

Liquidator's Progress Report

S.192

Pursuant to Sections 92A and 104A and 192
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

06447912

Name of Company

International Health Technology Limited

I / We

Paul James Pittman, 7th Floor Dashwood House, 69 Old Broad Street, London, EC2M 1QS

Paul Anthony Higley, 7th Floor Dashwood House, 69 Old Broad Street, London, EC2M 1QS

the liquidator(s) of the company attach a copy of my/our Progress Report
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 20/12/2014 to 19/12/2015

Signed



Date

7/1/16

Price Bailey Insolvency and Recovery LLP
7th Floor Dashwood House
69 Old Broad Street
London
EC2M 1QS

Ref I10101/PP/PAH/GP

WEDNESDAY



A17 *A4Z10018* #59
27/01/2016
COMPANIES HOUSE

**International Health Technology Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs	From 20/12/2014 To 19/12/2015	From 20/12/2013 To 19/12/2015
	<u>NIL</u>	<u>NIL</u>

REPRESENTED BY

NIL



Paul James Pittman
Joint Liquidator

25 January 2016

To All Known Members and Creditors

INTERNATIONAL HEALTH TECHNOLOGY LIMITED
In Creditors' Voluntary Liquidation

LIQUIDATORS' PROGRESS REPORT TO CREDITORS AND MEMBERS
For the 20 December 2013 ending 19 December 2015

STATUTORY INFORMATION

Company name	International Health Technology Limited
Registered office	C/o Price Bailey, 7 th Floor, Dashwood House, 69 Old Broad Street, London EC2M 1QS
Former registered office	1 The Mill, Copley Hill Business Park, Cambridge, Cambridgeshire CB22 3GN
Registered number	06447912
Joint Liquidators' names	Paul James Pittman (IP Number 13710) Paul Anthony Higley (IP Number 11910)
Joint Liquidators' address	Price Bailey LLP, 7 th Floor, Dashwood House, 69 Old Broad Street, London EC2M 1QS
Joint Liquidators' date of appointment	20 December 2013

LIQUIDATORS' ACTIONS SINCE LAST REPORT

In my SIP 13 report to creditors dated 8 April 2014 I outlined the sale of the business to a connected party. That report included the price achieved for the assets of the business and the basis of the sale agreement. A further copy of this report can be made available to creditors on request.

As part of the sale process the successor business was due to make payments into the Liquidation estate depending on how it was performing. I have been monitoring the progress of the new business in order to ascertain when we can expect funds to be received. The Director has been providing regular updates to me and to date the new business has not made a profit and therefore has not been required to make any payments. As part of the sale agreement a lump sum payment is due to be made in March irrespective of how the business has traded. If there has been any profit made in the first two years of trading a percentage of this will be paid over at the same time.

There is certain work that I am required by the insolvency legislation to undertake work in connection with the liquidation that provides no financial benefit for the creditors. A description of the routine work undertaken since my last progress report is as follows:

1 Administration

- Case planning – looking at the case strategy for dealing with the case and changing if necessary. Also giving instructions to the staff to undertake the work on the case.
- Dealing with all routine correspondence and emails relating to the case.
- Undertaking regular bank reconciliations of the bank account containing estate funds.
- Reviewing the adequacy of the specific penalty bond on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.

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To All Known Members and Creditors

- Overseeing and controlling the work done on the case by case administrators
- Preparing, reviewing and issuing annual progress reports to creditors and members
- Filing returns at Companies House
- Preparing and filing VAT returns
- Preparing and filing Corporation Tax returns

2 Creditors

- Dealing with creditor correspondence, emails and telephone conversations regarding their claims
- Maintaining up to date creditor information on the case management system
- Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend
- Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims

3 Cashiering

- Maintaining and managing the office holder's estate bank account
- Maintaining and managing the office holder's cashbook
- Maintaining and updating the practice IPS system

RECEIPTS AND PAYMENTS

My Receipts & Payments Account for the period from 20 December 2013 to 19 December 2015 is attached at Appendix 1. No funds have been received to date but when they are they will be held in an interest bearing

ASSETS

Rent Deposit

The Company had paid a rent deposit for the trading premises. The amount paid was £9,325 and this was subject to fixed charge security. The landlord agreed to the new Company continuing to trade from the premises and novated the rent deposit to the new business following the sale of the business.

Intellectual Property

Steps were taken to value the Intellectual Property of the business and the Sale Agreement stated that £125,695 would be paid for the Goodwill of the Business and £105,125 would be paid for the Intellectual Property. A further nominal sum of £ was paid for the benefit of the ongoing Contracts. These contracts could not be completed unless the new Company took steps to continue them. These funds have not been received to date.

