road Sayers Common West Sussex BN6 9HS	£1,711.62			
Garnett Dickinson Publishing	Brookfields Way Manvers Wath Upon Dearne Rotherham S63 5DL	£339.87			
Glm Unifit	Unit P Key Ind Park Fernside Road Off Planetary Rd Wednesfield Wolverhampton WV13 3YA	£538.36			
Gt Graphics Ltd	Unit 2D, Hampden Road Pocklington Industrial Estate Pocklington York YO42 1NR	£187.01			
Herts & Essex Newspapers Ltd	Media Centre 40 Ware Road Hertford SG13 7HU	£963.17			
Hitachi Capital Business	Wallbrook Business Centre Green Lane Hounslow Middlesex TW4 6NW	£6,583,399.00	Block Discounting Agreement	25/03/1998	£ 2,374,110
HM Revenue and Customs	Enforcement & Insolvency, Durlington Bridge House, Barrington Road, West Sussex, BN12 4SE	£237,474.00			
Hr Go (Huntingdon)	Wellington House Church Road Ashford, Kent TN23 1RE	Uncertain			
Hughes	3A Fison Way Thetford Norfolk IP24 1HT	£280.00			
Hunts Dist. Council Rates	Pathfinder House St. Mary's Street Huntingdon Pe29 3Tn	£5,318.97			
Indesit Co Uk Ltd	Sales Accounts Fao Pat O'Toole Morley Way Peterborough PE2 9JB	£27,842.59			

Signature 

Date 11.2.09

COMPANY CREDITORS


Name Of Creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of £
Integer (Vbd) Ltd	Pike Road Oakley Hay Industrial Area Corby Northant NN18 9QA	£214.14			
John Galley Motors	The Volkswagen Workshop Pocklington Ind Estate Pocklington York YO42 1NR	£325.98			
Johnsons Press Midlands Div	Po Box 319 Wellington Street Leeds LS1 1UJ	£148.50			
Johnston Press (S.Midlands)	Po Box 319 Wellingtonstreet Leeds LS1 1UJ	£773.04			
Johnston Press Midlands Div	Box52 Upper Mounts Northampton NN1 3HR	£360.28			
Johnston Press Midlands Div	Po Box 319 Wellington Street Leeds LS1 1UJ	£818.12			
Johnston Publishing North	Po Box 319 Wellinton Street Leeds LS1 1UJ	£533.11			
Johnstone Publishing North	P.O. Box 319 Wellington Street Leeds LS1 1UJ	£11,354.49			
Judge & Priestley	Justin House 6 West Street Bromley Kent BR1 1JN	£172.44			
L G Electronics Gb003744	L G House 264 Bath Road Slough Berks SL1 4DT	£37,665.70			
Leisuretronics (Devon) Ltd	Unit 6 Moor View Kennings Close Paignton Devon TQ4 7TW	£13,129.22			
Lightning Packaging Supplies	Frobisher Way Hatfield Business Park Hatfield Hertfordshire AL10 9TY	£780.05			
Lombard North Central	Mejor Corporate Asset Finance,3 Princess Way,Redhill, Surrey, RH1 1NP	£114,076.00	Master Receivables, Agreement	01/09/2008	£ 93,303
London & Essex Newspapers	2 - 4 Leigham Court Road Streatham SW16 2PD	£568.76			
Longbow Capital Llp	6A Hope Street Edinburgh Eh2 4Db	£1,762.50			
Longmarsh Ltd	Heron House The Embankment Wellingborough Northants NN8 1LD	£733.20			
Lonsdale Print Solutions Ltd	Dennington Estate Wellingborough Nn8 2Ra	£1,156.40			
Lsn Media	Accounts Dept. 40 Ware Road Hertford Hertfordshire SG13 7HU	£1,150.95			
Lyreco	Lyreco Uk Ltd Deer Park Court Donnington Wood Telford, Shropshire TF2 7NB	£1,321.87			
Marriott Harrison	12 Great James Street London Wc1N 3Dr	Uncertain			
Mbna Europe Bank Ltd	P.O. Box 175 Bolton Lancs B178 7Zx	£7,426.15			
Men Media	1 Scottplace Manchester M3 3RN	£1,017.51			
Michael Roe Motor Engineer	Bradley Way Becklands Park York Road Market Weighton York YO43 4RZ	£1,629.91			
Micro Peripherals Ltd	Shorten Brook Way Altham Business Park Altham Accrington BB5 5YJ	£9,676.15			
Midland News Association	Queen Street Wolverhampton WV1 1Es WV1 1ES	£2,914.83			
National Breakdown Ltd	The Old Clockhouse Odsal Road Bradford BD6 1AQ	£50.00			
Newsquest (Midlands South) Ltd	Berrows House Hylton Road Worcester Wr2 5ix	£2,911.72			
Newsquest (York) Limited	Po Box 29 76-86 Walmgate York YO1 9YN	£46.13			
Newsquest London	Observer House Caxton Court Caxton Way, Watford Business P, Watford, Herts WD18 8RJ	£1,697.71			

