

The Insolvency Act 1986  
**Notice of move from administration to  
dissolution**

**2.35B**

Name of Company Vitality Group Limited	Company number 01785819
In the High Court of Justice, Chancery Division, Companies Court, London (full name of court)	For court use only 12532 of 2009

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

We (a) Andrew Gordon Stoneman and Jason James Godefroy of MCR, 43-45 Portman Square,  
London, W1H 6LY

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

having been appointed Joint Administrators of (b) Vitality Group Limited  
43-45 Portman Square, London, W1H 6LY, ("the Company")

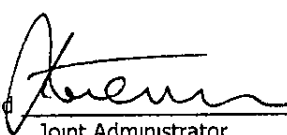
(c) Insert date of appointment

On (c) 26 March 2009 by (d) Bank of Scotland PLC

(d) Insert name of appointor

hereby give notice that the provisions of paragraph 84(1) of Schedule B1 to the Insolvency Act  
1986 apply

We attach to this notice a copy of the final progress report.

Signed   
Joint Administrator  
Dated 17/3/11

**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 searches of  
the public record

MCR  
43-45 Portman Square  
London  
W1H 6LY

Tel 020 7487 7240

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



\*AWONGSK9\*

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19/03/2011

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COMPANIES HOUSE

SATURDAY

**Vitality Group Limited  
(In Administration)**

**Joint Administrators' Final Report to Creditors  
for the period from 26 September 2010 to 17 March 2011  
pursuant to Rules 2.110 and 2.118 of the  
Insolvency Rules 1986 (as amended)**

**17 March 2011**



CORPORATE  
RESTRUCTURING

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**Names of Joint Administrators:** Andrew Gordon Stoneman  
Jason James Godefroy

**Date of appointment:** 26 March 2009

**Date of report:** 17 March 2011

**Appointed by:** Bank of Scotland plc  
The Mound  
Edinburgh  
EH1 1YZ

**Court reference:** High Court of Justice Number. 12532 of 2009

**MCR**  
**43-45 Portman Square**  
**London**  
**W1H 6LY**



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## DEFINITIONS

Andrew Stoneman and Jason Godefroy	the Joint Administrators
Bank of Scotland plc	BOS / the Bank
Civvals Chartered Accountants	Civvals
Department of Business, Innovation and Skills	DBIS
EC Regulation on Insolvency Proceedings 2000	EC Regulations
Her Majesty's Revenue and Customs	HMRC
Insolvency Act 1986 / Insolvency Rules 1986 (as amended)	the Act / the Rules
Lloyds TSB Commercial Finance Limited (Formerly Bank of Scotland Cashflow Finance)	LTSBCF BOSCF
MCR Receivables Management Limited	RM
Redundancy Payments Office	RPO
Registrar of Companies	the Registrar
Retention of Title	ROT
Rovex Limited	Rovex / the Purchaser
Statement of Affairs	SoA
Statement of Insolvency Practice	SIP
Vitality Group Limited	VGL and/or the Company
Vat Bad Debt Relief Claim	VBDR



## **1. INTRODUCTION**

- 1.1 Andrew Stoneman and Jason Godefroy of MCR were appointed Joint Administrators of the Company on 26 March 2009 by BOS, the holder of a qualifying floating charge, pursuant to Paragraph 14 of Schedule B1 to the Act
- 1.2 In accordance with Paragraph 100(2) of Schedule B1 to the Act the functions of the Joint Administrators were exercised by either of the Joint Administrators
- 1.3 The purpose of this report is to provide creditors with a final account of the progress of the Administration, in accordance with Rule 2.110 of the Rules
- 1.4 This report should be read in conjunction with earlier reports to creditors dated 20 May 2009, 19 October 2009, 8 April 2010 and 18 October 2010 respectively.

