

The Insolvency Act 1986

Administrator's progress report

2.24B

Name of Company ADD Wellness Holdings Limited	Company number 06172268
In the High Court of Justice [full name of court]	Court case number 12714 of 2009

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

We (a) Malcolm Peter Fillmore and Mark Pearce Riley of Atherton Bailey, Arundel House, 1 Amberley Court, Whitworth Road, Crawley, RH11 7XL

administrators of the above company attach a progress report for the period

(b) Insert dates

from (a) 1 October 2009	to (b) 31 March 2010
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Signed

Joint Administrator -

M P Fillmore

Dated 7 April 2010

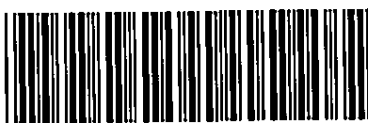
Contact Details:

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.

Atherton Bailey Arundel House, 1 Amberley Court Whitworth Road, Crawley RH11 7XL	
Tel 01293 410333	
DX Number	DX Exchange

When you have completed and signed this form please send it to the Registrar of Companies at
Companies House, Crown Way, Cardiff, CF14 3UZ
DX 33050 Cardiff

THURSDAY



A28 08/04/2010 433
COMPANIES HOUSE

ADD WELLNESS HOLDINGS LIMITED ("THE COMPANY") (IN ADMINISTRATION)
Unit 10, Utopia Village, 7 Chalcot Road, Primrose Hill, London, NW1 8HL

ADMINISTRATORS' PROGRESS REPORT PURSUANT TO RULE 2 47 OF THE INSOLVENCY RULES 1986
FOR THE PERIOD 1 OCTOBER 2009 TO 31 MARCH 2010

1 Introduction

- 1 1 Pursuant to Rule 2 47 of the Insolvency Rules 1986, I set out below our report on this Administration since our report dated 14 October 2009

2. Details of Relevant Court

- 2 1 These Administration proceedings fall under the jurisdiction of High Court of Justice, the court reference is no 12714 of 2009

3. Company details

- 3 1 The company's registered number is 06172268 and its registered office is now situated at Arundel House, 1 Amberley Court, Whitworth Road, Crawley, RH11 7XL

4. Administrators' details

- 4 1 The Joint Administrators, Malcolm Peter Fillmore and Mark Pearce Riley of Atherton Bailey LLP, Arundel House, 1 Amberley Court, Whitworth Road, Crawley, RH11 7XL were appointed on 1 April 2009. The appointment was made by the director. Since our appointment, there have been no changes in the office holders. For the purposes of paragraph 100(2) of schedule B1 to the Insolvency Act 1986, the Administrators have agreed to act jointly and severally in all matters relating to the administration. All functions relating to the administration may be exercised by either administrator.

5. Extension to the initial period of the appointment of the Administrators

- 5 1 The Administration has been extended with the consent of creditors to 30 September 2010

6. Administrators' Receipts and Payments Account

- 6 1 I attach a summary of the administrators' receipts and payments as at 31 March 2010

7 Administrators' Progress Report

- 7 1 The Purpose of the administration was to achieve 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) and was effected at the same time as that of its 50% subsidiary, Movers & Shapers Limited
- 7 2 The Company also held 100% shares in Fitbug Limited and these shares were sold to ADD Leisure Plc (an associated company) for £250,000, supported by an independent valuation from Edward Symmons & Partners. ADD Leisure Plc is by far the largest creditor of the Company and it was agreed that funds to pay a dividend to the other creditors would be deferred until such time as they had been agreed. The only other creditors known at the time were guarantee obligations on two property leases held by Movers & Shapers
- 7 3 During the period of Administration, we have had provisional claims from the landlords and two other claims have been lodged. We anticipate that it will still be a little time before the guarantee claims can be finalised and a first and final dividend paid
- 7 4 Our investigations into the Company's pre-administration activities have not brought any matter to light which would suggest the need for the additional powers available to liquidators to pursue asset recoveries

8. The Exit Route

- 8 1 It was proposed at the commencement of our appointment that the likely exit route would be to distribute to the creditors in Administration and dissolve the company or in the alternative

distribute through a CVA. The former route would still seem to be more cost-effective and an application will be made to court for sanction to distribute in the Administration.

9. Assets remaining to be realised

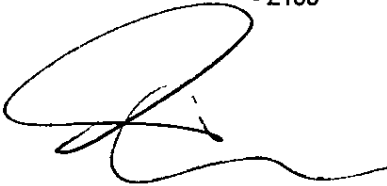
- 9.1 The deferred consideration on the sale of Fitbug Limited realisable to pay the third party dividend and costs is the only unrealised asset.

10 Administrators' Costs and Remuneration

- 10.1 The total time costs incurred to 7 March 2010 are summarised on the attached schedule in the format prescribed by the Association of Business Recovery Professionals. A Creditor's guide to Administrator's Fees can be located in SIP 9 (Statement of Insolvency Practice) which can be accessed through the website of the Insolvency Practitioners Association, www.insolvency-practitioners.org.uk. Alternatively please contact this office for a copy to be sent to you by post.

The creditors have approved that the Administrators be remunerated on a time cost basis as set out in the Administrators' proposals. The current hourly rates of staff and partners involved in this case are as follows:

Partners £270 - £290 Senior Professional Staff £110 - £220 and administrative and support staff £85 - £100



Malcolm Fillmore
Joint Administrator of ADD Wellness Holdings Limited
Dated 6 April 2010

APPENDIX I

ADD Wellness Holdings Limited [n Administration]

Administrators' Receipts and Payments Account	
For the period 1 April 2009 to 31 March 2010	
	£
RECEIPTS	
Cash at Bank	25,011 59
Bank Interest Received (Gross)	35 03
VAT Refund	343 66
Reimbursement re payment to Edward Symmons	2,300 00
Reimbursement re payment to DAC	205 00
VAT Output Tax	0 00
	<u>27,895 28</u>
PAYMENTS	
Pre-Admin Fees	175 00
Administrators' Remuneration	5,000 00
Sale of Fitbug Assets	2,112 80
Other Professional Costs	178 26
Printing, Copying & Postage	109 25
Statutory Advertising	396 36
Insolvency Bonding	184 00
VAT Input Tax	1,339 34
	<u>9,495 01</u>
Balance at bank as at 12 March 2010	<u><u>£18,400 27</u></u>

For the Period from 1 October 2009 to 31 March 2010	
£	£
Brought Forward	22,205 81
	0 00
	31 09
	343 66
	2,300 00
	205 00
	0 00
	<u>2,879 75</u>
	0 00
	5,000 00
	0 00
	0 00
	109 25
	396 36
	184 00
	995 68
	<u>£8,685 29</u>
	<u><u>£18,400 27</u></u>

Name of Case	ADD Wellness Holdings Limited
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Date	12 March 2010
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TIME AND CHARGE OUT SUMMARIES

Classification of Work Function	Hours				Total Hours	Time Cost £	Average hourly rate £
	Partner	Manager	Other Senior Professionals	Assistants & Support Staff			
Administration and planning	13 33	0 00	0 00	39 02	52 35	7,494 98	188 60
Investigations	0 00	0 00	0 00	0 63	0 63	63 84	100 79
Realisation of assets	0 58	0 00	0 25	0 42	1 25	242 52	194 00
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	10 93	0 00	0 00	3 15	14 08	3,445 59	244 72
Rec & Pay	0 00	0 00	0 00	8 75	8 75	852 73	97 46
Total Hours	24 84	0 00	0 25	51 97	77 06		
Total Fees Claimed (£)	7,022 54	0 00	31 25	5,045 87		12,099 66	