Date 11/2/09

Signature 

COMPANY CREDITORS

Name Of Creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of £
Northcliffe Media	Accounts Dept Po Box 8854 Nottingham NG1 9BB	£38.45			
Northcliffe Media	Accounts Dept Po Box 8854 Nottingham NG1 9BB	£1,363.52			
Northcliffe Media	Po Box 8854 Nottingham NG1 9BB	£2,393.98			
Northcliffe Media Ltd	National Credit Control Po Box 8667 Leicester LE1 8BE	£1,636.60			
Northcliffe Media Ltd	National Credit Control Po Box 8667 Leicester LE1 8BE	£2,391.29			
Npower	Payment Processing Centre P O Box 18 Kingswinford West Midlands DY6 8BL	£331.65			
O2 (UK) Ltd A/C 3524065	Telefonica O2 UK Limited 260 Bath Road Slough Berkshire SL1 4DX	£1,930.41			
Office Watercoolers	Waterloo House 112-116 Anglesey Court Towers Business Park Rugeley WS15 1UL	£93.66			
Page Personnel	8 Bath Road Slough Berks SL1 3SA	£6,941.75			
Pcs Business Systems Ltd	2 Northfield Point Cunliffe Drive Kettering Northants NN16 9HU	£103.50			
Phonographic Performance Ltd	1 Upper James Street London W1F 9De	£140.42			
Potential Customer Refunds		£268,758.00			
Professional Paper Supplies	Unit 1B Northminster Business Park Northfield Lane Upper Poppleton, York YO26 6QU	£207.96			
Quartix Limited	Chapel Offices Newton Powys SY16 1EE	£1,791.47			
Qubic	10 Clifton Road Huntingdon Cambs PE29 7EJ	£84.22			
Ramsey Motors	110-112 Great Whyte Ramsey Cambs PE26 1HS	£1,908.58			
Ramsey Vehicle Sales Ltd	110 Great Whyte Ramsey Huntingdon Cambs PE26 1HS	£27.17			
Retra Ltd	Retra House St John'S Terrace 1 Ampthill Street Bedford MK42 9EY	£332.53			
Richards	Great Western Street Wednesbury Ws107LL	£13,913.74			
Rmg Design & Print Ltd	Cromwell Court New Road St Ives Cambs PE27 5BF	£10,575.25			
Royal Mail A/C 789665007	The Remittance Centre Papyrus Road Werrington Peterborough PE4 SPG	£2,035.49			
Royal Mail A/C 789665009	Papyrus Road Werrington Peterborough PE4 SPG	£193.73			
Samsung Electronics UK Ltd	1000 Hillswood Drive Chertsey Surrey KT16 0Ps	£49,849.49			
Sandwell Business Rates	Po Box 238 Sale M33 6Gx	£3,582.50			
Sanyo Europe Ltd	Sanyo House 18 Colonial Way Watford Herts WD24 4PT	£40,579.13			
Sds Domestic Appliances	28 Victoria Street Willenhall WV13 1DR	£1,050.00			
Sharp 80Dia77620	Sharp House Thorpe Road Manchester M40 5BE	£18,973.48			
Signs Express Cambs & Hunt	Unit 17 Barnwell Business Park Barnwell Drive Cambridge CB5 8UZ	£2,232.50			
Surrey Envelopes Ltd	Unit 7 Nelson Trading Estate Morden Road London SW19 3BL	£667.40			

