

Liquidator's Progress Report

S.192

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

To the Registrar of Companies

Company Number

03309770

Name of Company

Matrix Group Limited (in creditors' voluntary liquidation)

++ We

Neil John Mather, 31st Floor, 40 Bank Street, London, E14 5NR

Kirstie Jane Provan, 31st Floor, 40 Bank Street, London, E14 5NR

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

The Progress Report covers the period from 02/07/2015 to 01/07/2016

Signed

Date

26.8.16

Begbies Traynor (Central) LLP
31st Floor
40 Bank Street
London
E14 5NR

Ref MA432CVL/NJM/KJP/RJG/MJJ/LMMc

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COMPANIES HOUSE

Matrix Group Limited (In Creditors' Voluntary Liquidation)

Progress report pursuant to Section 104A of the
Insolvency Act 1986 and Rule 4.49C of the
Insolvency Rules 1986

Period: 2 July 2015 to 1 July 2016

Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Matrix Group Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The Company moving into creditors' voluntary liquidation from administration pursuant to Paragraph 83 of Schedule B1 to the Act
"the liquidators", "we", "our" and "us"	Neil John Mather and Kirstie Jane Provan both of Begbies Traynor (Central) LLP, 31st Floor, 40 Bank Street, London, E14 5NR
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name(s)	Matrix Group Limited
Company registered number	03309770
Company registered office	31st Floor, 40 Bank Street, London, E14 5NR
Former trading address	One Vine Street, London, W1J 0AH

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	2 July 2013
Date of liquidators' appointment	2 July 2013
Changes in liquidator (if any)	None

4. PROGRESS DURING THE PERIOD

Attached at **Appendix 1** is our abstract of receipts and payments account ("**the Account**") for the twelve month period of this progress report from 2 July 2015 to 1 July 2016 ("**the Period**") The Company is registered for VAT purposes VAT on supplies and services in the liquidation is reclaimable by the estate Amounts are stated net of VAT, i.e. excluding VAT, where applicable Our comments on the items appearing in the Account are detailed below

RECEIPTS

Bank Interest Gross

Interest earned in the Period on deposits held in the administration estate bank account held with Barclays Bank Plc ("**Barclays**") amounted to £6

PAYMENTS

No payments have been made during the Period

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors are included below

Secured creditors

Barclays Bank Plc ("**the Bank**") held a guarantee granted by the Company in respect of an overdraft facility for Matrix Corporate Capital LLP – in Liquidation ("**MCC**") However, the liability to the Bank was discharged in full prior to the appointment of the Administrators of the Company and MCC being placed into creditors' voluntary liquidation There are no other known secured creditors The Liquidators have registered memorandums of satisfaction at Companies House

Preferential creditors

Preferential creditors would ordinarily comprise claims from former employees for arrears of wages up to £800 and accrued holiday pay To the extent that an employee's contractual arrears of wages are not covered by the statutory limit of £800, the remainder of the claim would rank as an unsecured claim against the Company

The Redundancy Payments Office ("**the RPO**") processes employee payments for arrears of wages, holiday pay, statutory redundancy pay and statutory notice pay Where the RPO has advanced funds in respect of employees preferential claims, it will have a subrogated claim for these sums in the liquidation Preferential creditors' claims are payable out of any *net* surplus arising from the sale and/or realisation of assets, in priority to the unsecured creditors

There are no known preferential creditors Mr Robert Randall was an employee of the Company However to date, he has made no claim against the Company

Unsecured creditors

Unsecured creditors were estimated at £285K according to the directors' statement of affairs This figure comprises in the main, of trade creditors and a small sum due to HMRC in respect of a PAYE liability

In addition to this sum, the Company was a guarantor (of Matrix-Securities Limited) in respect two leases to its former offices at One Vine Street, London, W1J 0AH As you may be aware, Matrix-Securities Limited ("**MSL**") entered into administration on 6 November 2012 and was subsequently moved into liquidation on 2 July 2013

On the advice of Edward Symmons LLP, instructed to value the leases, both leases have been surrendered following negotiations with the Landlord Accordingly, the Landlord also has a claim in the liquidation in respect of the Company's exposure under the guarantee which crystallised on surrender of the lease

Any future realisations in the liquidation are largely dependent upon the level of distribution that the Company may receive from the liquidation of MSL, in respect of its unsecured inter-company claim of circa £644,000. We also act as liquidators of MSL. The quantum and timing of any distribution in the liquidation of MSL is as yet uncertain and also dependent upon the level of further realisations, if any, in the liquidation.