## **2. JOINT ADMINISTRATORS' REPORT AND STATEMENT OF PROPOSALS**

- 2.1 The Joint Administrators issued their Report to Creditors together with their Statement of Proposals ("the Proposals") on 20 May 2009
- 2.2 In accordance with Paragraph 52(1)(b) of Schedule B1 to the Act, a creditors' meeting was not convened as the Joint Administrators believed that the Company would not have sufficient property to enable a distribution to be made to unsecured creditors.
- 2.3 As advised in the Proposals, the Joint Administrators must perform their functions with the purpose of achieving one of the following hierarchical objectives
  - Rescuing the Company as a going concern, or
  - 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
  - Realising property in order to make a distribution to one or more secured or preferential creditors
- 2.4 In accordance with Paragraph 49(2)(b) of the Act, the Joint Administrators advised that it was not possible to achieve the first objective and accordingly the Joint Administrators pursued the second objective
- 2.5 The Joint Administrators believe that the second and third objectives have been achieved following the sale of certain of the Company's business and assets, as there have been distributions to the Company's secured creditor and preferential creditors
- 2.6 A copy of the Proposals is attached at Appendix 4

## **3. PROGRESS OF THE ADMINISTRATION**

- 3.1 The manner in which the affairs and business of the Company have been managed during the reporting period, are set out overleaf.



### **Book debts**

- 3 2 The Company's book debts are subject to a factoring agreement with LTSBCF
- 3 3 RM, a company associated with MCR, was engaged by LTSBCF to collect the Company's book debts.
- 3 4 As at the date of the Joint Administrators' appointment, the Company's book debt ledger indicated outstanding debtors of £1,794,019, which were assigned to LTSBCF
- 3 5 RM, together with the assistance of the Company's staff members who were employed during the Administration period, collected debtor monies totalling £1,115,562.
- 3.6 RM do not believe that the remaining balance is collectable and after discussions with LTSBCF, the balance has been written off
- 3.7 Please note that the book debts are assigned to LTSBCF and are not an asset of the Company
- 3 8 The Joint Administrators have concluded that there is no likelihood of a successful VBDR claim due to substantial arrears owed to HMRC and offset is likely to be applied

### **Bank interest**

- 3 9 No further bank interest has been received since the Joint Administrators' last report to creditors. Total bank interest received during the Administration was £404.

### **Stephens Wholesale Limited ("SWL") (In Liquidation) – dividend distribution**

- 3.10 As previously advised, Gallagher & Co were appointed Liquidators of SWL on 10 June 2009, in which the Company filed an unsecured claim, totalling £378,013
- 3.11 Dividend distributions totalling £69,518 have been received from Gallagher & Co and no further realisations are anticipated. Please note that the NISA Share refund previously banked for the sum of £15,000 was refunded to SWL, following a claim made by the Liquidators of SWL over this refund. The Joint Administrators had insufficient records to defend the claim and this asset was refunded to SWL accordingly.

### **Other dividends**

- 3 12 A further dividend of £46 was received from the Liquidation of ACLM Limited bringing total realisations from this source to £76. There are no further realisations expected from this source.
- 3 13 A first and final dividend was received from the bankruptcy estate of Howard Leonard Rodkoff for the sum of £335 and no further realisations will be received from this source
- 3 14 A first and final dividend was received from the bankruptcy estate of Steven Henry Curtis t/a Roseberry Pharmacy for the sum of £86 and no further realisations will be received from this source

### **Corporation Tax – Terminal Loss Relief Claim**

- 3 15 As previously reported, upon review of the Company's financial accounts, it was discovered that the Company's profits have been overstated since 2003. As such, the Company was due a refund of Corporation Tax previously paid to HMRC.
- 3 16 As creditors are aware, the Joint Administrators' instructed Civvals, the Company's former accountants, to assist in the recovery process and HMRC confirmed that a refund would be made to the Company for circa £614,500.
- 3 17 A further £20,831 has been received since the Joint Administrators last report to creditors, bringing total realisations from this source to £509,977. Although the Joint Administrators believe that the balance of the refund is still due, HMRC dispute that any further monies are due to the Company and have off-set the balance against monies due to the Crown. Since the additional recovery will not effect the potential of a dividend to the non-preferential unsecured creditors, the Joint Administrators have not pursued the balance and as such no further realisations are anticipated from this source.