Signature 

Date 11.2.09





**SUMMARY OF JOINT ADMINISTRATORS' TIME COSTS**

Dial-A-TV Limited - In Administration

TIME AND CHARGEOUT SUMMARY						
29 December 2008 to 31 January 2009						
Hours						
Classification of work function	Partner	Manager	Assistants & Support Staff	Total Hours	Time Cost £	Average hourly rate £
Administration and planning	44.20	66.20	84.50	194.90	39,203.50	201.15
Investigations	0.10	0.00	0.70	0.80	98.50	123.12
Realisation of assets	1.60	28.10	5.20	34.90	8,376.50	240.01
Creditors	44.60	25.40	53.40	123.40	29,131.50	236.07
Trading	45.60	127.40	69.00	242.00	62,031.00	256.33
Total hours	136.10	247.10	212.80	596.00	<b>138,841.00</b>	232.95
Total fees Claimed (£)	52,904.00	59,157.50	26,779.50	<b>138,841.00</b>		

Category 2 Disbursements

Other amounts paid or payable to the office holder's firm or to any party in which the office holder or his firm or any associate has an interest	
Type and purpose	£
Paper, Photocopying, Envelopes and Printing	0
<b>Total</b>	<b>0</b>

**JOINT ADMINISTRATORS' CHARGE OUT RATES AND DISBURSEMENTS**

## CHANTREY VELLACOTT DFK LLP

### CHARGEOUT RATES AND DISBURSEMENT RECOVERY POLICIES

#### Chargeout Rates

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), the firm's chargeout rates applicable to this appointment, exclusive of VAT, are as follows:

	<b>From 1 July 2008</b>	<b>From 1 July 2007</b>
	<b>£ per hour</b>	<b>£ per hour</b>
Partners / Office Holders	320-390	305-375
Directors	280-290	280
Managers	235-275	215-255
Assistant Managers	190-230	190-210
Senior Administrators	150-215	140-205
Administrators	105-125	87-150
Assistant administrators	85-100	80-87
Cashier	100-130	87-125
Secretaries and office admin support	64-95	64-92

Chargeout rates are normally reviewed annually on 1 July, when rates are adjusted to reflect such matters as inflation; increases in direct wage costs; and changes to indirect costs such as Professional Indemnity Insurance. It is the firm's policy for the cashier's time spent on an assignment to be charged to the case. However, secretarial and office admin support time is charged only in respect of identifiable blocks of time devoted to the case where we consider it to be viable to do so.

#### Direct expenses ("Category 1 Disbursements")

Category 1 disbursements as defined by SIP 9, which can be specifically identified as relating to the administration of the case will be charged to the estate at cost, with no uplift. These include but are not limited to such items as case advertising, storage, bonding and other insurance premiums and properly reimbursed expenses incurred by personnel in connection with the case.

#### Indirect expenses ("Category 2 Disbursements")

It is our normal practice to also charge the following indirect disbursements ("Category 2 Disbursements as defined by SIP 9) to the case, where appropriate:

#### *Circulars to creditors*

Plain/headed paper including photocopying	12p per sheet
Envelopes	12p each
Postage	Actual cost

#### *Room Hire*

For the convenience of creditors and to save the cost of booking an outside hotel room, meetings of creditors are occasionally held internally at either our London or Hove offices. Where meetings of creditors are held in one of our internal meeting rooms, a charge of £100 plus VAT is levied to cover the cost of booking the room.

#### *Travel*

Mileage incurred as a result of any necessary travelling is charged to the estate at the H M Revenue & Customs approved rate, currently 40p per mile.

All of the above costs are subject to amendment by the firm at any time and if amended will be notified to creditors with the next circular sent to all creditors.

**Chantrey Vellacott DFK LLP**

**Effective 1 July 2008**

Chantrey Vellacott DFK is a limited liability partnership registered in England and Wales (NoOC313147) whose registered office is at Russell Square House, 10-12 Russell Square, London, WC1B 5LF. The term "partner" denotes a member of a limited liability partnership. A list of members of Chantrey Vellacott DFK LLP is available at our registered office.

**FORM 2.20B NOTICE OF A MEETING OF CREDITORS**

Rule 2.35

# Notice of a meeting of Creditors

Name of Company Dial-a-TV Limited
--------------------------------------

Company number 02722882
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In the High Court of Justice <small>(full name of court)</small>
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Court case number 11581 of 2008
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(a) Insert full name(s) and address(es) of administrator(s)

Notice is hereby given by (a)

Kenneth William Touhey Chantrey Vellacott DFK LLP Russell Square House 10-12 Russell Square London WC1B 5LF	David John Oprey Chantrey Vellacott DFK LLP Russell Square House 10-12 Russell Square London WC1B 5LF	Kevin Anthony Murphy Chantrey Vellacott DFK LLP Russell Square House 10-12 Russell Square London WC1B 5LF
--	--	--