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the Liquidator must make a *prescribed part* of the Company's *net property* available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. *Net property* means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The floating charge holder may not participate in the distribution of the prescribed part of the Company's net property.

As far as we are aware, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and therefore, this provision is not applicable in this case.

VAT bad debt relief

Creditors should note that they may be eligible for VAT bad debt relief in respect of their outstanding claims, six months after the relevant invoice date or payment date if later, provided the debt is written off in their books. Creditors should seek advice on this subject from their own professional advisers.

6 REMUNERATION & DISBURSEMENTS

Pursuant to Rule 4.127(5A)(a) of the Rules, our remuneration is treated as having been fixed on the same basis as the former administrators, by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge-out rates of Begbies Traynor (Central) LLP ("Begbies") in attending to matters arising in the liquidation.

Pursuant to Statement of Insolvency Practice 9, we are also authorised to draw disbursements, including disbursements for services provided by our firm (defined as Category 2 disbursements in Statement of Insolvency Practice 9) on the same basis as the former administrators, namely, in accordance with Begbies' policy, a copy of which is attached at **Appendix 2** of this report.

Our time costs for the Period amount to £11,111 which represents 47.50 hours at an average rate of £233.92 per hour.

The following further information in relation to our time costs and disbursements is set out at **Appendix 2**.

- ☐ Narrative summary of time costs incurred,
- ☐ Table of time spent and charge-out value for the Period,
- ☐ Table of time spent and charge-out value for the period 2 July 2013 to 1 July 2016,
- ☐ Begbies' policy for re-charging disbursements, and
- ☐ Begbies' charge-out rates.

To 1 July 2016, we have drawn the total sum of £17,500 on account of our remuneration, against total time costs of £34,628 incurred since the date of our appointment as liquidators. In addition to the time costs information disclosed at **Appendix 2** for the period of this report, our previous progress reports contained details of the time costs we had incurred as at the date of each report.

To 1 July 2016, we have also drawn disbursements in the sum of £149.

Details of the Category 2 disbursements and also disbursements that should be treated as Category 2 disbursements that have been taken in accordance with the approval obtained are provided in the narrative summary of time costs incurred which is at **Appendix 2**

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2011' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact this office and a copy will be sent to you

7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at **Appendix 3**. A cumulative statement showing the total expenses incurred since the date of our appointment also appears at **Appendix 3**

8. ASSETS THAT REMAIN TO BE REALISED

Matrix PRCM Limited ("Matrix-PRCM")

Matrix-PRCM is a wholly owned subsidiary of the Company, its parent

On 22 December 2011, Matrix PRCM sold its interest in Prime Rate Capital Management LLP ("PRCM") to a party ("the Buyer"), which because of certain confidentiality provisions in the Purchase Agreement ("the Agreement"), cannot be disclosed in this report. MGL was a party to the Agreement in the capacity of a guarantor to Matrix-PRCM. The Buyer also has a guarantor, its US parent ("the US Guarantor")

The Agreement provided for an Earn-Out Payment calculated as a percentage of the amount (if any) by which Net Revenue exceeds a Baseline Amount, for a given Earn-Out Period of five consecutive 12-month periods starting from 22 December 2011. Based upon accounts and calculations produced by the Buyer, there was no Earn-Out Payment due for the first and second anniversaries to April 2014, principally because of the poor performance of the fund managed by PRCM.

Matrix PRCM, in conjunction with the Company and MSL, as its principal creditor, entered into negotiations with the Buyer and the US Guarantor, whereby agreement was reached for the US Guarantor to acquire the balance of the Buyer's obligations to make Earn-Out Payments for the remaining three Earn-Out Periods, for a one-off payment of US\$75,000. This amount was paid to the Company on 24 December 2014, which on conversion amounted to £47,413.