### **Pre-appointment VAT refund**

- 3.18 HMRC determined that a refund may be due to the Company for £2,971 pending further review and verification of certain of the Company's books and records. Unfortunately, due to the insufficient books and records, the Joint Administrators were unable to furnish HMRC with the information they require to validate the VAT refund and the full balance of the Input VAT on the return was disallowed in full. HMRC have subsequently submitted a claim in the Administration for £1,271,883.
- 3 19 As a result, there will be no realisations from this source.

### **Receipts and payments accounts**

- 3 20 Attached at Appendix 2 is the Joint Administrators' final Receipts and Payments Account. The Joint Administrators have submitted a final VAT return in the amount of £29,045 and in this respect the VAT is shown as fully recovered in the final Receipts and Payments Account.

## **4. JOINT ADMINISTRATORS' REMUNERATION**

- 4.1 The Joint Administrators' time costs for the period 5 May 2009 up to and including 11 March 2011 total £253,174 are set out at Appendix 3 in accordance with SIP9. Of this, a total of £116,108 has been drawn.
- 4 2 In accordance with Rule 2.106(5A) of the Rules, the Joint Administrators' remuneration was approved by the secured creditors, LTSBCF and BOS. The Joint Administrators' remuneration is fixed by reference to the time properly given by them and their staff.
- 4.3 No further remuneration will be drawn and the balance of the Joint Administrators' time costs has been written off.





## **5. DIVIDEND PROSPECTS / PRESCRIBED PART**

### **Secured creditors**

#### BOS

- 5 1 In consideration for the monies advanced to the Company under a term loan agreement and overdraft facility, the Company granted BOS a mortgage debenture which confers fixed and floating charges over all of the assets of the Company, dated 19 December 1984.
- 5.2 At the date of the Joint Administrators' appointment, the Company's indebtedness to BOS was approximately £1,539,000 subject to accruing interest and charges
- 5 3 A further £418,534 has been distributed to BOS since the last report to creditors To date, distributions to BOS total £558,590.
- 5.4 No further distributions will be made to BOS and BOS will suffer a significant shortfall under their fixed and floating charges.

#### Kellock Limited ("KL")

- 5 5 In consideration for the monies advanced to the Company under an invoice discounting agreement, the Company granted KL a mortgage debenture, which confers fixed charge over the Company's debts It should be noted that KL has since changed its trading name to Capital Bank Cashflow Finance Limited, which is a subsidiary of LTSBCF.
- 5.6 As previously advised, at the date of the Joint Administrators' appointment, the Company's indebtedness to LTSBCF was approximately £1,261,315 subject to accruing interest and charges, and £1,115,562 has been collected to date.
- 5.7 There will be no further recoveries from the Company's book debt ledger and as such there will be insufficient realisations to repay LTSBCF in full as the balance of the ledger has been deemed uncollectable

### **Preferential creditors**

- 5 8 Pursuant to the directors' SoA, preferential claims were estimated to be £19,391
- 5.9 The preferential creditors' claims consisted of employee claims for arrears of pay and holiday pay, the majority of which are likely to be subrogated to DBIS following payment to the employees by the RPO.
- 5 10 The RPO submitted a preferential claim totalling £26,357 on 5 February 2010 in respect of payments made to the Company's former employees In addition there was £14,628 due to the employees.
- 5 11 The Joint Administrators undertook a review of preferential claims and declared and distributed a first and final preferential dividend of 100p in the £, for the total sum of £40,985 on 20 July 2010, of which £42 had not cleared the estate and was subsequently paid to the Insolvency Service unclaimed dividend fund
- 5 12 It was subsequently established that two creditors had a potential additional preferential claim against the Company and a further £259 was distributed as a preferential dividend



### **Prescribed Part**

- 5.13 The provisions of Section 176A of the Act to set aside funds for non-preferential creditors do not apply as the Bank's security was granted prior to 15 September 2003.

