

The Insolvency Act 1986

Statement of administrator's proposals**2.17B**

Name of Company Medicentres (UK) Limited	Company number 01536367
In the High Court of Justice, Chancery Division, Companies Court, London (full name of court)	Court case number 6179 of 2011

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

We, Paul John Clark of
MCR
43-45 Portman Square
London
W1H 6LY

and

* Delete as appropriate

Situl Devji Raithatha of
Springfields Business Recovery & Insolvency Limited
80 Hinckley Road
Leicester
LE3 0RD

attach a copy of our proposals in respect of the administration of the above company.

A copy of these proposals was sent to all known creditors on

(b) Insert date

(b) 9/9/2011

Signed

Signed

Dated

Dated

Joint Administrators

IP Nos 8570 and 8927

Contact Details:

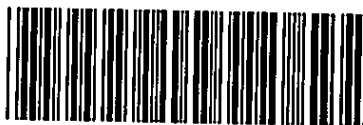
You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be available to creditors of the

MCR
43-45 Portman Square
London
W1H 6LY
Tel. 020 7487 7240

completed and signed this form please send it to the Registrar of Companies at:

use, Crown Way, Cardiff CF14 3UZ

DX 33050 Cardiff



A55 10/09/2011 271
COMPANIES HOUSE

SATURDAY

**Medicentres (UK) Limited
(In Administration)**

**Joint Administrators' Report and Statement of Proposals to Creditors
For the period from 25 July 2011 to 9 September 2011
pursuant to Paragraph 49 of Schedule B1
to the Insolvency Act 1986, as amended**

9 September 2011

DEFINITIONS

"Springfields"	means Springfields Business Recovery & Insolvency Limited, 80 Hinckley Road, Leicester, LE3 0RD,
"Appointment Date"	means 25 July 2011, being the date of appointment of the Joint Administrators,
"the Joint Administrators"	means Paul Clark of MCR, 43-45 Portman Square, London, W1H 6LY and Situl Raithatha of Springfields,
"the Company"	means Medicentres (UK) Limited (In Administration) (Company Number 01536367);
"SIP 16"	means the Statement of Insolvency Practice 16,
"GYTL"	means Get Yourself Tested Limited (Company Number 07699450);
"BOS"	means Bank of Scotland plc,
"Habib"	means Habib Bank Limited,
"FDC"	means First Data Corporation (merchant service providers);
"the Act"	means the Insolvency Act 1986; and,
"the Rules"	means the Insolvency Rules 1986, as amended,
"SOA"	means Statement of Affairs, documentation supplied by the Directors outlining the Company's position on the appointment date,
"RPO"	means Redundancy Payments Office;
"EC Regulations"	means EC Regulation on Insolvency Proceedings 2000,
"CVL"	means Creditors' Voluntary Liquidation;
"Category 2 Disbursements"	means the Joint Administrators' firm's internal costs and expenses in dealing with the Administration,
"the Directors"	means Sunil Sheth and Shabir Randeree

Names of Joint Administrators: Paul John Clark
Situl Devji Raithatha

Date of Appointment: 25 July 2011

Date of Report: 9 September 2011

Appointed By: High Court of Justice

Court Reference: High Court of Justice
Chancery Division
Companies Court
London
Court Number: 6179 of 2011

Springfields Business Recovery & Insolvency Limited
80 Hinckley Road
Leicester
LE3 0RD

MCR
43-45 Portman Square
London
W1H 6LY

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1. INTRODUCTION

- 1.1 Paul John Clark of MCR and Situl Devji Raithatha of Springfields were appointed Joint Administrators of the Company on the Appointment Date
- 1.2 The appointment was made by the court following an application made by the Directors of the Company pursuant to Paragraph 10 of Schedule B1 to the Act
- 1.3 In accordance with Paragraph 100(2) of Schedule B1 to the Act the functions of the Joint Administrators are being exercised jointly and severally Attached at Appendix 2 is a summary of the Joint Administrators' division of duties
- 1.4 This report sets out the circumstances leading up to the appointment of the Joint Administrators and the steps taken by them to date. The report also provides formal notice of the meeting of creditors of the Company on 27 September 2011, further details of which are provided at section 11 of this report
- 1.5 In this regard you should complete the proxy and proof of debt form at Appendix 3 and return them to MCR's office.

2. BACKGROUND

- 2.1 Statutory information on the Company and a summary of its financial position as at the Appointment Date is included at Appendix 1.
- 2.2 The Company was incorporated on 29 December 1980 The Company's principal activity was the provision of healthcare services including primary care, occupational health services, STD advice, travel vaccinations and health assessments. The Company traded from six leasehold premises in London.
- 2.3 Over 50% of the Company's clients consisted of walk-in customers and the remainder comprised of around 50 corporate customers.
- 2.4 The Company's six sites were all based in and around major travel hubs in London including Liverpool Street, Paddington, Victoria, Waterloo and Bank.
- 2.5 The Company's head office was based on Fenchurch Street in London.

3. EVENTS LEADING UP TO THE ADMINISTRATION

- 3.1 Details in respect of the events leading up to the appointment of the Joint Administrators on 25 July 2011 can be found in the SIP16 disclosure attached at Appendix 4, which was previously issued to creditors on 4 August 2011.
- 3.2 The Joint Administrators considered their position prior to accepting the appointment and, having regard to the Insolvency Practitioners Association and Association of Chartered Certified Accountants ethical guidelines, considered that there were no circumstances preventing them from accepting the appointment.

4. PURPOSE OF THE ADMINISTRATION

4.1 The purpose of an Administration is to achieve 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.

4.2 In accordance with Paragraph 49(2) of the Act, the following should be noted:

4.2.1 The first objective will not be achieved as the Company's liabilities significantly outweigh the Company's assets.

4.2.2 The Joint Administrators consider that the second objective will be achieved, as the business has been sold on a going concern basis. If the Company had been wound up, the value of the business and assets are likely to have been significantly eroded, reducing any return to the creditors.

4.3 The Joint Administrators' proposals for achieving the purpose of the Administration are set out in the remainder of this report

5. PROGRESS OF THE ADMINISTRATION TO DATE

5.1 The manner in which the affairs and business of the Company have been managed since the appointment of Joint Administrators and will continue to be managed and financed are set out below.

Sale of business and assets

5.2 The business and assets of the Company were sold to GYTL, a wholly owned subsidiary of General Medical Clinics plc, on 25 July 2011, shortly after the Joint Administrators' appointment

5.3 The breakdown of the sale consideration is summarised below.

Assets	£
Goodwill	358,000
Plant & Machinery	43,000
Seller's Records	1
Stock & WIP	30,000
Leasehold Properties	149,997
Customer Database	15,000
Assumed Contracts	1
Intellectual Property	1
Book Debts	142,000
Total	738,000

5.4 The sale consideration has been received in full.

- 5.5 Further information regarding the sale of the business and assets of the Company can be found in the disclosure attached at Appendix 4, which was previously issued to creditors on 4 August 2011 in accordance with SIP16
- 5.6 In order to aid the smooth handover of the business and assets to GYTL, the Joint Administrators attended site with GYTL following the sale and have since been assisting with the transfer of merchant service facilities and various other matters.
- 5.7 In particular, the Joint Administrators have been liaising with the various landlords of the Company's leasehold premises to assist GYTL in achieving an assignment of the leases.
- 5.8 The Joint Administrators are continuing with their efforts to assist GYTL with the handover of the business and matters remain ongoing.

Cash at Bank

- 5.9 The Company held bank accounts with BOS and Habib. As at the Appointment Date, the Company's bank account with BOS had a credit balance of approximately £9,500. The Joint Administrators have requested that these funds be transferred to the Administration estate.
- 5.10 The Joint Administrators are also in contact with FDC, who provided merchant service facilities to the Company. FDC are currently holding in excess of £20,000 of monies in relation to card payments made by customers prior to the Appointment Date.
- 5.11 The Joint Administrators anticipate that these monies will be transferred to the Administration estate account.
- 5.12 The Company's bank account with Habib was overdrawn as at the Appointment Date and no realisations are expected.

Other Assets

- 5.13 It is understood there are a number of rent deposits held by the landlords. The Joint Administrators are currently liaising with the landlords to secure the rent deposit refunds.
- 5.14 Further details on any realisations from these will be provided in my next report to creditors.
- 5.15 In addition, £15,000 was transferred to Springfields prior to the appointment of the Joint Administrators as an on account payment of costs incurred by Springfields and MCR. No remuneration has been drawn by the Joint Administrators and therefore the money has been transferred into the Administration estate account.

Investigations

- 5.16 The Joint Administrators have a statutory obligation to file a report with the Department for Business Innovation and Skills regarding the conduct of the Directors and officers of the Company that held office in the three years prior to the Administration. This report must be filed within six months from the Appointment Date and the content of this report is confidential.
- 5.17 The Joint Administrators also have a duty to investigate antecedent transactions which include:
- Transactions at an undervalue, section 238 of the Act,
 - Preferences, section 239 of the Act; and
 - Transactions to defraud creditors, section 423 of the Act

- 5.17 The Joint Administrators are in the preliminary stages of their investigations. The Joint Administrators invite creditors to bring to their attention any information concerning the Company's affairs which they believe should be taken into consideration during their investigations.

Joint Administrators' Receipts and Payments Account

- 5.18 A summary receipts and payments account for the period of the report is shown at Appendix 5

Joint Administrators' Agents and Solicitors

- 5.19 The Joint Administrators have engaged the following firms to assist in the Administration of the Company.

