

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 liquidation)

± We

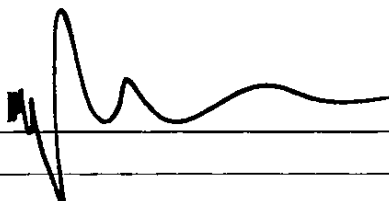
Neil John Mather, 31st Floor, 40 Bank Street, London, E14 5NR

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 02/07/2014 to 01/07/2015

Signed



Date

28.8.15

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

Ref MA432CVL/NJM/KJP/RJG/MJJ/AJG



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 2014 to 1 July 2015

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 Administrators"	Formerly 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"	<ul style="list-style-type: none">(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 period from 2 July 2014 to 1 July 2015 ("**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 as follows

RECEIPTS

Bank Interest Gross

Interest earned in the Period on deposits held in the administration estate bank account held with Barclays Bank Plc amounted to £15

PAYMENTS

Liquidators' Fees

An amount of £15,000 has been paid to our firm, Begbies Traynor (Central) LLP ("**Begbies Traynor**") as payment on account of our costs of dealing with the liquidation This is dealt with in more detail in **Section 6** below

Liquidators' Expenses

An amount of £106 has been paid to Begbies Traynor in respect of our expenses incurred in dealing with the liquidation This is also dealt with in more detail in **Section 6** below

Professional Fees – Tax Advisors

An amount of £3,000 has been paid to Rees Pollock LLP in respect of their costs of £1,500 for the preparation of tax computations and corporation tax returns for the years ending 2 July 2013 and 2 July 2014

ASSETS REALISED IN THE PERIOD

Sale of Matrix Bermuda Limited ("MBL")

As previously reported, the Administrators effected a sale of the shares the Company held in Matrix Bermuda Limited ("MBL"). The sale agreement provided that there was an element of deferred consideration payable by MBL, depending upon it achieving a certain level of profitability, within a prescribed period ending 30 November 2014. Based upon its performance, as reported by MBL, there was no deferred consideration payable.

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 PAYE liability.

In addition to this sum, the Company was a guarantor (of Matrix-Securities Limited) in respect of 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 ES, 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 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 our firm's policy, a copy of which is attached at Appendix 2 of this report.

Our time costs for the period from 2 July 2014 to 1 July 2015 amount to £7,106.50 which represents 33.20 hours at an average rate of £214.05 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 2 July 2014 to 1 July 2015,
- ☐ Table of time spent and charge-out value for the period 2 July 2013 to 1 July 2015,
- ☐ Begbies Traynor's policy for re-charging disbursements, and
- ☐ Begbies Traynor's charge-out rates.

To 1 July 2015, we have drawn the total sum of £15,000 on account of our remuneration, against total time costs of £23,517 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 2015, 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**.

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. Given the substantial debt still owing to MSL, and in light of this notice, there is little or no likelihood of a return to the Company as the 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 the 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

As far as we are aware, there have been no connected party transactions in the Period of the Account.

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 28 August 2015

APPENDIX 1

ACCOUNT OF RECEIPTS AND PAYMENTS

Period 2 July 2014 to 1 July 2015

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

Statement of Affairs	From 02/07/2014 To 01/07/2015	From 02/07/2013 To 01/07/2015
ASSET REALISATIONS		
Transfer of funds from ADM	NIL	31,151 65
Bank Interest Gross	14 83	40 67
	<u>14 83</u>	<u>31,192 32</u>
COST OF REALISATIONS		
Joint Liquidators' Fees	15,000 00	17,500 00
Joint Liquidators' Expenses	106 35	149 29
Professional Fees - Tax Advisers	3,000 00	3,000 00
Statutory Advertising	NIL	169 20
	<u>(18,106 35)</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>(18,091 52)</u>	<u>10,373 83</u>
REPRESENTED BY		
Vat Receivable		4,163 70
Bank 2 Current		6,210 13
		<u>10,373 83</u>

TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements,
- b Begbies Traynor (Central) LLP's charge-out rates,
- c Narrative summary of time costs incurred
- d Table of time spent and charge-out value for the period from 2 July 2014 to 1 July 2015, and
- e Cumulative table of time spent and charge-out value for the period from 2 July 2013 to 1 July 2015