### **Non-preferential unsecured creditors**

- 5.14 There are insufficient realisations to enable a distribution to the non-preferential unsecured creditors of the Company. Any outstanding funds owed to you by the Company should be written off, if you have not already done so. In addition, creditors registered for VAT may be able to claim VBDR claim from HMRC in accordance with s36 of the Value Added Tax Act 1994. Relief is available when the debt is six months old and "written off" by the creditor. Insolvency Practitioners have no role in administering VBDR. If you are uncertain how to claim you should seek your own professional advice or contact your local VAT office.

## **6. CREDITORS' MEETING**

- 6.1 In accordance with Paragraph 52(1)(b) of Schedule B1 to the Act, a creditors' meeting was not convened as there was insufficient property to enable a distribution to be made to non-preferential creditors.
- 6.2 In addition, the creditors of the Company did not subsequently request a creditors' meeting to be held.
- 6.3 No meeting was convened and in accordance with Rule 2.35(5) of the Rules, the Joint Administrators' Proposals were deemed to be approved by creditors.

## **7. EC REGULATIONS**

- 7.1 It is the Joint Administrators' opinion that the EC Regulations apply and these proceedings are main proceedings as defined in Article 3 of the EC Regulations. The centre of main interest of the Company is in England.

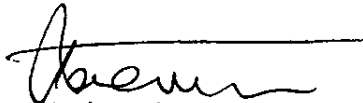
## **8. END OF ADMINISTRATION**

- 8.1 In accordance with the Proposals, the necessary steps will now be taken to give notice to the Registrar to the effect that the Company has no further property which might permit a distribution to creditors.
- 8.2 Attached to this report at Appendix 5 is Form 2.35B, being a notice to move from Administration to Dissolution ("the Notice"), which has been sent to the Registrar pursuant to Paragraph 84(1) of Schedule B1 to the Act.
- 8.3 Following registration of the Notice by the Registrar, the Joint Administrators' appointment shall cease to have effect and they will be discharged from liability under Paragraph 98 of Schedule B1 to the Act.
- 8.4 At the end of the three months beginning from the date of the Notice being registered by the Registrar, the Company will be dissolved.

**9. OTHER MATTERS**

- 9.1 If you have any queries or require any further assistance, please do not hesitate to contact my colleague Daryl Carr

For and on behalf of  
Vitality Group Limited



**Andrew Stoneman**  
Joint Administrator

Enc

The affairs, business and property of the Company are being managed by the Joint Administrators, A G Stoneman and J J Godefroy, who act as agents of the Company and without personal liability. Both of the Joint Administrators are licensed by the Insolvency Practitioners Association.



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**APPENDIX 1**  
**Statutory Information**



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## STATUTORY INFORMATION

<b>Date of incorporation</b>	25 January 1984	
<b>Registered number</b>	01785819	
<b>Company directors</b>	Mr G Rosen Mr A Deacon Mr N Edden	
<b>Company secretary</b>	None	
<b>Shareholders</b>	Mr G Rosen Mr A Deacon Mr S Wilson	201,293 ordinary shares 590,001 ordinary shares 327,000 ordinary shares
<b>Trading address</b>	Garman Road Tottenham London N17 0QN	
<b>Registered Office</b>	Current:  43-45 Portman Square London W1H 6LY	Formerly:  Garman Road Tottenham London N17 0QN
<b>Financial Information</b>	Please see overleaf	



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## STATUTORY INFORMATION

### Consolidated Profit and loss account

	Management Accounts for the Period ended 14 March 2009 (£)	Year ended 30 September 2008 Audited accounts (£)	Year ended 30 September 2007 Audited accounts (As restated) (£)
<b>Turnover</b>	11,747,354	45,162,349	50,888,235
<b>Gross Profit</b>	1,386,978	5,898,638	6,158,510
Administrative expenses	(2,080,199)	(5,369,913)	(6,223,428)
Other operating income	246,044	112,170	112,908
<b>Operating Profit</b>	447,177	640,895	47,990
Exceptional Items		(154,964)	(940,053)
Interest receivable and similar income		289	-
Interest payable and similar charges		(423,781)	(447,388)
<b>Profit/(Loss) on ordinary activities before taxation</b>		62,439	(1,339,451)
Tax on profit/(loss) on ordinary activities		40,485	16,512
<b>Profit/(Loss) for the financial year after taxation</b>		21,954	(1,355,963)