Company	Role	Basis of Remuneration
Moon Beaver	Solicitors – Dealings with court matters, technical queries and general ad hoc matters.	Time cost basis
Spreckleys LLP	PR agents – preparing various press releases regarding the sale of the business and assets	Time cost basis
Total Data Management Limited	Storage of the Company's books and records as required under statute.	Per unit basis
Accurate Mailing Services Limited	Stationery, postage and service charge for send out of statutory notices and reports	Per unit basis
Courts Advertising Limited	Advertising the Joint Administrators' appointment over the Company.	Per unit basis

- 5.20 The Joint Administrators' choice of those instructed was based on their perception of the ability and experience to perform this type of work, the complexity and nature of the assignment and the basis of the Joint Administrators' fee arrangement with them.

6. STATEMENT OF AFFAIRS

- 6.1 In accordance with Paragraph 47 of Schedule B1 to the Act the Joint Administrators have requested that the Directors provide them with a SOA of the Company.
- 6.2 To date the Directors of the Company have not submitted a SOA. In the absence of this a statement of the Estimated Financial Position as at 25 July 2011 has been prepared by the Joint Administrators in accordance with Rule 2.33(2)(j) of the Rules and is attached at Appendix 6
- 6.3 The estimated statement of the financial position includes contingent creditors totalling £1,873,873. Due to the failure of the CVA these creditors may be entitled to make a claim against the Company. The Joint Administrators are liaising with the CVA Supervisors and are seeking legal advice to clarify the position
- 6.4 Attached in Appendix 7 is a list of creditors that have been identified from records provided by the Company's management.

7. STATEMENT OF PRE-ADMINISTRATION COSTS

- 7.1 Attached at Appendix 8 is a schedule of the Joint Administrators' time costs associated with the pre-administration period (as defined by Rule 2.33(2A) of the Rules). No remuneration in respect of pre-administration costs has been drawn to date. The Joint Administrators will be seeking the consent of the creditors of the Company for these costs to be paid, plus VAT and disbursements, in accordance with Rule 2.67A(3) of the Rules.
- 7.2 The Joint Administrators time costs incurred is in relation to the initial strategic review of the Company, the preparation of the sale documentation and planning for the Company to be placed into Administration in order to facilitate a sale of the Company's assets.
- 7.3 The Joint Administrators have incurred expenses in relation to the sale of the business and assets of the Company (as defined by Rule 2.33(2A) of the Rules), namely legal fees and agents' fees. A schedule of these costs is also attached at Appendix 9. We will also be seeking the consent of creditors to authorise fees to be paid in this regard in accordance with Rule 2.67A(3) of the Rules.
- 7.4 The work was undertaken prior to our appointment to facilitate a "pre-packaged" sale with the objective of 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).

8. JOINT ADMINISTRATORS' COSTS

- 8.1 In accordance with Rule 2.106 of the Rules, it is proposed that the basis upon which our remuneration should be fixed is by reference to the time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration.
- 8.2 The Joint Administrators time costs for the period 25 July 2011 to 9 September 2011 total £65,285, subject to the posting of time sheets, of which £48,385 relates to MCR's time costs and £16,900 relates to Springfields time costs. Schedules of these time costs are set out at Appendix 8. The Joint Administrators have not drawn any remuneration to date.
- 8.3 Attached at Appendix 10 is "A Creditor's Guide to Administrators' Fees" for MCR and Springfields.

9. DIVIDEND PROSPECTS / PRESCRIBED PART

Secured Creditors

- 9.1 According to records lodged at Companies House, there are no known secured creditors of the Company.

Preferential Creditors

- 9.2 The preferential claims are limited to employees' claims for unpaid wages and salaries (subject to statutory limits) and accrued holiday pay, which may be subrogated to the Secretary of State following payment by the RPO.
- 9.3 All the employees of the Company at the Appointment Date transferred to GYTL under the Transfer of Undertakings (Protection of Employment) on 25 July 2011. Accordingly it is not anticipated that there will be any preferential claims.

Prescribed Part

- 9.4 Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003, a prescribed part of the Company's net property shall be made available to non-preferential unsecured creditors.
- 9.5 As there are no secured creditors of the Company the Prescribed Part does not apply in this instance

Non-Preferential Unsecured Creditors

- 9.6 Based on the financial information provided by the Company's management, the total non-preferential unsecured creditor claims amount up to £1,961,647. A breakdown of this is shown below.

	Claim (£)	No. of Creditors
Trade and Expense Creditors	301,844	69
Casualty Plus Limited	889,803	1
HMRC	770,000	1
Total	1,961,647	71

- 9.7 In addition to these claims and following the failure of the CVA, the unpaid CVA creditors may be entitled to make a claim against the Company in Administration. The Joint Administrators are seeking legal advice and liaising with the CVA Supervisors to clarify the position of these CVA creditors. A breakdown of the CVA creditors is shown below.

	Claim (£)	No. of Creditors
CVA - HMRC	1,242,429	1
CVA – Creditors excluded	11,654	57
CVA – Other creditors	619,789	63
Total	1,873,872	121

- 9.8 The initial advice received by the Joint Administrators is that if a creditor has been paid their agreed portion of the CVA funds, they would not be entitled to claim in the Administration. Where a creditor has not received a dividend, they may be entitled to make a claim.
- 9.9 Based upon the current information available it is likely there will be sufficient realisations to enable a distribution to the non-preferential unsecured creditors of the Company. The quantum and timing of this distribution remains uncertain at this stage

10. EC REGULATION

- 10.1 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.

11. CREDITORS' MEETING

- 11.1 In accordance with Paragraph 51 of Schedule B1 to the Act, a creditors' meeting will be held at 43-45 Portman Square, London, W1H 6LY at 11am on 27 September 2011. A notice of the meeting of creditors is enclosed with this report at Appendix 11. A proof of debt form and a proxy form is attached at Appendix 3, for the purpose of that meeting.
- 11.2 The purpose of this meeting is to vote on the Joint Administrators' proposals as outlined in section 13 of this report.

12. END OF THE ADMINISTRATION

- 12.1 The options available to the Joint Administrators for the exit from the Administration are as follows:
- Compulsory Liquidation
 - Creditors' Voluntary Liquidation
 - Company Voluntary Arrangement
 - Return of control to the director
 - Dissolution of Company
- 12.2 In the event that the Joint Administrators form the view that a distribution can be made to the non-preferential unsecured creditors, then the Joint Administrators recommend that the Company be moved into CVL.
- 12.3 It is proposed that the Joint Administrators, currently Paul John Clark and Situl Devji Raithatha of MCR and Springfields respectively, be appointed as Joint Liquidators of the Company should it be placed into CVL.
- 12.4 In addition, the CVL will enable the Joint Liquidators to pursue any actions identified following their investigations as detailed in paragraph 5.16 of this report.
- 12.5 In the unlikely event that there are insufficient realisations to permit a distribution to the non-preferential unsecured creditors, then the Joint Administrators recommend that the Company be dissolved. In this event, it is proposed that once all outstanding matters have been satisfactorily completed, the Joint Administrators will give notice to the Registrar of Companies under Paragraph 84 of the Act to the effect that the Company has no property to realise which might permit a distribution to the non-preferential unsecured creditors at which time the Administration will cease. The Company will be dissolved three months following the registration of the notice at the Registrar of Companies.
- 12.6 You will note from the proposals section below that the Joint Administrators have left the choice of exit route from Administration open so that an alternative strategy can be adopted, should this prove more appropriate at the time.

13. JOINT ADMINISTRATORS' PROPOSALS

- 13.1 The Joint Administrators propose the following:
- 13.1.1 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.

- 13.1.2 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.
- 13.1.3 That the Joint Administrators, when it is anticipated that no better realisations will be made in the Administration than would be available in a winding up, take the necessary steps to put the Company into either CVL, Company Voluntary Arrangement or into Compulsory Liquidation as deemed appropriate by the Joint Administrators. It is proposed that the Joint Administrators, currently Paul Clark and Situl Ralathatha of MCR and Springfields respectively, would act as Joint Liquidators should the Company be placed into CVL or Compulsory Liquidation and would act jointly and severally. In accordance with Paragraph 83(7) of Schedule B1 to the Act 1986 and Rule 2.117 of the Rules, creditors may nominate a different person as the proposed liquidator, provided the nomination is received at this office prior to the approval of these proposals. In the absence of such nomination, the Joint Administrators will be appointed Joint Liquidators.
- 13.1.4 That the Joint Administrators, in the event that they form the view that the exit options identified in proposal 13.1.3 above are inappropriate, then, in due course, take the necessary steps to give notice to the Registrar of Companies to the effect that the Company has no property which might permit a distribution to its creditors, at which stage the Administration will cease and the Company will subsequently be dissolved.
- 13.1.5 That the Joint Administrators' remuneration, where no Creditors' Committee is established, be fixed by reference to the time properly incurred by them and their staff in attending matters during the Administration and that they be allowed to draw such remuneration as and when funds permit without further recourse to the creditors of the Company.
- 13.1.6 That the Joint Administrators' statement of pre-Administration costs under Rule 2.33 of the Rules, where no Creditors' Committee is established, be approved for payment in accordance with Rule 2.67A of the Rules.
- 13.1.7 That the Joint Administrators be authorised to draw their firm's Category 2 Disbursements, if any.

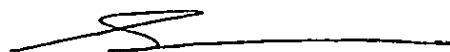
14. OTHER MATTERS

- 14.1 If any creditor has any information concerning the Company's affairs that they would like to bring to our attention, then we should be pleased to hear from them
- 14.2 If you require further information or assistance, please do not hesitate to contact my colleague Eleanor Williams on 020 7535 5344

Yours faithfully
For and on behalf of
Medicentres (UK) Limited



Paul Clark
Joint Administrator



Situl Ralathatha
Joint Administrator

The affairs, business and property of the Company are being managed by the Joint Administrators, Paul Clark of MCR and Situl Ralathatha of Springfields Business Recovery & Insolvency Limited, who act as agents for the Company and without personal liability. Paul Clark is licensed by the IPA and Situl Ralathatha is licensed by the ACCA.