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	Standard 1 May 2011 – until further notice London
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

SUMMARY OF OFFICE HOLDERS' TIME COSTS

CASE NAME	Matrix Group Limited
CASE TYPE	CREDITORS' VOLUNTARY LIQUIDATION
OFFICE HOLDERS	Neil John Mather and Kirstie Jane Provan
DATE OF APPOINTMENT	2 July 2013

1 CASE OVERVIEW

- 1.1 This overview and the time costs analysis attached is intended to provide sufficient information to enable the body responsible for the approval of the office holders' fees to consider the level of those fees in the context of the case

1.2 Complexity of the case

The Matrix Group has a complicated structure with 50+ entities providing complex and highly technical financial products and services to a broad range of markets and industries. There have been a number of complexities involved in dealing with some of the assets. This has necessitated a more thorough review and investigation of the facts of the matter, in order to devise the most effective asset realisation strategy.

1.3 Exceptional responsibilities

There have been no exceptional responsibilities notwithstanding the complexity of the case generally.

1.4 The office holders' effectiveness

To date, total realisations in the liquidation amount to £31,192 including the transfer of the surplus from the administration. Future realisations will be largely dependent upon the level of any distribution in the liquidation of MSL, for which we also act as Liquidators.

1.5 Nature and value of property dealt with by the office holders

Please refer to the main body of the report for information concerning the assets of the Company and their value.

1.6 Anticipated return to creditors

As mentioned above, a return to creditors, if any, will be largely dependent upon the level of any distribution in the liquidation of MSL. 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.

1.7 Time costs analysis

An analysis of time costs incurred between 2 July 2014 to 1 July 2015 prepared in accordance with Statement of Insolvency Practice 9 is attached showing the number of hours spent by each grade of staff on the different types of work involved in the case, and giving the average hourly rate charged for each work type.

The time costs analysis provides details of work undertaken by the Liquidators and their staff following their appointment only.

1 8 Work undertaken prior to appointment

Prior to being appointed as Liquidators, we acted as the Administrators of the Company. Details of the Administrators' costs and expenses have been included in previous reports sent to creditors.

1 9 The views of the creditors

Creditors have been kept apprised of the progress of the liquidation in the annual reports produced to date. There have been no adverse views, or otherwise, expressed by creditors in respect of our conduct of the liquidation.

1 10 Approval of fees

Pursuant to Rule 4.127(5A)(a) of the Rules, our remuneration is treated as having been fixed on the same basis as that agreed in the administration, given we both formerly acted as the Company's Administrators, by reference to the time properly given by us (now as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor in attending to matters arising in the liquidation.

The Resolution was approved at the initial meeting of creditors in the preceding administration, held on 14 January 2013.

1 11 Approval of Expenses and Disbursements

We are also authorised to draw disbursements, including disbursements for services provided by our firm, Begbies Traynor, (defined as category 2 disbursements in Statement of Insolvency Practice 9) in accordance with our firm's policy, details of which accompanied the Statement of Proposals. This was approved by resolution at the initial meeting of creditors held on 14 January 2013.

1 12 Category 2 Disbursements

There have not been any category 2 disbursements.

1 13 Other professionals employed & their costs

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 2013 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,
- other sundry matters,

1 14 Staffing and management

Appropriately experienced staff will undertake the various tasks arising in the liquidation. It is the policy of Begbies Traynor that all grades of staff charge time which solely relates to the case. The analysis below seeks to give some indication of the various tasks undertaken by us and our staff but is not intended to be, nor should be viewed as, an exhaustive list.

2 EXPLANATION OF OFFICE HOLDERS' CHARGING AND DISBURSEMENT RECOVERY POLICIES

- 2.1 Begbies Traynor's policy for charging fees and expenses incurred by office holders is attached at Appendix 2
- 2.2 The rates charged by the various grades of staff who may work on a case are attached at Appendix 2

3 SUMMARY OF WORK CARRIED OUT SINCE OUR LAST REPORT

- 3.1 Since the date of our last report, the following work has been carried out
- Dealing with all statutory compliance matters including filings at Companies House and Court, and bonding,
 - Dealing with all administration banking requirements, and
 - Dealing with, and monitoring asset realisations in the liquidation including Matrix-PCRM, sale of the shares the Company held in Matrix Bermuda Limited, and Inter-company balance due from MSL, and
 - Dealing with all other matters arising in the liquidation, including preparing this report