### Company Balance Sheet

	Management Accounts for the Period ended 14 March 2009 (£)	As at 30 September 2008 Audited accounts (£)	Year ended 30 September 2007 Audited accounts (As restated) (£)
<b>Fixed Assets</b>	135,717	2,328,426	2,742,962
<b>Current Assets</b>	5,831,163	10,585,211	12,629,415
<b>Creditors due &lt; 1 year</b>	(6,224,339)	(11,775,497)	(14,495,036)
<b>Net current assets/liabilities</b>	(393,176)	(1,190,286)	(1,865,621)
<b>Total assets less current liabilities</b>	482,631	1,138,140	877,341
<b>Creditors due &gt; 1 year</b>	(208,333)	(416,667)	(426,000)
<b>Net assets</b>	274,298	721,473	451,341
Capital and reserves			
Called up share capital	1,118,294	1,118,294	1,118,294
Share premium	999,085	999,085	999,085
Capital redemption reserve	392,999	392,999	392,999
Profit and loss account	(2,236,080)	(1,788,905)	(2,059,037)
<b>Shareholders' funds</b>	274,298	721,473	451,341



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## **APPENDIX 2**

### **Joint Administrators' Receipts and Payments Accounts**



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Vitality Group Limited (In Administration)

Joint Administrators Receipts and Payments Account  
For the period 26 March 2009 to 17 March 2011