APPENDIX 1

STATUTORY INFORMATION

Date of Incorporation	29 December 1980		
Registered Number	01536367		
Company Directors	Shabir Ahmed Randeree Sunil Pranal Sheth		
Company Secretary	Sunil Pranal Sheth		
Shareholders	Casualty Plus Limited (In Liquidation) – 75% Franbar Holdings Limited – 25%		
Head Office	150 Fenchurch Street London EC3M 6BB		
Registered Office	43-45 Portman Square London W1H 6LY	Formerly	150 Fenchurch Street London EC3M 6BB

Financial Information

	Management Accounts 5 months to 31 May 2011 £	Management Accounts Year Ended 31 Dec 2010 £	Management Accounts Year Ended 31 Dec 2009 £	Audited Accounts Year ended 31 Dec 2008 £
Turnover	1,596,930	3,833,544	3,710,251	5,082,590
Overheads	361,222	1,455,096	1,534,080	-
Purchases	193,226	662,916	661,149	-
Gross Profit	452,686	1,390,155	1,245,333	2,045,456
Gross Profit %	28.35%	36.26%	33.56%	40.24%
Profit/(loss) before Tax	(124,487)	(64,941)	(288,748)	(937,989)

Note

Please note, no directors' remuneration nor dividends appear to have been paid during these periods.

APPENDIX 2

**Medicentres (UK) Limited
(In Administration)**

Responsibilities of Joint Administrators

IP1 Paul Clark

Office MCR

IP2 Situl Raithatha

Office Springfields

	IP1	IP2
Cash Book	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Joint Administrators' Receipts & Payments	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Distributions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Corporation Tax	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Report to Creditors' Committee	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Investigations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Directors Conduct Reports/Returns	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
HP/Leasing Companies	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Preferential Creditors	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Unsecured Creditors	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Employees, P45/P35	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Leasehold Properties	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Rent Deposits	<input checked="" type="checkbox"/>	<input type="checkbox"/>
PR/Media Relations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Insurance		
- Assets	<input checked="" type="checkbox"/>	<input type="checkbox"/>
- Bond	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Statutory		
- Statutory Reports to Creditors	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
- Notification to Companies House	<input checked="" type="checkbox"/>	<input type="checkbox"/>
- Advertising	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Storage of Company Records	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sale of the Business and Assets / Data Protection	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
- Licence to Occupy	<input checked="" type="checkbox"/>	<input type="checkbox"/>
- CQC Fee/Ongoing Issues	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
VAT	<input type="checkbox"/>	<input checked="" type="checkbox"/>

APPENDIX 3

Proxy (Administration)

Medicentres (UK) Limited (In Administration) ("the Company")

Name of Creditor _____

Address _____

Name of Proxy Holder

1 _____

2 _____

3 _____

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.

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 27 September 2011, or at any adjournment of that meeting. The proxy holder is to propose or vote as instructed below (and in respect of any resolution for which no specific instruction is given, may vote or abstain at his/her discretion).

Voting Instructions for resolutions

*Please delete as appropriate

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.

***For/Against**

2. That the Joint Administrators do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Insolvency Act 1986 ("the Act"), as they, in their sole and absolute discretion consider desirable or expedient in order to achieve the purpose of the Administration.

***For/Against**

3. That the Joint Administrators, when it is anticipated that no better realisations will be made in the Administration than would be available in a winding up, take the necessary steps to put the Company into either Creditors' Voluntary Liquidation ("CVL"), Company Voluntary Arrangement or into Compulsory Liquidation as deemed appropriate by the Joint Administrators. It is proposed that the Joint Administrators, currently Paul Clark and Situl Raithatha of MCR and Springfields respectively, would act as Joint Liquidators should the Company be placed into CVL or Compulsory Liquidation and would act jointly and severally. In accordance with Paragraph 83(7) of Schedule B1 to the Act and Rule 2.117 of the Insolvency Rules 1986, creditors may nominate a different person as the proposed liquidator, provided the nomination is received at this office prior to the approval of these proposals. In the absence of such nomination, the Joint Administrators will be appointed Joint Liquidators.

***For/Against**

4. That the Joint Administrators, in the event that they form the view that the exit options identified in proposal 3 above are inappropriate, then, in due course, take the necessary steps to give notice to the Registrar of Companies to the effect that the Company has no property which might permit a distribution to its creditors, at which stage the Administration will cease and the Company will subsequently be dissolved.

***For/Against**

5. That the Joint Administrators' remuneration, where no Creditors' Committee is established, be fixed by reference to the time properly incurred by them and their staff in attending matters during the Administration and that they be allowed to draw such remuneration as and when funds permit without further recourse to the creditors of the Company

***For/Against**

6. That the Joint Administrators' statement of pre-Administration costs under Rule 2.33 of the Rules, where no Creditors' Committee is established, be approved for payment in accordance with Rule 2.67A of the Rules.

***For/Against**

7. That the Joint Administrators be authorised to draw their firm's Category 2 Disbursements, if any

***For/Against**

* Please delete as applicable

8. That a creditors' committee be established and I nominate

_____ 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

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

Proof of Debt – General Form

Medicentres (UK) Limited (In Administration)

Date of administration 25/07/2011

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 administration	
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 administrator 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) _____	

For Administrators' Use only

Admitted to vote for	Admitted for dividend for
£	£
Date	Date
Administrator	Administrator

APPENDIX 4



File note

Medicentres (UK) Limited (In Administration) ("the Company") Pre-Packaged Sale - SIP16 File note

The directors of the Company made an application to court to appoint Situl Devji Raithatha of Springfields Business Recovery and Insolvency Limited ("Springfields") and I as Joint Administrators of the Company. The appointment was made on 25 July 2011.

Immediately following the appointment, a sale of the business and assets of the Company was completed to Get Yourself Tested Limited, a subsidiary of General Medical Clinics plc.

The purpose of this file note is to provide a detailed explanation and justification of why a pre-packaged sale was required to be undertaken so that the creditors of the Company can be satisfied that the Joint Administrators acted with due regard to their interests and in accordance with the guidelines set out in the Statement of Insolvency Practitioners 16.

- **Background information and events leading to the Administration**

The Company provided healthcare services from six clinics. There were five walk in centres, located at Victoria station, Paddington station, Eldon Street (near Liverpool Street station), Cheapside (Bank), Plaza (Oxford Street) and an occupational health centre located on Lower Marsh (near Waterloo station).

The Company employed circa 50 staff across the clinics and the Company's head office was situated at Fenchurch Street, London.

The day to day management of the Company was undertaken by Prakash Bhundia and Bharat Shah, who were employed as the senior management team. The directors of the Company were Sunil Sheth and Shabir Randeree.

The Company did not have any fixed or floating charges registered at Companies House. The only charges registered against the Company were in respect of rent deposit deeds.

On 28 July 2008 the Company entered into a Company Voluntary Arrangement ("CVA") with its creditors whereby it was proposed that creditors would receive a distribution of 25p in the £ of their provable claim. Nimish Patel and Bijal Shah of RE10 were appointed as the CVA Supervisors.

The Company failed to fully comply with the terms of the CVA and the CVA Supervisor issued a winding up petition against the Company.

On 14 July 2011 the directors made an application to court to place the Company into Administration.

- **The source of the administrators' initial introduction:**

The directors of the Company approached Situl Raithatha in April 2011 to provide advice and assistance in respect of the Company's financial position. On 28 June 2011, Situl Raithatha of Springfields and I were formally instructed, to prepare a strategic review of the Company's financial position and, in particular, to advise on the insolvency options available to the Company and the relative merits of each option.

- **The extent of the administrators' involvement prior to appointment:**

In April 2011, Situl Raithatha was contacted by the directors of the Company to discuss the financial position of the Company and the options available to the directors

At this juncture Situl Raithatha provided initial advice in relation to the financial position of the Company and advised the directors of their responsibilities.

The Company subsequently engaged Situl Raithatha and I on 28 June 2011 to provide formal insolvency advice and assist with a sale of the business.

The board of directors resolved that the Company should be placed into Administration to protect the Company's assets for the benefit of creditors. As there was a winding up petition in place, the directors applied to court to request the appointment of the Joint Administrators to the Company.

Subsequently on 14 July 2011 the directors filed a Notice of Intention to Appoint Administrators to Court. The appointment of the Joint Administrators was made on 25 July 2011.

- **Details of any marketing activities conducted by the company and/or the administrators:**

Prior to the Joint Administrators' involvement, the directors of the Company had not marketed the business and assets for sale.

On Friday 15 July 2011, MCR circulated a Business 'Lite' Memo ("BLM") to over 250 parties known to MCR, including MCR's own contacts and individuals that have approached MCR in the past with an interest in purchasing companies operating in the healthcare and pharmaceuticals industry.

The BLM was marketed on the MCR website under the businesses for sale section.

A BLM was also sent to the Company's Supervisors and Franbar Holdings Limited, a 25% shareholder of the Company.

The BLM was sent on a 'no names basis' and the marketing exercise was called Project Jekyll. A copy of the BLM is attached. A deadline for best and final offers was set for 5pm on 20 July 2011.

Fourteen interested parties signed Non-Disclosure Agreements ("NDA"). Those interested parties that signed an NDA were provided access to the Project Jekyll data room, which including information under the following headings:

- Business Information Memorandum;
- Financial Information;
- Lease details;
- Stock listings as at May 2011;
- Employee details;
- Trade marks; and
- Corporate Customer details.

Following the deadline for best and final offers, the Joint Administrators received three offers for the purchase of the Company's business and assets.

