

20 March 2007

**SIX MONTHLY REPORT OF THE LIQUIDATORS
TO THE CREDITORS AND MEMBERS OF
PROFESSIONAL KITCHENS LIMITED
(In Liquidation) (“the company”)**

INTRODUCTION

Professional Kitchens Limited (In Liquidation) (“the company”) was placed in liquidation on 19 July 2006 at 5pm by a special resolution of shareholders pursuant to Section 241(2)(a) of the Companies Act 1993 (“the Act”). Kevin David Pitfield and Gareth Russel Hoole were appointed joint and several liquidators of the company at that time.

RESTRICTIONS

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The liquidators reserve the right (but will be under no obligation) to review this report and, if considered necessary, to revise the report in light of any information existing at the date of this report which becomes known to us after that date.

EVENTS SINCE THE LAST REPORT

This report should be read in conjunction with the liquidators’ prior reports to the creditors and members of the company.

Since their appointment the liquidators have conducted the liquidation in accordance with their statutory obligations.

The liquidators sold the assets of the company based on the valuation provided by an independent auctioneer.

FURTHER PROPOSALS FOR THE COMPLETION OF THE LIQUIDATION

The consideration in respect of the assets sold is payable in accordance with a schedule of payments over a period of time. The liquidators have taken security in the form of a perfected General Security Agreement over all the assets and undertakings of the purchaser. While the purchaser has been somewhat tardy in honouring the payments schedule, the liquidators are collecting the debt due for the benefit of the liquidation estate.

The liquidators advise that it is unlikely that any funds will be available to unsecured creditors given the quantum of the debt which has a priority in terms of the 7th Schedule of the Companies Act 1993.

The liquidators cannot specify a likely date of completion given the complexity of matters as they stand.



Kevin David Pitfield
JOINT LIQUIDATOR



Gareth Russel Hoole
JOINT LIQUIDATOR

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