	Statement of Affairs Estimated to Realise value	For the period 26 March 2009 to 25 March 2010		For the period 26 March 2010 to 25 September 2010		For the period 26 September 2010 to 17 March 2011		Total
		Fixed charge	Floating charge	Fixed charge	Floating charge	Fixed charge	Floating charge	
	£	£	£	£	£	£	£	£
RECEIPTS								
Plant and machinery	120,000 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Stock	1,270,000 00	0 00	150,000 00	0 00	0 00	0 00	0 00	150 000 00
Other fixed assets	35,750 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Corporation Tax refund	500,000 00	0 00	0 00	0 00	489,146.24	0 00	20,830 60	509 976 84
Landmark rebate	24 129 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
NISA Today share refund	15 000 00	0 00	15,000 00	0 00	0 00	0 00	(15,000 00)	0 00
Royal Mail / Trillium VAT refund	109 375 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Stephens Wholesale Limited (In Liquidation)	50,000 00	0 00	0 00	0 00	53 696 24	0 00	15 822 25	69,518 49
Refund from insurance	5 000 00	0 00	3 210 93	0 00	0 00	0 00	0 00	3,210 93
Petty cash	4,036 00	0 00	4,269 74	0 00	0 00	0 00	0 00	4 269 74
Racking/conveyor belts	0 00	0 00	10 500 00	0 00	0 00	0 00	0 00	10 500 00
Cash at Bank	0 00	0 00	860 45	0 00	0 00	0 00	0 00	860 45
Goodwill	0 00	17,500 00	0 00	0 00	0 00	0 00	0 00	17,500 00
Customer list	0 00	2 500 00	0 00	0 00	0 00	0 00	0 00	2 500 00
Information Technology	0 00	0 00	2 000 00	0 00	0 00	0 00	0 00	2,000 00
Equipment	0 00	0 00	19 499 00	0 00	0 00	0 00	0 00	19,499 00
Motor Vehicles	0 00	0 00	7 500 00	0 00	0 00	0 00	0 00	7,500 00
Supplier list	0 00	0 00	1 00	0 00	0 00	0 00	0 00	1 00
Business Intellectual Property	0 00	0 00	1,000 00	0 00	0 00	0 00	0 00	1,000 00
Prepayments	0 00	0 00	1 862 42	0 00	1,856 58	0 00	0 00	3,719 00
Trading surplus / (deficit)	0 00	0 00	49,059 32	0 00	(65.06)	0 00	(2,008 05)	46,986 21
Dividend Income	0 00	0 00	0 00	0 00	365 41	0 00	131 40	496 81
Bank Interest Gross	0 00	4 64	339 89	1 31	57 70	0 00	0 00	403 54
	2,133,290 00	20,004 64	265,102 75	1.31	545,057 11	0 00	19,776 20	849,942 01
PAYMENTS								
Joint Administrators remuneration		9,500 00	30,000 00	0 00	8,000 00	0 00	68 608 17	116,108 17
Joint Administrators' disbursements		0 00	1,574 42	0 00	173 62	0 00	7 00	1 755 04
Distribution to Bank of Scotland Corporate		0 00	100,000 00	5,055 95	35 000 00	0 00	418,533 97	558,589 92
Legal fees		5,000 00	15 000 00	0 00	3 000 00	0 00	10,585 25	33 585 25
Legal disbursements		0 00	234 04	0 00	0 00	0 00	1 414 75	1 648 79
Agents/Valuers fees		0 00	2 173 40	0 00	0 00	0 00	0 00	2 173 40
Statutory Advertising		0 00	510 84	0 00	0 00	0 00	0 00	510 84
Corporation Tax Advice		0 00	3,600 00	0 00	63 350 00	0 00	5,125 00	72,075 00
Corporation Tax		0 00	0 00	0 00	0 00	0 00	13 308 12	13,308 12
Debt collection costs		450 00	0 00	0 00	0 00	0 00	0 00	450 00
Stationery & Postage		0 00	1,831 90	0 00	897 36	0 00	1,670 52	4,399 78
Storage Costs		0 00	469 92	0 00	0 00	0 00	1,105 69	1,575 61
Pension Consultancy Fee		0 00	1,110 60	0 00	0 00	0 00	0 00	1,110 60
Re Direction of Mail		0 00	104 10	0 00	0 00	0 00	0 00	104 10
Sundry payments		0 00	325 00	0 00	0 00	0 00	0 00	325 00
Bank Charges		0 00	75 00	0 00	28 21	0 00	0 00	103 21
HMRC PAYE/NI		0 00	0 00	0 00	3,668 29	0 00	0 00	3,668 29
The Insolvency Service		0 00	0 00	0 00	26,357 13	0 00	25 00	26,382 13
Employee Arrears/Hol Pay		0 00	0 00	0 00	10 959 84	0 00	258 92	11,218 76
Menzies re employment		0 00	800 00	0 00	50 00	0 00	0 00	850 00
		14,950 00	157,809 22	5,055 95	151,484 45	0 00	520,642 39	849,942 01
BALANCE		5,054 64	107,293 53	(5,054 64)	393,572 66	0 00	(500,866 19)	0 00

MADE UP AS FOLLOWS

VAT Receivable	0 00
Floating/main current account	0 00
	<b>0 00</b>



Vitality Group Limited (In Administration)

Joint Administrators' Trading Receipts and Payments Account  
For the period 26 March 2009 to 17 March 2011

	For the period 26 March 2009 to 25 March 2010 £	For the period 26 March 2010 to 25 September 2010 £	For the period 26 September 2010 to 17 March 2011 £	Total £
<b>POST APPOINTMENT SALES / OTHER</b>				
Sales	110 522 65	0 00	0 00	110,522 65
Occupation costs	47,826 09	0 00	0 00	47,826 09
	<b>158,348 74</b>	<b>0 00</b>	<b>0 00</b>	<b>158,348 74</b>
<b>TRADING EXPENDITURE</b>				
Rent	58 260 87	0 00	0 00	58,260 87
Direct labour	18 818 33	0 00	8 05	18,826 38
Property clearance costs	10,650 00	0 00	0 00	10,650 00
PAYE and NI	6 627 67	0 00	0 00	6,627 67
ROT settlement	5 519 91	0 00	0 00	5,519 91
Software licences	3 850 00	0 00	0 00	3,850 00
Insurance	2 377 18	0 00	0 00	2,377 18
Employee consultant services	1,700 00	0 00	0 00	1,700 00
Telephone	559 02	0 00	0 00	559 02
Electricity/Gas	381 19	65 06	2 000 00	2,446 25
Water	241 11	0 00	0 00	241 11
ADT Fire & Security	162 59	0 00	0 00	162 59
Other property expenses	135 55	0 00	0 00	135 55
Purchases	6 00	0 00	0 00	6 00
	<b>109,289 42</b>	<b>65 06</b>	<b>2,008 05</b>	<b>111,362 53</b>
<b>TRADING SURPLUS/(DEFICIT)</b>	<b>49,059 32</b>	<b>(65 06)</b>	<b>(2,008 05)</b>	<b>46,986 21</b>