- **Details of any valuations obtained of the business or the underlying assets**

The Joint Administrators instructed Edward Symmons LLP to value the Company's fixtures and fittings and the Company's leasehold interests. Collers IP Management Limited ("Collers IP") were instructed to value the Company's intellectual property, goodwill and intangible assets.

A summary of the valuations received from Edward Symmons LLP and Collers IP are set out below.

Asset	In Situ	Ex-Situ
Plant and Equipment	1,000	300
IT Server and Equipment	7,000	2,000
Medical Centre Equipment	35,000	9,000
Brand and Reputation	50,000	21,000
Domain Name	10,000	5,000
Leasehold Interests	Nil	Nil
Total	103,000	37,300

- **What alternative courses of action were considered by the administrators with explanation of likely financial outcomes:**

The Joint Administrators also considered the outcome in a Creditors' Voluntary Liquidation, Compulsory Liquidation and Company Voluntary Arrangement. The Joint Administrators estimated that the return would be greatly diminished in these alternative scenarios

Compulsory Liquidation

If the directors of the Company were to take no action, then the Company would have been placed into Compulsory Liquidation when the winding-up petition was heard in court. The Company would have ceased to trade, the Company's 50 employees would have been made redundant and the assets of the Company would have been sold on a break up basis. The employees would be entitled to make a preferential claim for unpaid wages and accrued holiday pay.

The appointment of a liquidator would have resulted in the termination of the property leases which would have eroded any value that they may have had. Furthermore, the landlords would further have been entitled to submit a claim for the unexpired portion of the lease in the event they are unable to re-let the property. This, together with the increased employee claims, would have increased the level of unsecured creditor claims.

The application was a consequence of the failed CVA and as we understand no strategy had been prepared regarding any potential rescue of the business. Therefore this was likely to lead to the loss of employees' jobs and it would have eroded any goodwill value.

Creditors' Voluntary Liquidation ("CVL")

The petitioning creditor would have needed to withdraw the petition to facilitate this scenario. A liquidation would have resulted in an immediate cessation of trade and the immediate termination of 50 employee contracts. The employees would be entitled to make a preferential claim for unpaid wages and accrued holiday pay.

The appointment of a liquidator would have resulted in the likely termination of the property leases which would have eroded any value that they may have. Furthermore, the landlords would further be entitled to submit a claim for the unexpired portion of the lease in the event they are unable to re-let the property. This, together with the increased employee claims, would have increased the level of unsecured creditor claims.

It is likely the tangible assets would have been sold on a break up basis resulting in lower asset realisations than a going concern sale. Further, the cessation of trade would have significantly eroded the value of the Company's goodwill which management regarded as the most valuable asset. This would have severely affected the prospects of a return to unsecured creditors.

The CVL option was therefore discontinued, not least because an insolvency appointment was required sooner than the time (estimated 21 days) it would have taken to place the Company into CVL.

Company Voluntary Arrangement

It takes approximately 21 days to prepare and convene meetings to consider a CVA. Due to the winding up petition that was presented against the Company, there was insufficient time to arrange a CVA with the Company's creditors. As you may be aware from the previous CVA, creditors need to receive the CVA proposal document no less than 14 days before the meeting of creditors. Further, the Company would not have been eligible to apply for a moratorium to protect the Company from its creditors in the intervening period as it had a voluntary arrangement in effect.

The Company previously entered a CVA with its creditors during 2008 which was unsuccessful and has resulted in a winding up petition. Consequently it was our view that it was unlikely that creditors would support any subsequently proposed CVA proposal. Other than the inter-company debt with Casualty Plus Limited ("CPL"), the main creditor is HMRC with approximately £770k of post CVA arrears.

- **Why it was not appropriate to trade the business, and offer it for sale as a going concern, during the administration:**

Management prepared a 12 month profit and loss forecast. The Company was forecast to trade at a loss of £189,412 for the 12 month period ending 30 June 2012.

Management also prepared a short term cash flow forecast. The staff wages, totalling £130,000, were due on 27 July 2011. The cash flow forecast demonstrated that the Company had insufficient cash to meet these wages.

Not only was the Company forecast to trade at a loss but there were insufficient funds available to continue to trade the business beyond Wednesday 27 July 2011. The directors were unaware of any potential investors for the Company.

It was not feasible to trade the business either in its then current structure or via the Administration due to insufficient availability of working capital.

- **Details of requests made to potential funders to fund working capital requirements:**

The directors of the Company confirmed that they were not in a position to fund the working capital requirements of the business. Further CPL was placed into Compulsory Liquidation on 21 June 2011 and was therefore not in a position to inject any funds into the business.

The directors advised that they believed that Franbar Holdings Limited would not be willing to invest further funds due to an ongoing shareholder dispute with CPL.

MCR informed Franbar Holdings Limited of the Company's intentions and financial difficulties and they were not forthcoming to MCR with any funding. During the Court hearing it became apparent that Franbar Holdings Limited had offered funding to RE10 to support a period of trading in Administration.

- **What efforts were made to consult with major creditors:**

During the marketing process the Joint Administrators consulted with HMRC and kept them informed of the strategy. They did not raise any objections.

We also consulted with both shareholders, CPL and Franbar Holdings Limited. CPL are also a creditor of the Company in the sum of £890k in respect of an inter-company loan account.

We contacted the Official Receiver who is dealing with the liquidation of CPL and advised them of the directors' intentions to place the Company into Administration.

- **The date of the transaction:**

The business and assets of the Company were sold to Get Yourself Tested Limited on 25 July 2011.

- **Details of the assets involved and the nature of the transaction.**

The Joint Administrators sold what right, title and interest the Company held in the following assets

- Goodwill;
- Medical Stock,
- Book Debts,
- Plant and Equipment,
- Fixtures and Fittings;
- Customer List,
- The Brand; and
- Intellectual Property/Domain Names.

The nature of the transaction was a pre-packaged going concern sale of the business and assets of the Company.

- **The consideration for the transaction, terms of payment, and any condition of the contract that could materially affect the consideration.**

The sale consideration was £738,000 and has been received in full. The sale was unconditional

- **If the sale is part of a wider transaction, a description of the other aspects of the transaction.**

The sale was not part of a wider transaction.

- **The identity of the purchaser.**

The purchaser is Get Yourself Tested Limited (Company number: 07699450), a subsidiary of General Medical Clinics plc (Company number 03470623) whose registered office is at 2-3 Salisbury Court, London, EC4Y 8AA.

- **Any connection between the purchaser and the directors, shareholders or secured creditors.**

There is no connection between the purchaser and the directors or shareholders. The Company has no secured creditors

- **The names of any directors, or former directors, of the company who are involved in the management or ownership of the Purchaser, or of any other entity into which any of the assets are transferred.**

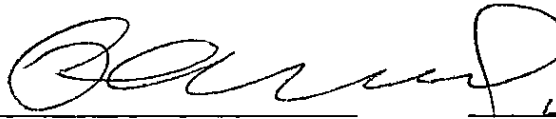
There are no directors or former directors of the Company who are involved in the management or ownership of Get Yourself Tested Limited or GMC.

- **Whether any directors had given guarantees for debts due from the company to a prior financier, and whether that financier is financing the new business.**


The directors had not given any guarantees for any debts due from the Company

- Any options, buy-back arrangements or similar conditions attached to the contract of sale.

There are no share options, buy-back arrangements or similar conditions attached to the contract of sale.



Paul Clark



Date 4/8/11

APPENDIX 5

Medicentres (UK) Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments
To 09/09/2011

S of A £	£	£
ASSET REALISATIONS		
Goodwill	358,000 00	
Leasehold Properties	149,997 00	
Plant & Machinery	43,000 00	
Seller's Records	1 00	
Stock & WIP	30,000 00	
Book Debts	142,000 00	
Funds held on client account	15,000 00	
Intellectual Property	1 00	
Customer Database	15,000 00	
Assumed Contracts	1 00	
		753,000 00
COST OF REALISATIONS		
Postage	84 54	
Storage Costs	134 01	
Statutory Advertising	76 50	
Insurance of Assets	280 90	
		(575 95)
		752,424 05
REPRESENTED BY		
Vat Receivable		59 01
Current A/c - Bank 1		752,365 04
		752,424.05

APPENDIX 6

MEDICENTRES (UK) LIMITED (IN ADMINISTRATION)

ESTIMATED FINANCIAL POSITION AS AT 25 JULY 2011

Estimated Financial Position
£

Assets

Goodwill	358,000 00
Plant & Machinery	43,000 00
Seller's Records	1 00
Stock & WIP	30,000 00
Leasehold Properties	149,997 00
Customer Database	15,000 00
Assumed Contracts	1 00
Intellectual Property	1 00
Book Debts	142,000 00
Rent Deposits	108,416 00
Cash at Bank	32,798 00
	<hr/>
	846,416 00

Liabilities

Trade Creditors	(301,844 00)
HMRC	(770,000 00)
Intercompany Creditor	(889,803 00)
	<hr/>
	(1,961,647 00)

Contingent Liabilities

CVA - HMRC	(1,242,429 11)
CVA - Creditors excluded from CVA	(11,654 17)
CVA - Other creditors	(619,789 23)
	<hr/>
	(1,873,872 51)

Estimated shortfall to creditors

(2,989,103 51)

Prepared in accordance with the information held in the Company's books and records and pursuant to Rule 2.33(2) (j) of the Insolvency Act 1986, as amended