Following discussions with Matrix-PRCM, it was agreed that an amount of £30,000 would be retained by MSL, as a payment on account of its (Matrix-PRCM) outstanding indebtedness. The balance of £17,413 was remitted to Matrix-PCM.

On 7 July 2015, the Registrar of Companies gave notice that at the expiration of 3-months from the date of the notice, Matrix-PCM will be struck-off and dissolved thereafter. It was subsequently dissolved on 20 October 2015. Accordingly, there is no likelihood of a return to the Company as its sole shareholder.

Inter-company balance due from MSL

According to the Company's books and records, there is an amount owed to the Company by MSL (for which we also act as Liquidators) of circa £644,000. Based upon current estimates and after accounting for the future costs and expenses of the liquidation, there may be a surplus of funds to enable a distribution to the unsecured creditors. However, as reported above, the quantum and timing of any distribution is as yet uncertain and also dependent upon the level of further realisations, if any, in the liquidation.

9. OTHER RELEVANT INFORMATION

Investigations and reporting on directors conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Innovation and Skills. We can confirm that we have discharged our duties in these respects.

Investigations carried out to date

We have undertaken an initial assessment of the manner in which the business was conducted prior to the liquidation of the Company and potential recoveries for the estate in this respect. On the basis of the summary investigations to date, there do not appear to be any transactions which are capable of being challenged and which would result in a further recovery for the estate.

Connected party transactions

We have not been made aware of any sales of the Company's assets to connected parties.

10. CREDITORS' RIGHTS

Right to request further information


Pursuant to Rule 4.49E of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been detailed in this progress report.

Right to make an application to court

Pursuant to Rule 4.131 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred as set out in this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

11. CONCLUSION

We will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner.



Neil Mather
Joint Liquidator
Dated

26.8.16

APPENDIX 1

ACCOUNT OF RECEIPTS AND PAYMENTS

Period 2 July 2015 to 1 July 2016

Matrix Group Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs	From 02/07/2015 To 01/07/2016	From 02/07/2013 To 01/07/2016
ASSET REALISATIONS		
Transfer of funds from ADM	NIL	31,151 65
Bank Interest Gross	6 20	46 87
	<u>6 20</u>	<u>31,198 52</u>
COST OF REALISATIONS		
Joint Liquidators' Fees	NIL	17,500 00
Joint Liquidators' Expenses	NIL	149 29
Professional Fees - Tax Advisers	NIL	3,000 00
Statutory Advertising	NIL	169 20
	<u>NIL</u>	<u>(20,818 49)</u>
UNSECURED CREDITORS		
(285,756 13) Trade Creditors	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
<u>(285,756.13)</u>	<u>6.20</u>	<u>10,380.03</u>
REPRESENTED BY		
Bank 2 Current		10,380 03
		<u>10,380.03</u>

TIME COSTS AND DISBURSEMENTS

- a Begbies' charging policy,
- b Narrative summary of time costs incurred,
- c Table of time spent and charge-out value for the Period, and
- d Cumulative table of time spent and charge-out value for the period from 2 July 2013 to 1 July 2016

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance² requires that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- *Category 2 disbursements (approval required)* - items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(A) The following items of expenditure are charged to the case (subject to approval)

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £150 per meeting,
- Car mileage is charged at the rate of 45 pence per mile,
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² Ibid 1

held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates,

- Displaying properties for sale on the 'Accelerated Property Sales from Begbies Traynor' section of the Begbies Traynor website is charged at the rate of £75 00 per property,
- *Expenses which should be treated as Category 2 disbursements (approval required)* – in addition to the 2 categories referred to above, best practice guidance indicates that where payments are made to outside parties in which the office holder or his firm or any associate has an interest these should be treated as Category 2 disbursements

The following items of expenditure which relate to services provided by BTG Forensic Technology, part of BTG Global Risk Partners, within the Begbies Traynor Group are to be charged to the case (approval obtained by creditors at the initial meeting held on 14 January 2013)

