

LIQ03

Notice of progress report in voluntary winding up



Companies House

FRIDAY



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11/10/2019

#163

COMPANIES HOUSE

1 Company details

Company number 0 5 2 9 0 2 4 7

Company name in full NUTRAHEALTH PLC

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) SEAN K

Surname CROSTON

3 Liquidator's address

Building name/number 30

Street FINSBURY SQUARE

Post town LONDON

County/Region

Postcode E C 2 A 1 A G

Country ENGLAND

4 Liquidator's name ①

Full forename(s) NICHOLAS S

Surname WOOD

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 30

Street FINSBURY SQUARE

Post town LONODN

County/Region

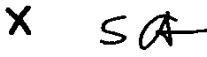
Postcode E C 2 A 1 A G

Country ENGLAND

② Other liquidator
Use this section to tell us about
another liquidator.

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6	Period of progress report															
From date	d	1	d	4	m	0	m	8	y	2	y	0	y	1	y	8
To date	d	1	d	3	m	0	m	8	y	2	y	0	y	1	y	9
7	Progress report															
<input checked="" type="checkbox"/> The progress report is attached																
8	Sign and date															
Liquidator's signature	Signature 															
Signature date	d	1	d	0	m	1	m	0	y	2	y	0	y	1	y	9

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**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Colin Morris**

Company name **Grant Thornton UK LLP**

Address **30 Finsbury Square**

Post town **London**

County/Region

Postcode **E C 2 A 1 A G**

Country **England**

DX

Telephone **020 7865 2760**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



Our ref. SKC/CMC/CTM/JET/N30200365/PF/7

To the member

Insolvency and asset recovery
 Grant Thornton UK LLP
 30 Finsbury Square
 London
 EC2A 1AG
 T +44 (0)20 7383 5100
 F +44 (0)20 7184 4301

10 October 2019

Dear Sir

NutraHealth Plc – In Members' Voluntary Liquidation (the Company)

I refer to the appointment of Nicholas Wood and myself as Joint Liquidators (the Joint Liquidators) of the Company on 14 August 2018.

I am now in a position to report on the progress of the liquidation for the period from 14 August 2018 to 13 August 2019 (the Period) and enclose the following documents for your reference

- Appendix 1, the information prescribed under the Insolvency Act 1986 relating to the Company;
- Appendix 2, an analysis of time costs as required by Statement of Insolvency Practice 9,
- Appendix 3, an extract from the Insolvency (England and Wales) Rules 2016 relating to the members' rights to request additional information from the Joint Liquidators (rule 18.9), and
- Appendix 4, an extract from the Insolvency (England and Wales) Rules 2016 relating to members' rights to challenge the Joint Liquidators' fees or expenses, if excessive (rule 18.34).

Background to our appointments

The Company was originally placed into Members' Voluntary Liquidation (MVL) on 9 January 2017 and Robert Day, of Robert Day and Company Limited, was appointed liquidator

Robert Day was appointed by Bank of Baroda (the Bank) to recover funds totaling c.£11 million loaned to the Company's Dubai incorporated shareholder, Elder International FZCO, under a facility agreement dated 24 February 2011 and a subsequent judgment debt totaling c.£12 million dated 29 June 2016.

Historically, the Company operated as a holding company for the below listed subsidiary companies, incorporated in England and Wales, with business operations primarily focused on the healthcare industry

- Brunel Healthcare Manufacturing Limited;
- BioCare Limited;

- Max Healthcare Limited,
- Max Remedies Limited,
- AhHa Publications Limited, and
- Natural Wellbeing Limited

(together, the Subsidiaries).

The former liquidator filed a final account to process the closure of the liquidation of the Company on 16 May 2017, and Companies House initiated the consequent three-month dissolution period on 30 May 2017. Following this, the Bank became aware that the Subsidiaries had been transferred out of the Company's ownership prior to it entering MVL.

On 29 August 2017, upon the application of the Bank, the High Court ordered that the dissolution of the Company be deferred until 30 August 2018; the High Court again deferred this dissolution on 29 August 2018 until 30 August 2021.