APPENDIX 7

Creditor Listing

Creditor	Address				Amount (£)
ADDISON LEE PLC	35-37 WILLIAM ROAD	LONDON	NW1 3ER		£1,154 80
Alliance Healthcare	43 Cox Lane	Chessington	KT9 1SN		
ARIOPS	40 CAVERSHAM AVENUE	LONDON	N13 4LN		£70 00
ASCENT COMMUNICATIONS LTD	RIVINGTON HOUSE	82 GREAT EASTERN STREET	LONDON	EC2A 3JF	£4,178 48
Bharat Shah	24 Minchden Crescent	Southgate	London	N14 7EL	
Capita Symonds	25 Sackville Street	London	W1S 3HQ		
Casualty Plus Limited	c/o Mr R Cundy	RJC Financial Management	6 Hayes Road	Bromley	Kent, BR2 9AA
Changepond Technologies Limited	3rd Floor Verum House	13 St John's Road	Harrow	HA1 2EE	
CHUBB FIRE LIMITED	P O BOX 18069	EXCEL CENTRE	ABERDEEN	AB23 8SF	£513 42
CIT VENDOR FINANCE (UK) LIMITED	CIT House, Graysfort Avenue	Blackrock Business Park, Blackrock	Co Dublin	Ireland	£5,972 09
CITY OF LONDON	Chamber of London	PO BOX 270	Guildhall, London	EC2P 2EJ	£51,835 17
CITY OF WESTMINSTER	Westminster City Council	Business Rates	PO BOX 4010	London	SW1E 6QY
CONCATENO SOUTH LTD	1A Harbour Quay	100 Preston Road	London	E14 9PH	£9,172 05
CRIMINAL RECORDS BUREAU	P O BOX 142	LIVERPOOL	L69 3JA		£36 00
DISCLOSURE SERVICES	15 PERRY AVENUE	RHEWL	OSWESTRY STREET	SHROPSHIRE	SY10 7AW
Dr Lindl Rachte	38 Gladstone Road	Surbiton	Surrey	KT6 5DD	£150 00
Dr Keitumetse Sithole	3 Hospital Way	LONDON	W1G 9QR		
DR GARY STRYDOM LIMITED	3 HEMSLEY ROAD	KINGS LANGLEY	WD84 8TD		£7,730 00
ENTECH BUREAU (HOTELS) LTD	Moorfield Chambers	2 Moorfield Crescent	High Street	Yeadon, Leeds	LS19 7EA
Fire Fighting Equipment Limited	71 Harehills Road	Leeds	LS8 5HS		£927 90
GLAXO SMITHKLINE	Stockley Park West	Uxbridge	Middlesex	UB11 1BT	
Goodman Mann Broomhall	118 Piccadilly	London	W1J 7NW		£28 93
GVA	80 Cheapside	London	EC2V 6EE		
HAYMARKET PUBLISHING SERVICES LTD	TEDDINGTON	TEDDINGTON MIDDLESEX	TW11 9BE		£244 40
HAYS HEALTHCARE LTD	HAYS HOUSE	ST GEORGE'S SQUARE	HIGH STREET	NEW MALDEN, SURREY	KT3 4JQ
HCA INTERNATIONAL	242 Marylebone Road	London	NW1 6JL		£176 25
HEALTH AND FITNESS	21 - 24 CHISWELL ST	LONDON	EC1Y 4TY		£2,131 24
HM Revenue Customs	Ref 846/MA25084	Enforcement & Insolvency Service	Durrington Bridge House	Worthing	West Sussex, BN12 4SE
HM Revenue Customs	Ref 777 9380 63	Insolvency Operations	Queens Dock	Liverpool	Merseyside, L74 4AF
HOSPITAL OF ST JOHN& ELIZABETH	60 Grove End Road,	London	NW8 9NH		£141 75
Independent Healthcare	centre point	103 new oxford street	London	WC1A 1DU	£1,426 37
ING LEASE UK LTD	60 High Street	Redhill	Surrey	RH1 1NY	£421 82
INITIAL MEDICAL SERVICES LTD	PO BOX 4976	DUDLEY	DY1 4TA		£2,421 36

INVESTEC ASSET FINANCE PLC (KENCO DRINKS MACHINE)	WINDRUSH COURT	BLACKLANDS WAY	ABINGDON	OXON	OX14 1SY	£1,513 06
LGC Forensics LOCKTON	Queens Road 7TH FLOOR, VANTAGE POINT	Teddington NEW ENGLAND ROAD BRIGHTON	Middlesex EAST SESSEX	TW11 0LY BN1 4GW		
London Borough of Camden LONDON BOROUGH OF LAMBETH	Camden Town Hall Extension PO BOX 165	Argyle Street Bromley	London BR1 3 ZA	WCLH 8NH		£4,614 00
LONDON KNEE CLINIC LTD	London Bridge Hospital	St Olaf House	27 Tootley Street	London	SE1 2PR	£250 00
Malbay Waste Disposal	5 Staffa Road	London	E10 7PY			
Masta Limited	Moorfield Road	Yeadon	Leeds	LS19 7BN		
MERCHANT RENTALS PLC	ALEXANDER HOUSE	OLD BOSTON TRADING ESTATE	HAYDOCK	WA11 9SL		£726 19
NETWORK FISH	46 MALVERN ROAD	LONDON	N8 0LA			£3,144 02
Network Rail	Kings Place	90 York Way	London	N1 9AG		£69,165 00
NETWORK RAIL	PO BOX 4278	4 Travis Street	Manchester	M60 3BP		£18,018 00
INFRASTRUCTURE LTD						
NHS SUPPLY CHAIN - A/C 1377	Cash Receipts Department	West Way Cotes Park Ind. Est	Alfreton	Derbyshire	DE55 4QJ	£974 67
OCCUPATIONAL HEALTH FOCUS UK LTD	POBOX 55760	LONDON	E14 1DN			£650 00
OFFICE NEEDS COMPANY LTD	128 CAVERSHAM ROAD	READING	BERKSHIRE	RG1 8AY		£1,057 50
OHRD(DR TONY MC GREAD)	34 HARBERTON PARK	BELFAST	BT9 6TS			£2,584 00
Pearl & Coutts	3rd Floor	9 White Lion Street	London	N1 9PD		
Phase Office Supplies Ltd	12 Station Road	Chertsey	Surrey	KT16 8BE		
Nimish Patel	Re10 (London) Ltd	Albemarle House	Albemarle Street	London	W1S 4HA	
SAGE (UK) LIMITED	NORTH PARK	NEW CASTLE UPON TYNE	NE13 9AA			£390 00
Scottish Power	A/c no 88236044026	1 Atlantic Quay	Glasgow	G2 8SP		
SPECIAL DELIVERY	P O BOX 60498	LONDON	SW10 0YT			£920 29
LOGISTICS (CONTROL 1 LTD)						
SPECSAVERS	6-17 Tottenham Court Road	Bloomsbury	London	W1T 1BL		£1,095 00
ST MARY LE BOW CHURCH	ST MARY LE BOW CHURCH	CHEAPSIDE	LONDON	EC2V 6AU		£273 50
Thames Water	Ref 77196-81569	PO Box 286	Swindon	SN38 2RA		
The Doctors Laboratory	60 Whitfield Street	London	W1T 4EU			
VICTORIA SERVICE LTD	3 Fortescue Road	Burnt Oak	Edgware	Middlesex	HA8 0HW	£3,900 00
WARWICK INTERNATIONAL	Woodhouse Road	Horsley Woodhouse	Derbyshire	DE7 6AY		£1,270 80
COMPUTING SYSTEMS						
WILLIAMS MEDICAL SUPPLIES LIMITED	The Maerdy Industrial Estate	Rhyrney	Gwent	NP22 5PY		£98 44