- (B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*

- Telephone and facsimile
- Printing and photocopying
- Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the London office as at the date of this report are as follows

Grade of staff	Charge-out rate (£ per hour)
	1 May 2016 – until further notice
Consultant/Partner	495 – 550
Director	395
Senior Manager	365
Manager	315
Assistant Manager	285
Senior Administrator	250
Administrator	220
Trainee Administrator	160
Support	160

Prior to 1 May 2016, the following rates applied

	Standard 1 May 2011 – 30 April 2016
Grade of staff	
Partner	495
Director	395
Senior Manager	365
Manager	315
Assistant Manager	270
Senior Administrator	235
Administrator	185
Trainee Administrator	160
Support	160

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units

As referred to above, the office holder has used and may continue to use the services of BTG Forensic during the course of the administration. BTG Forensic is a specialist department of the office holder's firm which provides forensic accounting services. The current charge out rates applying to work carried out by BTG Forensic are as follows:

Grade of staff	Charge-out Rate (£ per hour)
Partner	500
Director	400
Senior Manager	295
Manager	260
Junior	200

Matrx Group Limited

SUMMARY OF TIME COSTS AND EXPENSES

This summary, which should be read in conjunction with the Time Costs Analysis for the period of the report attached, is intended to provide sufficient information to enable the body responsible for the approval of our fees to consider the level of our fees and expenses in the context of the case

What work has been done in the period of the report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached. There is an analysis for the period of the report and also an analysis of time spent on the case since the date of our appointment. The details below relate to the work undertaken in the period of the report only. Our previous reports contain the costs of the work undertaken since our appointment.

General case administration and planning

We have continued to maintain our case files and have carried out regular compliance reviews of the case, together with progress reviews, in order to ensure that any statutory requirements are being complied with and that the case is being efficiently and effectively progressed.

Whilst the above work is not of a direct financial benefit to creditors, we are required to maintain records to demonstrate how the case was administered and to document the reasons for any decisions that materially affect the case.

Compliance with the Insolvency Act, Rules and best practice

During the reporting period, in line with the requirements of the Insolvency Act 1986 and best practice guidance, the Liquidators have prepared this progress report for circulation to creditors and ensured the case is adequately bonded. In addition, they have been obliged to update their files in compliance with prevailing anti money laundering regulations.

Whilst this item of work is not of a direct financial benefit to creditors, it is a statutory requirement that they must adhere to and it is of benefit to creditors as it ensures that they are advised of matters arising and progress within the liquidation.

Investigations

Our investigations into the Company's affairs were completed during the first six months of our appointment and therefore, no time has been spent in this respect during the (reporting) Period.

Realisation of assets

The only asset realisation in the Period is bank interest as detailed in the report.

Dealing with all creditors' claims (including employees), correspondence and distributions

Future realisations will be largely dependent upon the level of any distribution in the liquidation of MSL, for which we also act as Liquidators. Based upon current estimates and after accounting for the future costs and expenses of the liquidation of MSL, there may be a surplus of funds to enable a distribution to the unsecured creditors, among which the Company's claim will rank. However, the quantum and timing of any distribution is as yet uncertain and also dependent upon the level of further realisations, if any, in the liquidation of MSL.

In light of the above, we have not carried out any work in relation to creditors' claims unless and until a dividend is declared and paid from MSL

Other matters which includes meetings, tax, litigation, pensions and travel

As and when appropriate to do so, we have submitted VAT reclaims to HM Revenue & Customs ("HMRC") to recover VAT charged on costs and expenses incurred in the course of the liquidation. In addition, we have submitted Corporation Tax computations and Returns to HMRC in compliance with the prevailing tax legislation. Whilst this particular item of work is not of a direct financial benefit to creditors, it is a necessary requirement that I must adhere to in order to comply with prevailing tax legislation.

Time Costs Analysis

An analysis of time costs for the period of the report is attached showing the time spent by each grade of staff on the different types of work involved in the case, and giving the total costs and average hourly rate charged for each work type. An additional analysis is also attached which details the time costs for the entire period for which we have administered the liquidation.