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

that a meeting of creditors of (b)

Dial-a-TV Limited  
Chantrey Vellacott DFK  
Russell Square House  
10-12 Russell Square  
London  
WC1B 5LF

(c) Insert details of place of meeting

is to be held at

(c) Russell Square House, 10 -12 Russell Square, London WC1B 5LF

(d) Insert date and time of meeting

on (d) 6 March 2009 at 11.00am

The meeting is:

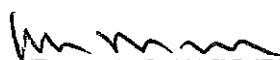
\*Delete as applicable

- \*~~(1) an initial creditors' meeting under paragraph 51 of Schedule B1 to the Insolvency Act 1986 ('the schedule')~~
- \*~~(2) an initial creditors' meeting requested under paragraph 52(2) of the Schedule~~
- \*~~(3) to consider revisions to my proposals under paragraph 54(2) of the Schedule~~
- \*~~(4) a further creditors' meeting under paragraph 56 of the Schedule~~
- \*~~(5) a creditors' meeting under paragraph 62 of the Schedule.~~

I invite you to attend the above meeting.

A proxy form is enclosed which should be completed and returned to me by the date of the meeting if you cannot attend and wish to be represented.

In order to be entitled to vote under Rule 2.38 at the meeting you must give to me, not later than 12.00 hours on the business day before the day fixed for the meeting, details in writing of your claim.

Signed   
 \_\_\_\_\_  
 Joint / Administrator(s)

RHT/MK/AB/EW Comment

Dated 13-2-09  
 \_\_\_\_\_

\*Delete as applicable

A copy of the \*proposals/ revised proposals is attached.

**PROOF OF DEBT FORM  
&  
PROXY FORM**

**In the matter of Dial-A-TV Limited - In Administration and in the matter of The Insolvency Act 1986**

Date of Administration 29 December 2008

1.	Name of Creditor Reference Number	
2.	Address of Creditor	
3.	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date of the bankruptcy order	£
4.	Details of any documents by reference to which the debt can be substantiated. [Note: the Administrator/Liquidator may call for any document or evidence to substantiate the claim at his discretion]	
5.	If total amount above includes outstanding uncapitalised interest, please state amount	£
6.	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986 (as read with Schedule 4 to the Pensions Schemes Act 1993 (contributions to occupational pension schemes and state scheme premiums))	Category  Amount(s) claimed as preferential £
7.	Particulars of how and when debt incurred	
8.	Particulars of any security held, the value of the security, and the date it was given	
9.	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or relation to creditor	

# Proxy (Administration)

## Dial-a-TV Limited - In Administration

Name of Creditor

Address

Name of Proxy Holder

Please insert name of person (who must be 18 or over) or the Chairman of the Meeting. If you wish to provide for alternative proxy holders in the circumstances that your first choice is unable to attend please state the name(s) of the alternatives as well

1 \_\_\_\_\_

2 \_\_\_\_\_

3 \_\_\_\_\_

Please delete words in brackets if the proxy holder is only to vote as directed i.e. he has no discretion

I appoint the above person to be my/the creditor's proxy holder at the meeting of creditors to be held on 6 March 2009 or at any adjournment of that meeting. The proxy holder is to propose or vote as instructed below (and in respect of any resolution or proposal for which no specific instruction is given, may vote or abstain at his/her discretion).

### Voting Instructions for proposals/resolutions attached:

\*Please delete as appropriate

1. For the acceptance/rejection\* of the joint administrators' proposals as set out in their report dated 16 February 2009

2. For the acceptance/rejection\* of the joint administrators' fees calculated by reference to their time costs already incurred up 18 February 2009 and thereafter and that they have sanction to draw their remuneration on a time costs basis from the estate as and when funds permit. Their disbursements may also be drawn in accordance with Chantrey Vellacott DFK's standard procedures as appended to the report dated 16 February 2009.

2. For the appointment of

of

Representing

as a member of the CREDITORS' COMMITTEE

This form must be signed

Signature \_\_\_\_\_ Date \_\_\_\_\_

Name in CAPITAL LETTERS \_\_\_\_\_

Only to be completed if the creditor has not signed in person

Position with creditor or relationship to creditor or other authority for signature

KWT/JM/AB/ Dial A TV

Remember: there may be resolutions on the other side of this form