Equipment, Furniture and Stock in Hand

The tangible assets of the business were valued at £65,336 and a sum of £64,876 was agreed in the sale contract. No funds have been received to date.

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To All Known Members and Creditors

Trade Debtors

At the date of Liquidation the sum of £31,211 was due to the Company. The successor business has agreed to pay a sum of the same amount to the Liquidation and has taken over the rights to collect these monies. To date no monies have been received in relation to this asset.

Shares in Related Business

The Company held shares in a related business. These shares held no value as the related business could only function with the successor business in place. A nominal sum of £2 was agreed in relation to these shares. These funds have not been received.

Research and Development Refund

A research and development loan was due to the business but due to it entering into Insolvency no funds were received. I do not expect to receive any funds for this asset.

LIABILITIES

Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company has granted the following charges -

Name of Chargeholder	Date of Creation	Date of Registration	Type of Charge
FE Loan Management Limited	29 October 2012	7 November 2012	Fixed and Floating Charge
Copley Estate Limited	25 November 2011	30 November 2011	Rent Deposit Charge
Copley Estate Limited	26 August 2011	3 September 2011	Rent Deposit Charge

All of the chargeholders agreed to waive their security as the charges were transferred to the successor business.

Preferential Creditors

The statement of affairs did not anticipate any Preferential Claims and I confirm that no claims have been received. As the employees were transferred to the new business no claims are expected to be received.

Crown Creditors

The statement of affairs did not include any potential debt owed to HMRC. Since the Company has entered into Liquidation a claim of £30,732.80 has been received and admitted for dividend purposes.

Non-preferential unsecured Creditors

The statement of affairs included 65 non-preferential unsecured creditors with an estimated total liability of £326,910. I have received claims from 23 creditors at a total of £276,344.83. I have not received claims from 52 creditors with original estimated claims in the statement of affairs of £94,762.23.

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To: All Known Members and Creditors

DIVIDEND PROSPECTS

Secured creditors

The secured creditors have moved the fixed charges they held over the Company to the new business and no longer have a debt in the business

Preferential creditors

There are no Preferential Creditors to date and as outlined above no claims are expected

Non-preferential unsecured creditors

Any dividend prospects will be dependent on the new Company's ongoing trading results. As per the Sale Agreement these are provided to me on a continual basis to monitor. The timing of dividends is dependent upon when funds are paid into the estate. It is still anticipated that all of the Creditors will be paid in full.

As previously advised, the Company gave a floating charge to FE Loan Management Limited on 7 November 2012 and the prescribed part provisions should apply. The fixed and Floating Charge has been novated to the new Business and no longer applies in this matter.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. In particular, I recovered, listed and reviewed the Company's accounting records, obtained and reviewed copy bank statements for the 36 months prior to the Company ceasing to trade from the Company's bankers, and compared the information in the Company's last set of accounts with that contained in the statement of affairs lodged in the liquidation and made enquiries about the reasons for the changes.

There were no matters that justified further investigation in the circumstances of this appointment.

Within six months of my appointment as Liquidator, I am required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present Director would make them unfit to be concerned with the management of the Company. I would confirm that my report has been submitted.

PRE-APPOINTMENT REMUNERATION

The creditors previously authorised the payment of a fee of £12,500 plus VAT for my assistance with preparing the statement of affairs and convening and holding the meeting of creditors at a meeting held on 20 December 2014.

25 January 2016

To All Known Members and Creditors

The fee for preparing the statement of affairs and convening and holding the meeting of creditors is as yet unpaid as insufficient realisations have been made to date

LIQUIDATOR'S REMUNERATION

My remuneration was previously authorised by the creditors at a meeting held on 20 December 2013 to be drawn on a time cost basis. My total time costs to 19 December 2015 amount to £21,709, representing 96.70 hours of work at an average charge out rate of £224.50 per hour, of which £5,919.50, representing 24.90 hours of work, was charged in the period since 20 December 2014, at an average charge out rate of £237.73 per hour.

I have not been able to draw any remuneration in this matter.

A schedule of my time costs incurred to date and in the period since 20 December 2014 is attached at Appendix 2.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Liquidators' Fees' also published by R3, together with an explanatory note which shows Price Bailey LLP's fee policy are available at the link www.pricebailey.co.uk/creditors. Please note that there are different versions of the Guidance Notes and in this case you should refer to the appointments commencing between 6 April 2010 and 30 September 2015 version.

LIQUIDATORS' EXPENSES

I have incurred expenses to 19 December 2015 of £1,316.68 of which £200.60 was incurred in the period since 20 December 2014.

I have not been able to draw any expenses in this matter.