On 14 August 2018, the Bank appointed Nicholas Wood and myself as the Joint Liquidators of the Company in replacement of Robert Day.

Investigations to date

The Joint Liquidators have undertaken extensive investigations into the transfers of the Subsidiaries with a view to determining what, if any, claims may exist in respect of these transfers and against what targets. These investigations have included:

- Conducting searches of international public-source data registers with a focus on the United Kingdom, Bulgaria and India;
- Obtaining and forensically analysing the Company's bank statements to identify third parties relevant to the transfers,
- Writing to relevant third parties requesting copies of any records held in relation to their engagements with the Company,
- Securing information relating to transfers of the Subsidiaries out of the Company, and the subsequent sale of the Subsidiaries to third party companies, from various public sources including the United Kingdom's companies register and from related third parties;
- The records secured from these third parties were documented and reviewed to establish any further lines of investigation;
- Securing and thoroughly examining the Company's books and records received from a former director of the Company,
- Conducting an interview of the Company's former CFO and director to ascertain further information; and
- Liaising with our solicitors, TLT LLP (TLT), to formulate a potential strategy for the recovery of assets.

Future investigations

The Joint Liquidators along with their solicitors, TLT, have considered the findings of their investigations to date and have formulated an asset recovery strategy as detailed in the report to the Bank dated 3 October 2019 (the 3 October Report).

In summary the Joint Liquidators' proposed asset recovery strategy is to adopt a phased approach as follows.

Phase One – Further Investigations

Phase one involves further targeted investigations. The objective of this phase is to gather essential additional information which will help to determine the key targets of any future litigation based on

- what evidence there is to support any claims against them; and
- their asset positions

This phase will also allow us to trace the flow of consideration received by Klariva EOOD (formerly AD Global EOOD) in respect of the transfer of the Subsidiaries.

The Joint Liquidators will also reach the final stage of information and documentation collation from relevant third parties that remain outstanding.

Phase Two – Analyse Claims

If commercially viable target assets have been identified, phase two will involve analysing the evidence available in order to determine the specific legal claims that can be brought against each target and their appropriate jurisdiction.

Phase Three – Prepare and Issue Claims

In phase three we will notify targets of the claims against them and attempt to reach a consensual resolution. In the event that no resolution can be agreed, we will issue claims with a view to realising assets for distribution.

Realisation and distribution of assets

The director's statutory declaration of solvency, made on 9 January 2017, disclosed that the Company had assets of £7,351, comprised of cash at bank of £151 and client account monies of £7,200. It also disclosed liabilities of £7,200, comprised of the estimated costs of the liquidation and other expenses of £6,000, and unsecured creditors of £1,200.

Since my appointment as Joint Liquidator there have been no realisations and, accordingly, no distributions. As there have been no receipts or payments during the Period, no summary of receipts and payments is attached.

Joint Liquidators' fees and disbursements

On 10 August 2018, the Bank, exercising the powers of Elder International FZCO and acting pursuant to a power of attorney in accordance with a charge of certificated securities dated 24 January 2011, resolved that we draw our remuneration by reference to time costs. You will note from the SIP 9 tables attached at Appendix 4, that the time costs to date are £183,880 and that no remuneration has been drawn.

Expenses totalling £151 have been incurred in respect of statutory advertising; statutory bonding; land registry searches and other searches, including of overseas' registries. To date, only the costs of Strategic & Intelligence Risk Services (Europe) Limited have been met as disbursements, to be recharged to the Company in due course. These total £450 plus applicable VAT.

Data protection

Any personal information held by the Company will continue to be processed in accordance with completing the liquidation of the Company and in accordance with meeting our requirements under applicable Data Protection Legislation/law in the United Kingdom.

Please contact Prashan Patel, on the contact details shown in Appendix 1, if you have any queries in relation to the content of, or enclosures to, this letter

Yours sincerely
for and on behalf of NutraHealth Plc

A handwritten signature in black ink, appearing to read 'SKC' with a stylized flourish extending from the end.

Sean K Croston
Joint Liquidator

Enc.