Please note that each analysis provides details of the work undertaken by us and our staff following our appointment only.

Category 2 Disbursements

There have not been any category disbursements in the liquidation.

Why have subcontractors been used?

Solicitors, Addleshaw Goddard LLP ("AG") have been engaged to assist the Administrators and latterly the Liquidators, in relation to various matters arising in both the administration and liquidation. AG have been remunerated on a time cost basis at their firm's standard hourly charge-out rates. At present there are insufficient funds to disburse their outstanding costs amounting to £9,276 plus disbursements of £238.28 for the period from 10 January 2103 to April 2015. This includes advice rendered in relation to

- a claim by the Landlord of One Vine Street, London, W1J 0AH, against the Company, as a guarantor of the lease liability,
- the matter of Matrix PRCM,
- the matter of certain unsecured claims of professional advisers for unpaid fees,
- the matter of the sale of the Company's interest in Matrix Bermuda Limited,
- reviewing and confirming the validity of the Administrators' appointment, and
- other sundry matters

What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?

General case administration and planning

Ensuring that files are maintained and carrying out regular compliance reviews of the case in order to ensure that matters are being progressed in an efficient and timely manner. As detailed above, we are required to maintain records to demonstrate how the case was administered and to document the reasons for any decisions that materially affect the case.

Compliance with the Insolvency Act, Rules and best practice

The Insolvency Act and Rules require us to produce annual progress reports to creditors and to produce a final report at the conclusion of the liquidation. It is also a requirement to summon and hold final meetings of the members and its creditors. Thereafter, the Company will be dissolved.

We are obliged by best practice to carry out regular (every six months) compliance case and strategy reviews, bank reconciliations as and when appropriate and bonding reviews.

Realisation of assets

There have been no asset realisations in the liquidation in the Period. As detailed above, the only remaining asset is the possibility of receiving a dividend in respect of the Company's claim in the liquidation of MSL.

Dealing with all creditors' claims (including employees), correspondence and distributions

As previously advised, depending upon the quantum of the dividend from MSL will determine whether there are sufficient funds available to enable a distribution to the unsecured creditors.

Other matters which includes meetings, tax, litigation, pensions and travel

During the course of the liquidation, it will be necessary to complete and submit Form VAT 426 claims to HM Revenue & Customs ("HMRC") to recover VAT charged on costs and expenses incurred in the course of the liquidation. In addition, to submit Corporation Tax computations and Returns to HMRC in compliance with the prevailing tax legislation. As part of the closing process, we will be seeking tax clearance from HMRC up to the latest practicable date prior to summoning and convening the final meetings of members and creditors. This is a necessary requirement before we can proceed to close the liquidation.

How much will this further work cost?

Based upon current charge-out rates and historic time charged to the case, it is anticipated that the costs of the further work to the closure of the liquidation will amount to circa £15,000.

Expenses

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above are as follows:

No	Type	Description	£Estimate
1	Storage & Destruction	Relating to case/liquidation records for a period of 6 years from the closure date	600 00
2	Bank charges & Insolvency Service Unclaimed dividend	Cost to cancel cheques and also to pay the unclaimed dividend amounts to the ISA unclaimed dividend account if a dividend is declared in the liquidation	300 75
3	Postage & Stationery	Sending circular letters and notices to members and creditors of annual reports and the final report in due course	300 00
4	Statutory advertising	Advertising the final meeting	85 00
5	Contingency	Provision for unforeseen expenses incurred in the liquidation	100 00
	Total		1,385 75