I have incurred the following expenses in the period since my last progress report:

Type of expense	Amount incurred/ accrued in the reporting period
Postage	£54.80

I have incurred the following category 2 disbursements in the period since my last progress report:

Type of category 2 disbursement	Amount incurred/ accrued in the reporting period
Photocopying	£145.80

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To All Known Members and Creditors

I have used the following agents or professional advisors since my appointment

Professional Advisor	Nature of Work	Basis of Fees
Edward Wells Chartered Surveyors	Valuer	Fees to be Agreed dependent on time costs
Mills & Reeve Solicitors	Solicitors	Time costs

The choice of professionals used was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. I have reviewed the fees charged and am satisfied that they are reasonable in the circumstances of this case.

The professional agents above were instructed at the beginning of this matter but have not undertaken any work during the reporting period.

FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), request further details of the Joint Liquidators' remuneration and expenses within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Joint Liquidators' fees and the amount of any proposed expenses or expenses already incurred within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about Price Bailey LLP can be found at www.pricebailey.co.uk/legal

SUMMARY

The Liquidation will remain open until all of the funds due from the sale of the business are received. Due to the nature of the Sale Agreement I am not able to put an estimate on the amount of time that this will take.

At Price Bailey LLP we always strive to provide a professional and efficient service, however we recognise that it is in the nature of insolvency proceedings for disputes to arise from time to time. We undertake to look into any complaint carefully and promptly, and to do all we can to explain the position to you. If we have given you less than satisfactory service, we undertake to do everything reasonable to put it right. Any complaint should be referred initially to the Insolvency Practitioner responsible for our services to you. If you do not receive an acceptable response you should contact the Head of Compliance at Price Bailey LLP, Causeway House, 1 Dane Street, Bishops Stortford CM23 3BT.

Most disputes can be resolved amicably through the provision of further information or following negotiations. However, in the event that you have exhausted our complaints procedure and you are not satisfied that your complaint has been resolved or dealt with appropriately, you may complain to the

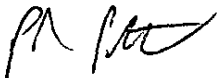
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To All Known Members and Creditors

regulatory body that licences the insolvency practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds LS11 9DA, and you can make a submission using an on-line form available www.gov.uk/complain-about-insolvency-practitioner, or you can e-mail insolvency.enquiryline@insolvency.gsi.gov.uk, or you may phone 0300 678 0015 – calls are charged at up to 9p per minute from a land line, or for mobiles, between 8p and 40p per minute if you're calling from the UK.

If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available to them, they should contact the case manager George Pitcher on the above telephone number, or by email at george.pitcher@pricebailey.co.uk

Yours faithfully



P J Pittman MIPA
JOINT LIQUIDATOR

Authorised to act in the UK by the Insolvency Practitioners Association

For and on behalf of

PRICE BAILEY LLP

Enc

INTERNATIONAL HEALTH TECHNOLOGY LIMITED

(In Creditors' Voluntary Liquidation)

Liquidator's Receipts and Payments Account
For the Period 20 December 2013 to 19 December 2015

	Notes	Statement of Affairs £	Realised 20/12/2013 to 19/12/14 £	Realised 20/12/2014 to 19/12/15 £	Cumulative Total £
Receipts					
Fixed Charge Assets					
Rent Deposit		9,625	-	-	-
Intellectual Property		Nil	-	-	-
Floating Charge Assets					
Equipment and Furniture		51,668	-	-	-
Stock in Hand		13,208	-	-	-
Debtors		31,211	-	-	-
Research and Development Refund		20,000	-	-	-
		<u>116,087 00</u>	<u>-</u>	<u>-</u>	<u>-</u>
Payments					
			-	-	-
			-	-	-
Balance in Hand			-	-	-
			-	-	-

Notes

- The Statement of Affairs was agreed at £12,500 at a meeting of members held on 20 December 2013
- The Following resolution was passed at a meeting of creditors held on 20 December 2013
"That the Joint Liquidators be remunerated on a time costs basis according to the time properly spent by the Liquidators and staff in their duties in relation to the Liquidation, this remuneration being drawn from time to time at the Liquidators' discretion "

2 Breakdown of Disbursements

	20/12/13 to 19/12/14		20/12/14 to 19/12/15		Cumulative Total	
	Incurring,£	Paid, £	Incurring,£	Paid £	Incurring, £	Paid £
Category 1 Disbursements						
Postage	208 53	-	54 80	-	263 33	-
Specific Bond	40 00	-	-	-	40 00	-
Statutory Advertising	360 00	-	-	-	360 00	-
Category 2 Disbursements						
Photocopying	507 55	-	145 80	-	653 35	-
	<u>1,116 08</u>	<u>-</u>	<u>200 60</u>	<u>-</u>	<u>1,316 68</u>	<u>-</u>

INTERNATIONAL HEALTH TECHNOLOGY LIMITED

(In Creditors' Voluntary Liquidation)