CVA Creditor Listing

Creditor	Address	Amount (£)
AAH Pharmaceuticals Ltd	Farringdon Avenue, Harold Hill, Romford, Essex, RM3 8EF	54409 70
Abbott Laboratories Ltd	Vanwall Business Park, Vanwall Road, Maldenhead, Berkshire, SL6 4XE	541 78
Alpha Office Ltd	PO Box 524, St Crispins, Duke Street, NR3 1PD	4151 98
Bank of Ireland Business Finance Ltd	St James House, St James Square, Cheltenham, Gloucestershire, GL50 3PR	15175 98
BANK OF SCOTLAND CORPORATE	C/O Daniels Silverman Limited, 210-212 Queens Dock, Liverpool, L1 0BG	2481 86
CAMBS-PAT (UK) Ltd	Fox Croft, Rose Croft, Perry Huntingdon, Cambridgeshire, PE28 0B2	898 48
Capsticks Solicitors	77/83 Upper Richmond Rd, SW15 2TT	3750 00
City of London	Chamber of London, P O Box 270, Guildhall, EC2P 2EJ	39631 86
City of London	Chamber of London, P O Box 270, Guildhall, EC2P 2EJ	5554 90
City of London - Eldon Street Rates	Chamber of London, P O Box 270, Guildhall, EC2P 2EJ	7634 42
City of Westminster - Fenchurch Street Rates	Chamber of London, P O Box 270, Guildhall, EC2P 2EJ	5982 19
City of Westminster - Plaza Rates	Westminster City Council, Business Rates, P O Box 4010, SW1E 6QY	2548 44
City of Westminster	Westminster City Council, Business Rates, P O Box 4010, SW1E 6QY	18018 00
City of Westminster	Westminster City Council, Business Rates, P O Box 4010, SW1E 6QY	5334 43
COBAL	Brookway, Hambridge Lane, Newbury, Berks, RG14 5PE	843 28
D Brash & Son Ltd	37 Stampeland Crescent, Clarkston, G76 8LH	510 79
Dr Chris Fenner	32A Green Lanes, London, H13 6HT	2774 23
Dr. Sayful Miah	61 Seafield Road, New Southgate, N11 1AR	712 50
Drake Medox	20 Regent Street, SW1Y 4PH	2880 75
DPS Direct Ltd	Broadway House, 4-6 The Broadway, Bedford, Bedfordshire, MK40 1AR	4428 28
E Courier UK Ltd	Clyside House, 40 Alder Street, E1 1EE	939 43
Entech Bureau (Hotels) Ltd	Moorfield Chambers, 2 Moorfield Crescent, High Street, Yeadon, Leeds, West Yorkshire, LS19 7EA	8058 98
F&T Business Development Ltd	2nd Floor Podium, Centre City, 5-7 Hill Street, B5 4UA	5548 12
Fitness First	58 Fleets Lane, Poole, Dorset, BH15 3BT	1626 44
Fladgate Fielder Solicitors	25 North Row, W1 6DJ	20586 08
FX Direct Ltd	Unit 6C, Manor Way, Old Woking, Surrey, GU22 9JX	928 77
Gg - Graham Gardener Ltd	Stamford Buildings, Stamford Street, LE1 6NJ	721 48
Global Crossing (UK) Telecommunications Ltd	Chineham Gate, Crookford Lane, Hants, RG24 8NA	767 03
HCA International	242 Marylebone Road, NW1 6JL	18460 85
HM Revenue & Customs	Debt Management, Voluntary Arrangement Service, Durrington Bridge House, Barrington Road, Worthing, West Sussex, BN12 4SE	1242429 11
Hospital of St John & Elizabeth	60 Grove End Road, St John's Wood, NW8 9NH	6816 29
IBM UK Financial Services Ltd	P O Box 53, North Harbour, Portsmouth, Hampshire, PO6 3AU	9649 50
Infection Control	West Middlesex, University Hospital NHS Trust, Twickenham Road, Isleworth, TW7 6AF	6359 07
Invomo Ltd	The Couch House, Haywood House, Wiltshire, BA13 4NA	690 32
Jones Lang Lasalle - GVA Grimley	Avocet Court, 8 Central Avenue, St Andrew Business, Thorpe St Andrew, Norwich, Norfolk, NR7 0HR	9131 21
LA Fitness	Sandall Stones Road, Kirk Sandall, Doncaster, DN3 1QR	15652 65
London Borough of Camden - Euston	Business Rates Section, Town Hall, London, WC1H 8NH	2859 96
London Borough of Lambeth	P O Box 165, Bromley, BR1 3ZA	6448 21
London Borough of Lambeth - Lower Marsh	P O Box 165, Bromley, BR1 3ZA	1540 27
London Borough of Lambeth - Waterloo Station	P O Box 165, Bromley, BR1 3ZA	1526 92
Medical Diagnosis Ltd	Unit 12, Central Business Centre, London, NW10 0UR	18987 91
Medscreen Agency	1 A Harbour Quay, 100 Preston Road, E14 9PH	29362 56
Miss Jocelyn Santos	138 Humberstone Santos, Plalstow, E13 9NH	1373 31
Morgan Lovell	16 Noel Street, W1F 8DA	79102 50
Nelson Bakewell	25 Sackville Street, W1S 3HQ	4978 94

Nick Kwabi T/A Park Deckchairs	C/O Bowman Rodkin, Litigation Solicitors, Finchley, N12 0BT	2625 00
Novartis Vaccines	Gaskill Road, Speke, Liverpool, L24 9GR	3259 31
Orion Locums Ltd	Suite 6-7, Phoenix House, Basildon, SS14 3GQ	757 87
P&A Medical Ltd	Northern House, 24 - 26 Chorley Road, Bolton, BL6 5JS	2042 04
Pearl & Coutts Ltd	3rd Floor, 9 White Lion Street, N1 9PD	24654 91
Quest Diagnostics	Unit B1 Parkway, West Cranford Lane, Middlesex, TW5 9QA	81521 72
Retail Insight	16 Barry Close, St. Albans, Hertfordshire, AL2 3HN	1035 00
Stephen Murray	14 Silver Street, Bollington, Cheshire, SK10 5QL	39967 96
Sterilab Services	18 Mornington Terrace, Harrogate, North Yorkshire, HG1 5DH	2100 11
The Insolvency Services (Non Prof)	Redundancy Payments, Watford RPO, PO Box 15, Exchange House, 60 Exchange Road, Watford, WD18 0YP	2663 33
The London Breast Clinic Ltd	108 Harley Street, W1C 7ET	6495 00
The Royal Society of Medicine	1 Wimpole Street, London, W1G 0AE	3635 16
United Parcel Distribution	Unit 2, Bourne Enterprises Centre, Borough Green, TN15 8DG	1541 25
Universal Leasing	Admiral House, Parsons Street, OL9 7AH	1701 35
Universal Office Equipment	Client Services Centre, 120 High Road, N2 9ED	10389 85
Vantage Diagnostics	85 Tottenham Court Road, W1T 4TQ	2285 52
Waterfow Legal & Regulatory	6-14 Underwood Street, London, N1 7JQ	656 53
Weich Allyn UK Ltd	Cublington Road, Aston Abbots, Buckinghamshire, HP22 4ND	452 92
Windsor Flowers	39 Windsor House, King Street, EC2V 8DQ	1623 75

APPENDIX 8

Springfields Business Recovery & Insolvency Limited
Medicentre (UK) Limited

Pre-appointment time costs
From 28/06/2011

Classification of Work Function	Partner	Manager	Other Partner Professionals	Assistant & Support Staff	Total Return	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	44.30	18.70	0.00	0.00	63.00	16,201.50	278.16
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	1.40	0.00	0.00	0.00	1.40	441.00	315.00
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	28.20	7.00	0.00	0.00	35.20	10,531.00	299.87
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	74.90	22.70	0.00	0.00	97.60	27,133.50	284.04
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

Medicentres (UK) Limited

MCR Pre-appointment time costs

Classification of Work Function	Hours					Total Hours	Time Cost £	Av hourly Rate £
	Partner	Manager	Senior	Assistant	Support			
Administration and Planning								
Cashiering & accounting			0 30	0 20		0 50	121 00	242 00
Dealing with notice of intention to appoint		0 20	21 30			21 50	5,182 00	241 02
Dealings with Directors and Management	11 10	0 10	6 80	0 60		18 60	7,782 50	418 41
Financial review		8 80	2 10			10 90	3,584 00	328 81
Insurance			0 20			0 20	48 00	240 00
Strategy planning & control	14 30	58 40	1 10	6 70		80 50	29,728 00	369 29
Investigations								
Financial review and investigations (S238/239 etc)			0 20			0 20	48 00	240 00
Realisation of Assets								
Freehold and Leasehold Property			0 60	2 00		2 60	574 00	220 77
Goodwill and Intellectual Property Rights		0 30	0 40			0 70	201 00	287 14
Sale of business	14 30	14 50	21 60	15 00		65 40	21,277 50	325 34
Creditors								
Communications with Creditors/Employees			0 60			0 60	144 00	240 00
Total Hours	39 70	82 30	55 20	24 50	0 00	201 70		340 56
Total Fees Claimed (£)	21,636 50	28,805 00	13,263 00	4,985 50	0 00		68,690 00	

Category 2 Disbursements:

There are no category 2 disbursements for this case to date

Springfields Business Recovery & Insolvency Limited
Medicentre (UK) Limited

Post appointment time costs
To 08/09/2011

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	15.60	32.20	0.00	0.00	47.80	12,022.50	251.59
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.40	2.00	0.00	0.00	2.40	554.50	231.04
Investigations	5.70	3.80	0.00	0.00	9.50	2,528.00	278.42
Realisation of Assets	3.40	2.80	0.30	0.00	6.50	1,590.50	251.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	25.10	61.40	0.30	0.00	87.30	14,119.50	251.11
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

Medicentres (UK) Limited (In Administration)

MCR - Post Appointment time costs

Analysis of Joint Administrators' time costs for the period 25 July 2011 to 9 September 2011

Classification of Work Function	Hours					Total Hours	Time Cost £	Av hourly Rate £
	Partner	Manager	Senior	Assistant	Support			
Administration and Planning								
Case review and Case Diary management	0 30	1 40		1 30	2 10	5 10	1,000 00	196 08
Cashiering & accounting		0 50	1 60	1 20		3 30	824 50	249 85
Dealings with Directors and Management		1 90	16 90			18 80	4,721 00	251 12
Insurance			3 50			3 50	840 00	240 00
IPS set up & maintenance		0 10		0 40		0 50	125 00	250 00
Statement of affairs				1 60		1 60	344 00	215 00
Statutory matters (Meetings, Reports and Notices)	1 00	7 50	10 00	26 40		44 90	11,246 00	250 47
Strategy planning & control	6 10	27 50	5 70	17 50		56 80	18,088 50	318 46
Tax Compliance/Planning			0 80			0 80	192 00	240 00
Investigations								
CDDA, reports & Communication		0 10		2 60		2 70	520 50	192 78
Financial review and investigations (S238/239 etc)	0 30	0 70	2 90	0 80		4 70	1,276 50	271 60
Realisation of Assets								
Book debts		0 20		0 90		1 10	263 50	239 55
Freehold and Leasehold Property			1 20	8 50		9 70	2,115 50	218 09
Goodwill and Intellectual Property Rights				0 30		0 30	64 50	215 00
Other Intangible Assets			2 70			2 70	648 00	240 00
Other Tangible Assets		0 80	0 80			1 60	472 00	295 00
Sale of business	0 10	3 60	1 00			4 70	1,554 50	330 74
Trading								
Trading - Accounting			0 30			0 30	72 00	240 00
Creditors								
Communications with Creditors/Employees			4 80			4 80	1,152 00	240 00
Non Pref Creditor claims adjudication and dist'n		1 30		0 80		2 10	627 00	298 57
Non Pref Creditors/Employee claims handling		1 50	3 80	3 40		8 70	2,168 00	249 20
Pref claims adjudication and distribution		0 20				0 20	70 00	350 00
Total Hours	7 80	47 30	56 00	65 70	2 10	178 90		270 46
Total Fees Claimed (£)	4,251 00	16,583.50	13,440 00	14,047 50	63 00		48,385 00	

Category 2 Disbursements:

There are no category 2 disbursements for this case to date

APPENDIX 9

Schedule of Pre-Appointment costs incurred by the Joint Administrators' Agents and Solicitors in Accordance with Rule 2.33(2A) of Insolvency Rules 1896, as Amended

MCR and Springfields Business Recovery and Insolvency Limited have engaged the following firms to assist with the sale of the Company's business and assets and other statutory matters:

Company	Role	Costs Incurred (£)	Costs Paid (£)
Moon Beaver	Solicitors involved in the preparation of the sale of business contract, assistance with placing the Company into Administration and other general legal matters	19,165	Nil
DPB Law Solicitors	Assistance with placing the Company into Administration and other general legal matters	49,576*	Nil
Edward Symmons LLP	Valuation of the Company's chattel assets and leasehold interests	500	Nil
Coller IP Management Limited	Valuation of the Company's intangible assets	1,200	Nil
Ansarada UK Limited	Preparation and support for online data room containing marketing information	885	Nil

The Joint Administrators' choice of advisors was based on their perception of the experience and ability of the respective firms to perform their work, the complexity and nature of the assignment and the basis of the fee arrangement with those firms.