Appendix 1 – Prescribed information

Company name	NutraHealth Plc
Registered number	05290247
Names of liquidators	Sean K Croston and Nicholas S Wood
Address of liquidators	Grant Thornton UK LLP 30 Finsbury Square, London, EC2P 2YU
Liquidators' office-holder numbers	8930 and 9064
Date of appointment of liquidators	14 August 2018
Details of any changes of liquidator	None
Telephone and email contact details for the liquidator	Prashan Patel on 020 7865 2328 or prashan.p.patel@uk.gt.com

Appendix 2 – SIP 9 information

MVL STATUTORY WORK

Task	Partner		Manager		Executive		Administrator		Total		
	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£	Average Hourly Rate £
Tax and pensions compliance	-	-	0.95	468.75	2.30	598.00	-	-	3.25	1,066.75	328.23
Shareholder correspondence	-	-	-	-	1.00	260.00	-	-	1.00	260.00	260.00
Statutory duties, administration and planning	0.70	357.00	5.65	2,288.50	14.75	3,759.00	15.60	2,808.00	36.70	9,212.50	251.02
Total	0.70	357.00	6.60	2,757.25	18.05	4,617.00	15.60	2,808.00	40.95	10,539.25	257.37

INVESTIGATION WORK

Task	Partner		Manager		Executive		Administrator		Total		
	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£	Average Hourly Rate
Asset realisations and investigations	10.80	7,020.00	84.40	40,108.00	194.60	58,405.00	286.80	58,084.25	576.60	163,617.25	283.76
Creditors and tax compliance	-	-	5.80	2,821.00	-	-	-	-	5.80	2,821.00	486.38
Appointor correspondence	-	-	12.60	6,237.00	0.20	65.00	2.50	600.00	15.30	6,902.00	451.11
Total	10.80	7,020.00	102.80	49,166.00	194.80	58,470.00	289.30	58,684.25	597.70	173,340.25	290.01

Appendix 3 – An extract from the Insolvency (England and Wales) Rules 2016 relating to members' rights to request additional information from the joint liquidators

Rule 18.9

- 1 The following may make a written request to the officeholder for further information about remuneration (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report or account under rule 18.14 –
 - a a secured creditor;
 - b an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
 - c members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;
 - d any unsecured creditor with the permission of the court, or
 - e any member of the company in a members' voluntary winding up with the permission of the court.
- 2 A request, or application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report or account by the person, or by the last of them in the case of an application by more than one member or creditor.
- 3 The officeholder must, within 14 days of receipt of such a request, respond to the person or persons who requested the information by–
 - a providing all of the information requested;
 - b providing some of the information requested;
 - c declining to provide the information requested.
- 4 The officeholder may respond by providing only some of the information requested or decline to provide the information if–
 - a the time or cost of preparation of the information would be excessive, or
 - b disclosure of the information would be prejudicial to the conduct of the proceedings;
 - c disclosure of the information might reasonably be expected to lead to violence against any person, or
 - d the officeholder is subject to an obligation of confidentiality in relation to the information.
- 5 An officeholder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.
- 6 A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of –
 - a the officeholder giving reasons for not providing all of the information requested, or
 - b the expiry of the 14 days within which an officeholder must respond to the request.
- 7 The court may make such order as it thinks just on an application under paragraph (6).

Appendix 4 – An extract from the Insolvency (England and Wales) Rules 2016 relating to members' rights to challenge the joint liquidators' remuneration or expenses, if excessive

Rule 18.34

- 1 This rule applies to an application in an administration, a winding up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that-
 - a the remuneration charged by the officeholder is in all the circumstances excessive,
 - b the basis fixed for the officeholder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or
 - c the expenses incurred by the officeholder are in all the circumstances excessive.
- 2 The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable-
 - a a secured creditor
 - b an unsecured creditor with either-
 - i the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
 - ii the permission of the court, or
 - c in a members' voluntary winding up-
 - i members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or
 - ii a member of the company with the permission of the court.
- 3 The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3 or final report or account under rule 18.14 which first reports the charging of remuneration or the incurring of the expenses in question ("the relevant report").