Analysis of Time Costs for the period 20 December 2013 to 19 December 2015

Classification of Work	Insolvency Practitioners		Managers		Administrators		Assistants and Support Staff		Total Hours	Time Cost	Average Hourly Rate
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)		£	£
Administration and Planning	11 10	3,830 00	45 60	9,212 00	0 30	42 00	0 60	36 00	57 60	13,120 00	227 78
Creditors	2 90	905 00	10 90	2,172 50	0 10	14 00	0 00	0 00	13 90	3,091 50	222 41
Investigations	0 70	245 00	0 00	0 00	0 00	0 00	0 00	0 00	0 70	245 00	350 00
Realisation of Assets	9 50	2,885 00	11 90	2,355 50	0 00	0 00	0 00	0 00	21 40	5,240 50	244 88
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Cashiering	0 00	0 00	0 00	0 00	0 00	0 00	0 20	12 00	3 10	12 00	3 87
Other Matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total	24 20	7,865 00	68 40	13,740 00	0 40	56 00	0 80	48 00	96 70	21,709 00	224 50
Average Hourly Rate, £	325 00		200 88		140 00		60 00				

**INFORMATION TO ASSIST CREDITORS IN MAKING AN INFORMED DECISION ON ANY
RESOLUTION SEEKING APPROVAL OF THE OFFICE HOLDERS REMUNERATION**

PRICE BAILEY INSOLVENCY AND RECOVERY LLP CHARGE OUT RATES

Our current charge-out rates which may be amended from time to time are as follows

POSITION	HOURLY CHARGE OUT RATE (£)
<u>Insolvency Practitioners</u>	
- Partner	360 - 450
- Non-Partner	320 - 400
<u>Managers</u>	
- Qualified Senior Manager	270 - 340
- Senior Manager	245 - 310
- Manager	215 - 270
<u>Administrators</u>	
- Senior Administrator	180 - 225
- Administrator	150 - 200
<u>Assistants & Support Staff</u>	
- Assistant	75 - 125
- Cashiering	25 - 80
- Secretarial	25 - 35

Our remuneration and disbursements policy and details of our historic charge out rates can be viewed at www.pricebailey.co.uk/creditors

The Creditors' Guides to Fees can also be viewed at this web address. Hard copies can be made available upon request

Should you require clarification on any of the above, do not hesitate to contact Price Bailey on 020 7065 2660

INTERNATIONAL HEALTH TECHNOLOGY LIMITED

(In Creditors' Voluntary Liquidation)

Analysis of Time Costs for the period 20 December 2013 to 19 December 2015

Classification of Work	Insolvency Practitioners		Managers		Administrators		Assistants and Support Staff		Total Hours	Time Cost	Average Hourly Rate
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)		£	£
Administration and Planning	5 50	1,970 00	15 40	3,193 00	0 30	42 00	0 00	0 00	21 20	5,205 00	245 52
Creditors	0 50	175 00	1 50	316 50	0 00	0 00	0 00	0 00	2 00	491 50	245 75
Investigations	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisation of Assets	0 00	0 00	1 00	211 00	0 00	0 00	0 00	0 00	1 00	211 00	211 00
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Cashiering	0 00	0 00	0 00	0 00	0 00	0 00	0 20	12 00	0 70	12 00	17 14
Other Matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total	6 00	2,145 00	17 90	3,720 50	0 30	42 00	0 20	12 00	24 90	5,919 50	237 73
Average Hourly Rate, £	357 50		207 85		140 00		60 00				

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- Senior Manager	245 - 310
- Manager	215 - 270
<u>Administrators</u>	
- Senior Administrator	180 - 225
- Administrator	150 - 200
<u>Assistants & Support Staff</u>	
- Assistant	75 - 125
- Cashiering	25 - 80
- Secretarial	25 - 35

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Proof of Debt – General Form

INTERNATIONAL HEALTH TECHNOLOGY LIMITED (In Creditors' Voluntary Liquidation)		
Date of resolution for voluntary winding-up: 20 December 2013		
1	Name of creditor (If a company please also give company registration number)	
2	Address of creditor for correspondence	
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation	
4	Details of any documents by reference to which the debt can be substantiated (Note There is no need to attach them now but the liquidator may call for any document or evidence to substantiate the claim at his discretion as may the chairman or convenor of any meeting)	
5	If amount in 3 above includes outstanding uncapitalised interest please state amount	£
6	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)	
7	Particulars of any security held, the value of the security, and the date it was given	
8	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates	
9	Signature of creditor or person authorised to act on his behalf _____	
	Name in BLOCK LETTERS _____	
	Position with or in relation to creditor _____ Address of person signing (if different from 2 above) _____	
Admitted to vote for		Admitted for dividend for
£		£
Date		Date
Liquidator		Liquidator