The pre-appointment costs of MCR Corporate Restructuring and Springfield Business Recovery and Insolvency Limited amount to £96,525 50 and are stated separately within the report. A schedule of these costs is included at Appendix 8. No sum has been paid in respect of these costs.

*Please note, the Joint Administrators are currently making enquiries for a breakdown of these costs.

APPENDIX 10

Charge out rates for Insolvency Department

With effect from 1st August 2011

Hourly Rate effective 1 August

Grade	2011 (£)	2010 (comparative) (£)
Director	340	315
Manager	195 – 250	180 – 235
Administrator	110 – 170	105 – 155

Time is recorded in units of 6 minutes (prior to 8/1/07 this was 15 minutes)

All amounts are shown exclusive of Value Added Tax, which will be charged at the prevailing rate

Disbursements policy

Disbursements only relate to expenditure that has directly been incurred Mileage expenses for the use of personal or company cars is charged at a maximum of 45p per mile

Creditors' Guide to Fees

(Produced by the Association of Business Recovery Professionals)

Creditors should note that a copy of the appropriate Creditors' Guide to Fees is available on request from this office or a copy can be accessed on the Insolvency Practitioners Association website www.insolvency-practitioners.org.uk under the heading 'Regulation and Guidance' and then by following the link to 'Creditors' Guide to Fees'



MCR

PROFESSIONAL FEES - SIP 9

MCR's mission statement is "to provide clients with an outstanding service based on technical excellence, effective problem solving and the highest level of client care" It provides a quality, partner led service and takes compliance with insolvency legislation and best practice guidance seriously

This guide to our fees has been produced to provide creditors with information required by best practice guidance We recommend that this guidance is read in conjunction with the note entitled "A Creditors Guide to Administrators Fees", which is attached.

At MCR we seek to recover fees on time cost basis Set out below are our firm's hourly rates, with effect from 1 January 2011, excluding VAT

	£
Partners	480 - 545
Managers/Directors	305 - 480
Seniors	190 - 310
Assistants/Support staff	30 - 170

We occasionally use an associated business, MCR Receivables Management Limited to assist with the collection of book debts and other matters that the officeholders deem necessary Depending upon the complexity and difficulties with the debtor records, work is undertaken on a basis of a percentage of realisations The rate usually applied is 10% plus VAT and expenses

As previously stated, MCR prides itself on the quality of work undertaken With that in mind, we would invite creditors to consider the following points

- 1 Our own standards mean that we undertake an investigation into the affairs of all companies in liquidation irrespective of the level of realisations that will be achieved.
- 2 The practice has to meet its own overheads and those associated with an insolvent state irrespective of when fees are available from a particular case We endeavour to allocate tasks to staff with the appropriate skills and at an appropriate charge-out rate
- 3 Expenses and disbursements incurred by MCR in dealing with the administration of insolvent estates are discharged as a practice overhead out of fee income This means that there are no hidden costs for recharging the use of internal meeting rooms, document storage and other services provided by the firm
4. For the avoidance of doubt, direct costs relating to the administration of an estate are recovered if funds permit These include, where applicable, advertising, travel expenses and expense claims by MCR staff where they are obliged to work away from the office MCR only seeks to recover the costs of printing, room hire and document storage provided by external suppliers.

A CREDITORS' GUIDE TO ADMINISTRATORS' FEES**ENGLAND AND WALES**

1 Introduction

- 1 1 When a company goes into administration the costs of the proceedings are paid out of its assets. The creditors, who hope eventually to recover some of their debts out of the assets, therefore have a direct interest in the level of costs, and in particular the remuneration of the insolvency practitioner appointed to act as administrator. The insolvency legislation recognises this interest by providing mechanisms for creditors to determine the basis of the administrator's fees. This guide is intended to help creditors be aware of their rights under the legislation to approve and monitor fees, explains the basis on which fees are fixed and how creditors can seek information about expenses incurred by the administrator and challenge those they consider to be excessive.

2 The nature of administration

- 2 1 Administration is a procedure which places a company under the control of an insolvency practitioner and the protection of the court with the following objective

- rescuing the company as a going concern, or
- achieving a better result for the creditors as a whole than would be likely if the company were wound up without first being in administration,

or, if the administrator thinks neither of these objectives is reasonably practicable

- realising property in order to make a distribution to secured or preferential creditors

3 The creditors' committee

- 3 1 The creditors have the right to appoint a committee with a minimum of 3 and a maximum of 5 members. One of the functions of the committee is to determine the basis of the administrator's remuneration. The committee is normally established at the meeting of creditors which the administrator is required to hold within a maximum of 10 weeks from the beginning of the administration to consider his proposals. The administrator must call the first meeting of the committee within 6 weeks of its establishment, and subsequent meetings must be held either at specified dates agreed by the committee, or when a member of the committee asks for one, or when the administrator decides he needs to hold one. The committee has power to summon the administrator to attend before it and provide information about the exercise of his functions.

4 Fixing the administrator's remuneration

- 4 1 The basis for fixing the administrator's remuneration is set out in Rule 2.106 of the Insolvency Rules 1986, which states that it shall be fixed

- as a percentage of the value of the property which the administrator has to deal with,
- by reference to the time properly given by the administrator and his staff in attending to matters arising in the administration, or
- as a set amount

Any combination of these bases may be used to fix the remuneration, and different bases may be used for different things done by the administrator. Where the remuneration is fixed as a percentage, different percentages may be used for different things done by the administrator.

It is for the creditors' committee (if there is one) to determine on which of these bases, or combination of bases, the remuneration is to be fixed. Where it is fixed as a percentage, it is for the

committee to determine the percentage or percentages to be applied, and where it is a set amount, to determine that amount. Rule 2.106 says that in arriving at its decision the committee shall have regard to the following matters:

- the complexity (or otherwise) of the case,
- any responsibility of an exceptional kind or degree which falls on the administrator,
- the effectiveness with which the administrator appears to be carrying out, or to have carried out, his duties,
- the value and nature of the property which the administrator has to deal with

4.2 If there is no creditors' committee, or the committee does not make the requisite determination (and provided the circumstances described in paragraph 4.3 do not apply), the administrator's remuneration may be fixed by a resolution of a meeting of creditors having regard to the same matters as apply in the case of the committee. If the remuneration is not fixed in any of these ways, it will be fixed by the court on application by the administrator, but the administrator may not make such an application unless he has first tried to get his remuneration fixed by the committee or creditors as described above, and in any case not later than 18 months after his appointment.

4.3 There are special rules about creditors' resolutions in cases where the administrator has stated in his proposals that the company has insufficient property to enable a distribution to be made to unsecured creditors except out of the reserved fund which may have to be set aside out of floating charge assets.

In this case, if there is no creditors' committee, or the committee does not make the requisite determination, the remuneration may be fixed by the approval of –

- each secured creditor of the company, or
- if the administrator has made or intends to make a distribution to preferential creditors –
 - each secured creditor of the company, and
 - preferential creditors whose debts amount to more than 50% of the preferential debts of the company, disregarding debts of any creditor who does not respond to an invitation to give or withhold approval,

having regard to the same matters as the committee would.

Note that there is no requirement to hold a creditors' meeting in such cases unless a meeting is requisitioned by creditors whose debts amount to at least 10 per cent of the total debts of the company.

4.4 A resolution of creditors may be obtained by correspondence.

5 Review of remuneration

5.1 Where there has been a material and substantial change in circumstances since the basis of the administrator's remuneration was fixed, the administrator may request that it be changed. The request must be made to the same body as initially approved the remuneration, and the same rules apply as to the original approval.

6 Approval of pre-administration costs

6.1 Sometimes the administrator may need to seek approval for the payment of costs in connection with preparatory work incurred before the company went into administration but which remain unpaid. Such costs may relate to work done either by the administrator or by another insolvency practitioner. Details of such costs must be included in the administrator's proposals.

6.2 Where there is a creditors' committee, it is for the committee to determine whether, and to what extent, such costs should be approved for payment. If there is no committee or the committee does not make the necessary determination, or if it does but the administrator, or other insolvency

practitioner who has incurred pre-administration costs, considers the amount agreed to be insufficient, approval may be given by a meeting of creditors. Where the circumstances described in paragraph 4.3 apply, the determination may be made by the same creditors as approve the administrator's remuneration.

- 6.3 The administrator must convene a meeting of the committee or the creditors for the purposes of approving the payment of pre-administration costs if requested to do so by another insolvency practitioner who has incurred such costs. If there is no determination under these provisions, or if there is but the administrator or other insolvency practitioner considers the amount agreed to be insufficient, the administrator may apply to the court for a determination.