## **APPENDIX 3**

### **Analysis of Joint Administrators' time costs**

# **Vitality Group Limited (In Administration)**

**Analysis of the Joint Administrators' time costs for the period 26 March 2009 to 11 March 2011**

Classification of Work Function	Hours					Total Hours	Time Cost £	Av hourly Rate £
	Partner	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Strategy planning & control	11 00	15 40	60 80	98 50		185 70	38 954 00	209 77
General correspondence	19 60	14 40	11 50	43 10		88 60	22,500 00	253 95
Cashiering & accounting	3 70	7 30	36 00	50 30		97 30	20 417 50	209 84
General admin	1 00	6 10	5 60	160 90		173 60	19,789 50	113 99
Statutory matters (Meetings Reports and Notices)	4 20		32 40	44 40		81 00	16 466 00	203 28
Meetings	1 40	3 50	4 60	12 50		22 00	4,469 00	203 14
Proposals		1 60		5 80		7 40	1,381 50	186 69
IPS set up & maintenance		0 30	1 00	2 90		4 20	610 50	145 36
Statement of affairs		0 10		5 40		5 50	586 50	106 64
Financial review	0 40	0 20	0 70	1 30		2 60	547 50	210 58
<b>Investigations</b>								
CDDA, reports & Communication	2 20		4 00	62 60		68 80	9,945 00	144 55
Financial review and investigations (S238/239 etc)	0 20	0 70	0 90	4 90		6 70	999 00	149 10
<b>Realisation of Assets</b>								
Sale of business		12 20	27 30	51 70		91 20	16 911 00	185 43
Floating charge assets	1 30	1 50	0 60	14 60		18 00	3 569 00	198 28
Book debts	1 00	0 20	7 10	6 00		14 30	3 114 50	217 80
Fixed charge assets		0 20				0 20	72 00	360 00
<b>Trading</b>								
Retention of title	0 40	7 60	2 10	162 60		172 70	19 954 50	115 54
Trading Operations	1 30	9 20	44 80	30 10		85 40	17 993 00	210 69
Trading Accounting	0 30	1 10	0 30	8 00		9 70	1,475 50	152 11
<b>Creditors</b>								
Employee matters	1 30	4 50	9 10	146 10		161 00	20,419 50	126 83
Unsecured creditors	3 90	2 10	14 60	38 60		59 20	10 383 50	175 40
Secured Creditors	0 80		23 50	6 10		30 40	7 184 50	236 33
Preferential creditors	1 30	1 20	17 30	9 90		29 70	6 618 00	222 83
<b>Case Specific Matters</b>								
Closings		2 60	26 30	15 00		43 90	8,813 00	200 75
<b>Total Hours</b>	<b>55 30</b>	<b>92 00</b>	<b>330 50</b>	<b>981 30</b>	<b>0 00</b>	<b>1,459 10</b>		<b>173 51</b>
<b>Total Fees Claimed (£)</b>	<b>26,330 50</b>	<b>32,782 00</b>	<b>79,867 50</b>	<b>114,194 0</b>	<b>0 00</b>		<b>253,174 00</b>	