Time and Expenses Report - Summary

01MA432.CVL | CVL - Matrix Group Limited | From 02/07/2014 To 01/07/2015

Action Code	Partner	Director	Senior Manager	Manager	Senior Case Administrator	Case Administrator	Support & Cashiering	Other	Total Hours	Total Cost	Avg Rate
1BANK	0	0.00	0.00	0.00	0.00	0.00	1.20	0.00	1.20	192.00	160.00
1VATTX	0	0.00	0.00	0.90	0.00	0.20	0.50	0.00	1.60	360.00	225.00
1BOND	0	0.00	0.00	0.00	0.00	0.00	0.10	0.00	0.10	16.00	160.00
1CLAIM	0.2	0.00	0.00	0.00	0.00	1.50	0.00	0.00	1.70	376.50	221.47
1DTCOL	0	0.00	0.00	0.10	0.00	0.10	0.00	0.00	0.20	45.50	227.50
1EMPEE	0	0.00	0.00	0.20	0.00	0.00	0.00	0.00	0.20	54.00	270.00
1ADMIN	0.1	0.10	0.00	2.80	0.00	7.50	6.50	0.00	17.00	3,272.50	192.50
1PLAN	1.1	0.20	0.00	0.00	0.00	3.60	0.00	0.00	4.90	1,289.50	263.16
1STAT	0.5	0.00	1.00	0.00	0.00	4.80	0.00	0.00	6.30	1,500.50	238.17
Total Hours	1.90	0.30	1.00	4.00	0.00	17.70	8.30	0.00	33.20		
Total Cost	940.50	118.50	365.00	1,080.00	0.00	3,274.50	1,328.00	0.00		7,106.50	
										Employee / Disb Costs	96.99
										Disb Fees Drawn	106.35
										Time Fees Drawn	15,000.00
										Outstanding Costs	-7,902.86

Time and Expenses Report - Summary

01MA432.CVL | CVL - Matrix Group Limited | From 02/07/2013 To 01/07/2015

Action Code	Partner	Director	Senior Manager	Manager	Senior Case Administrator	Case Administrator	Support & Cashiering	Other	Total Hours	Total Cost	Avg Rate
CDDA reporting and follow up	0.3	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	148.50	495.00
Claims, profits and distributions	0.3	0.00	0.00	0.00	0.00	1.50	0.00	0.00	1.80	426.00	236.67
Bonding	0	0.00	0.00	0.00	0.00	0.00	0.50	0.00	0.50	80.00	160.00
Debt Collection	0.2	0.00	0.00	0.10	0.00	0.10	0.00	0.00	0.40	144.50	361.25
Employees	0	0.00	0.00	0.20	0.00	0.00	0.00	0.00	0.20	54.00	270.00
VAT and TAX	0.4	0.00	0.00	0.90	0.00	7.10	0.50	0.00	8.90	1,834.50	206.12
Banking	0	0.00	0.00	0.00	0.00	0.20	5.80	0.00	6.00	895.00	149.17
Administration	0.6	0.10	5.50	6.00	0.10	28.30	20.90	0.00	61.50	12,567.00	204.34
Case strategy and planning	2.7	0.30	0.70	0.00	0.00	9.50	0.00	0.00	13.20	3,468.00	262.73
Statutory reports and returns	0.6	0.00	1.00	0.00	0.00	17.50	0.00	0.00	19.10	3,899.50	204.16
Total Hours	5.10	0.40	7.20	7.20	0.10	64.20	27.70	0.00	111.90		
Total Cost	2,524.50	158.00	2,628.00	1,944.00	23.50	11,877.00	4,362.00	0.00		23,517.00	
										Employee / Disb Costs	149.29
										Disb Fees Drawn	149.29
										Time Fees Drawn	17,500.00
										Outstanding Costs	6,017.00

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Postage	Royal Mail	73 01	73 01	NIL
Storage	Archive Solutions / Restore Plc	76 28	76 28	NIL
Total		149 29	149 29	NIL