7 What information should be provided by the administrator?

7.1 When seeking remuneration approval

- 7.1.1 When seeking agreement to his fees the administrator should provide sufficient supporting information to enable the committee or the creditors to form a judgement as to whether the proposed fee is reasonable having regard to all the circumstances of the case. The nature and extent of the supporting information which should be provided will depend on

- the nature of the approval being sought,
- the stage during the administration of the case at which it is being sought, and
- the size and complexity of the case

- 7.1.2 Where, at any creditors' or committee meeting, the administrator seeks agreement to the terms on which he is to be remunerated, he should provide the meeting with details of the charge-out rates of all grades of staff, including principals, which are likely to be involved on the case.

- 7.1.3 Where the administrator seeks agreement to his fees during the course of the administration, he should always provide an up to date receipts and payments account. Where the proposed fee is based on time costs the administrator should disclose to the committee or the creditors the time spent and the charge-out value in the particular case, together with, where appropriate, such additional information as may reasonably be required having regard to the size and complexity of the case. The additional information should comprise a sufficient explanation of what the administrator has achieved and how it was achieved to enable the value of the exercise to be assessed (whilst recognising that the administrator must fulfil certain statutory obligations that might be seen to bring no added value for creditors) and to establish that the time has been properly spent on the case. That assessment will need to be made having regard to the time spent and the rates at which that time was charged, bearing in mind the factors set out in paragraph 4.1 above. To enable this assessment to be carried out it may be necessary for the administrator to provide an analysis of the time spent on the case by type of activity and grade of staff. The degree of detail will depend on the circumstances of the case, but it will be helpful to be aware of the professional guidance which has been given to insolvency practitioners on this subject. The guidance suggests the following areas of activity as a basis for the analysis of time spent:

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors
- Any other case-specific matters

The following categories are suggested as a basis for analysis by grade of staff

- Partner
- Manager
- Other senior professionals
- Assistants and support staff

The explanation of what has been done can be expected to include an outline of the nature of the assignment and the administrator's own initial assessment, including the anticipated return to creditors. To the extent applicable it should also explain

- Any significant aspects of the case, particularly those that affect the amount of time spent
- The reasons for subsequent changes in strategy
- Any comments on any figures in the summary of time spent accompanying the request the administrator wishes to make
- The steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, time recording, fee drawing or fee agreement
- Any existing agreement about fees
- Details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees

It should be borne in mind that the degree of analysis and form of presentation should be proportionate to the size and complexity of the case. In smaller cases not all categories of activity will always be relevant, whilst further analysis may be necessary in larger cases.

- 7.1.4 Where the fee is charged on a percentage basis the administrator should provide details of any work which has been or is intended to be sub-contracted out which would normally be undertaken directly by an administrator or his staff.

7.2 After remuneration approval

Where a resolution fixing the basis of fees is passed at any creditors' meeting held before he has substantially completed his functions, the administrator should notify the creditors of the details of the resolution in his next report or circular to them. In all subsequent reports to creditors the administrator should specify the amount of remuneration he has drawn in accordance with the resolution (see further paragraph 8.1 below). Where the fee is based on time costs he should also provide details of the time spent and charge-out value to date and any material changes in the rates charged for the various grades since the resolution was first passed. He should also provide such additional information as may be required in accordance with the principles set out in paragraph 7.1.3. Where the fee is charged on a percentage basis the administrator should provide the details set out in paragraph 7.1.4 above regarding work which has been sub-contracted out.

7.3 Disbursements and other expenses

There is no statutory requirement for the committee or the creditors to approve the drawing of expenses or disbursements, but there is provision for the creditors to challenge them, as described below. Professional guidance issued to insolvency practitioners requires that, where the administrator proposes to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, document storage or communication facilities provided by the administrator's own firm), they must be disclosed and be authorised by those responsible for approving his remuneration. Such expenses must be directly incurred on the case and subject to a reasonable method of calculation and allocation.

8 Progress reports and requests for further information

- 8.1 The administrator is required to send a progress report to creditors at 6-monthly intervals. The report must include
- details of the basis fixed for the remuneration of the administrator (or if not fixed at the date of the report, the steps taken during the period of the report to fix it),
 - if the basis has been fixed, the remuneration charged during the period of the report, irrespective of whether it was actually paid during that period (except where it is fixed as a set amount, in which case it may be shown as that amount without any apportionment for the period of the report),
 - if the report is the first to be made after the basis has been fixed, the remuneration charged during the periods covered by the previous reports, together with a description of the work done

during those periods, irrespective of whether payment was actually made during the period of the report,

- a statement of the expenses incurred by the administrator during the period of the report, irrespective of whether payment was actually made during that period,
- the date of approval of any pre-administration costs and the amount approved,
- a statement of the creditors' rights to request further information, as explained in paragraph 8 2, and their right to challenge the administrator's remuneration and expenses

8 2 Within 21 days of receipt of a progress report a creditor may request the administrator to provide further information about the remuneration and expenses (other than pre-administration costs) set out in the report. A request must be in writing, and may be made either by a secured creditor, or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors (including himself) or the permission of the court

8 3 The administrator must provide the requested information within 14 days, unless he considers that

- the time and cost involved in preparing the information would be excessive, or
- disclosure would be prejudicial to the conduct of the administration or might be expected to lead to violence against any person, or
- the administrator is subject to an obligation of confidentiality in relation to the information requested,

in which case he must give the reasons for not providing the information

Any creditor may apply to the court within 21 days of the administrator's refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information

9 Provision of information – additional requirements

The administrator must provide certain information about time spent on a case, free of charge, upon request by any creditor, director or shareholder of the company

The information which must be provided is –

- the total number of hours spent on the case by the administrator or staff assigned to the case,
- for each grade of staff, the average hourly rate at which they are charged out,
- the number of hours spent by each grade of staff in the relevant period

The period for which the information must be provided is the period from appointment to the end of the most recent period of six months reckoned from the date of the administrator's appointment, or where he has vacated office, the date that he vacated office

The information must be provided within 28 days of receipt of the request by the administrator, and requests must be made within two years from vacation of office

10 What if a creditor is dissatisfied?

10 1 If a creditor believes that the administrator's remuneration is too high, the basis is inappropriate, or the expenses incurred by the administrator are in all the circumstances excessive he may, provided certain conditions are met, apply to the court

10 2 Application may be made to the court by any secured creditor, or by any unsecured creditor provided at least 10 per cent in value of unsecured creditors (including himself) agree, or he has the permission of the court. Any such application must be made within 8 weeks of the applicant receiving the administrator's progress report in which the charging of the remuneration or incurring of the expenses in question is first reported (see paragraph 8 1 above). If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the administrator a copy of the application and supporting evidence at least 14 days before the hearing

- 10 3 If the court considers the application well founded, it may order that the remuneration be reduced, the basis be changed, or the expenses be disallowed or repaid. Unless the court orders otherwise, the costs of the application must be paid by the applicant and not as an expense of the administration.

11 What if the administrator is dissatisfied?

- 11 1 If the administrator considers that the remuneration fixed by the creditors' committee is insufficient or that the basis used to fix it is inappropriate he may request that the amount or rate be increased, or the basis changed, by resolution of the creditors. If he considers that the remuneration fixed by the committee or the creditors is insufficient or that the basis used to fix it is inappropriate, he may apply to the court for the amount or rate to be increased or the basis changed. If he decides to apply to the court he must give at least 14 days' notice to the members of the creditors' committee and the committee may nominate one or more of its members to appear or be represented on the application. If there is no committee, the administrator's notice of his application must be sent to such of the company's creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid as an expense of the administration.

12 Other matters relating to remuneration

- 12 1 Where there are joint administrators it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute arising between them may be referred to the court, the creditors' committee or a meeting of creditors.
- 12 2 If the administrator is a solicitor and employs his own firm to act on behalf of the company, profit costs may not be paid unless authorised by the creditors' committee, the creditors or the court.
- 12 3 If a new administrator is appointed in place of another, any determination, resolution or court order which was in effect immediately before the replacement continues to have effect in relation to the remuneration of the new administrator until a further determination, resolution or court order is made.
- 12 4 Where the basis of the remuneration is a set amount, and the administrator ceases to act before the time has elapsed or the work has been completed for which the amount was set, application may be made for a determination of the amount that should be paid to the outgoing administrator. The application must be made to the same body as approved the remuneration. Where the outgoing administrator and the incoming administrator are from the same firm, they will usually agree the apportionment between them.

13 Effective date

This guide applies where a company enters administration on or after 6 April 2010, except where

- the application for an administration order was made before that date, or
- where the administration was preceded by a liquidation which commenced before that date

APPENDIX 11

Rule 2.35

Notice of a meeting of Creditors

Name of Company

Medicentres (UK) Limited

Company number

01536367

In the
High Court of Justice, Chancery Division,
Companies Court, London
(full name of court)

Court case number
6179 of 2011

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

Notice is hereby given by (a)
Paul John Clark
MCR
43-45 Portman Square
London
W1H 6LY

Situl Devji Raithatha
Springfields Business Recovery & Insolvency Ltd
80 Hinckley Road
Leicester
LE3 ORD

(b) Insert appointment
date

Administrator appointment made on 25 July 2011

(c) Insert IP No's

8570 and 8927

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

That a meeting of creditors of (b)
Medicentres (UK) Limited
43-45 Portman Square
London
W1H 6LY

(c) Insert details of place
of meeting

is to be held at (c)
(c) 43 – 45 Portman Square London, W1H 6LY

(d) Insert date and time
of meeting

on (d) 27 September 2011 at 11am

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

Dated 9/9/11

*Delete as applicable

A copy of the *proposals/~~revised proposals~~ is attached

SA

A1Q

"REL94AT1"
10/09/2011
COMPANIES HOUSE