Time and Expenses Report - Summary

01MA432.CVL | CVL - Matrix Group Limited | From 02/07/2015 To 01/07/2016

	Action Code	Partner	Director	Senior Manager	Manager	Senior Case Administrator	Case Administrator	Support & Cashiering	Other	Total Hours	Total Cost	Avg Rate
Administration	1ADMIN	0.1	1.00	0.00	0.00	0.00	2.00	4.60	0.00	7.70	1,550.50	201.36
Banking	1BANK	0	0.00	0.00	0.00	0.00	0.00	0.80	0.00	0.80	108.00	135.00
Bonding	1BOND	0	0.10	0.00	0.00	0.00	0.00	0.00	0.00	0.10	39.50	395.00
Claims, proceeds and distributions	1CLAIM	0	0.00	0.00	0.00	0.00	0.00	3.60	0.00	3.60	576.00	160.00
Investigations	1INVCN	0	3.20	0.00	0.00	0.00	0.00	0.00	0.00	3.20	1,284.00	395.00
Case strategy and planning	1PLAN	0.3	5.10	0.00	0.00	0.00	8.10	0.00	0.00	13.50	3,728.00	278.15
Statutory reports and returns	1STAT	0.3	1.40	0.00	0.00	0.00	8.80	1.20	0.00	11.70	2,521.50	215.51
VAT and tax	1VATTX	0	0.50	0.00	0.00	0.00	2.40	0.20	0.00	3.10	715.50	230.81
Tax - VAT	3VAT	0	0.00	0.00	0.00	0.00	0.00	3.80	0.00	3.80	608.00	160.00
Total hours		0.70	11.30	0.00	0.00	0.00	21.30	14.20	0.00	47.50		
Total cost		346.50	4,463.50	0.00	0.00	0.00	4,049.00	2,252.00	0.00	11,111.00		

Employee / Disb Cost	44.87
Disb Fee/Drawing	0.00
Time Fee/Drawing	0.00
Outstanding Costs	11,155.87

Time and Expenses Report - Summary

01MA432.CVL | CVL - Matrix Group Limited | From 02/07/2013 To 01/07/2016

	Action Code	Partner	Director	Senior Manager	Manager	Senior Case Administrator	Case Administrator	Support & Cashiering	Other	Total Hours	Total Cost	Avg Rate
Administration	1ADMIN	0.7	1.10	5.50	6.00	0.10	30.30	25.50	0.00	69.20	14,117.50	204.01
Banking	1BANK	0	0.00	0.00	0.00	0.00	0.20	6.60	0.00	6.80	1,003.00	147.50
Bonding	1BOND	0	0.10	0.00	0.00	0.00	0.00	0.50	0.00	0.60	119.50	199.17
CCDA reporting and follow up	1CDDA	0.3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	148.50	495.00
Claims pre and distributions	1CLAIM	0.3	0.00	0.00	0.00	0.00	1.50	3.60	0.00	5.40	1,002.00	185.56
Debt Collection	1DTCOL	0.2	0.00	0.00	0.10	0.00	0.10	0.00	0.00	0.40	144.50	361.25
Employment	1EMPPE	0	0.00	0.00	0.20	0.00	0.00	0.00	0.00	0.20	54.00	270.00
Investigations	1INVGN	0	3.20	0.00	0.00	0.00	0.00	0.00	0.00	3.20	1,264.00	395.00
Case strategy and planning	1PLAN	3	5.40	0.70	0.00	0.00	17.60	0.00	0.00	26.70	7,196.00	289.51
Statutory reports and returns	1STAT	0.9	1.40	1.00	0.00	0.00	26.30	1.20	0.00	30.80	6,421.00	208.47
VA search	1VATTX	0.4	0.50	0.00	0.30	0.00	9.50	0.70	0.00	12.00	2,550.00	212.50
Tax	3VAT	0	0.00	0.00	0.00	0.00	0.00	3.80	0.00	3.80	608.00	160.00
Total Hours		5.80	11.70	7.20	7.20	0.10	85.50	41.90	0.00	159.40		
Total Cost		2,871.00	4,621.50	2,628.00	1,944.00	23.50	15,926.00	6,614.00	0.00		34,628.00	

Employee / Disb Costs	194.18
Disb Fees Drawn	148.29
Time Fees Drawn	17,500.00
Outstanding Costs	17,172.87

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	£Amount incurred	£Amount discharged	£Balance (to be discharged)
Expenses incurred with entities not within the Begbies Traynor Group				
Postage	Royal Mail Group Plc	44 87	NIL	44 87
Total		44.87	NIL	44.87

CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	£Amount incurred
Postage	Royal Mail Group Plc	117 88
Archive	Re-Store Plc	76 28
Total		194.16