## **Category 2 Disbursements**

Classification of Work	Details of Payee	£
None		
	<b>Total</b>	

## **APPENDIX 4**

### **Joint Administrators' Proposals**

**Vitality Group Limited (In Administration)**  
**Joint Administrators' Proposals**

- 12 1 The Joint Administrators propose the following
- 12 1 1 That 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
  - 12 1 2 That the Joint Administrators do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Act, as they, in their sole and absolute discretion consider desirable or expedient in order to achieve the purpose of the Administration
  - 12 1 3 That the Joint Administrators, once all outstanding matters have been satisfactorily completed, take the necessary steps to give notice under Paragraph 84 of Schedule B1 of the Act to the Registrar to the effect that the Company has no property which might permit a distribution to its creditors, at which stage the Administration will cease
  - 12 1 4 That the Joint Administrators, in the event that they form the view that a distribution can be made to non-preferential creditors, take the necessary steps to put the Company into Creditors' Voluntary Liquidation ("CVL") It is proposed that the Joint Administrators, currently Andrew Stoneman and Jason Godefroy of MCR, would act as Joint Liquidators should the Company be placed into CVL In accordance with Paragraph 83(7) of Schedule B1 to the Act and Rule 2 117(3) of the Rules (as amended) the creditors may nominate a different person as the proposed Liquidator, provided such nomination is made before these proposals are approved
  - 12 1 5 That the Joint Administrators be discharged from all liability pursuant to Paragraph 98 of Schedule B1 to the Act, upon filing the end of the Administration or their appointment otherwise ceasing
  - 12 1 6 That the Joint Administrators' remuneration be fixed by reference to the time properly spent by them and their staff in attending to matters arising in the administration
  - 12 1 8 That the Joint Administrators be authorised to draw their firm's internal costs and expenses in dealing with the Administration ("Category 2 Disbursements"), if any
  - 12 1 9 That the Joint Administrators be authorised to instruct and pay MCR Receivables Management Limited to assist with the collection of book debts, where considered appropriate
- 12 2 Pursuant to Rule 2 33(5) of the Rules, the proposals in paragraph 12 1 shall be deemed to be approved by the creditors on the expiry of the period in which a meeting can be requisitioned by creditors in the manner described in paragraph 10 2 above, provided that no meeting has been so requisitioned
- 12 3 The Joint Administrators will be seeking the following specific resolutions from the secured creditors pursuant to Rule 2 106(5A) of Schedule B1 to the Act
- 12 3 1 That the Joint Administrators be discharged from all liability pursuant to Paragraph 98 of Schedule B1 to the Act, upon filing the end of the Administration or their appointment otherwise ceasing
  - 12 3 2 That the Joint Administrators' remuneration be fixed by reference to the time properly spent by them and their staff in attending to matters arising in the administration
  - 12 3 3 That the Joint Administrators be authorised to draw their firm's internal costs and expenses in dealing with the administration ("Category 2 Disbursements"), if any
  - 12.3.4 That the Joint Administrators be authorised to instruct and pay MCR Receivables Management Limited to assist with the collection of book debts, where considered appropriate

## **APPENDIX 5**

### **Form 2.35B – Notice of moving from Administration to Dissolution**



CORPORATE  
RESTRUCTURING

## The Insolvency Act 1986

**Notice of move from administration to dissolution****2.35B**

Name of Company

Vitality Group Limited

Company number

01785819

In the

High Court of Justice, Chancery Division,  
Companies Court, London

(full name of court)

For court use only

12532 of 2009

(a) Insert full name(s) and  
address(es) of administratorsWe (a) Andrew Gordon Stoneman and Jason James Godefroy of MCR, 43-45 Portman Square,  
London, W1H 6LY(b) Insert name and address of  
the registered office of companyhaving been appointed Joint Administrators of (b) Vitality Group Limited  
43-45 Portman Square, London, W1H 6LY, ("the Company")

(c) Insert date of appointment

On (c) 26 March 2009 by (d) Bank of Scotland PLC

(d) Insert name of appointor

hereby give notice that the provisions of paragraph 84(1) of Schedule B1 to the Insolvency Act  
1986 apply

We attach to this notice a copy of the final progress report

Signed

Joint Administrator

Dated

17/3/11

**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 searches of  
the public record.

MCR  
43-45 Portman Square  
London  
W1H 6LY

Tel 020 7487 7240

If 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

COMPANIES HOUSE