

AM03

Notice of administrator's proposals



Companies House

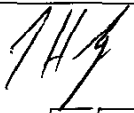
THURSDAY



A09 *A7XSNT9E* 24/01/2019 #277
COMPANIES HOUSE

1	Company details	
Company number	0 4 2 4 4 5 9 8	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	Intrinsiq Materials Limited	
2	Administrator's name	
Full forename(s)	John	
Surname	Hedger	
3	Administrator's address	
Building name/number	Speedwell Mill	
Street	Old Coach Road	
Post town	Tansley	
County/Region	Matlock	
Postcode	D E 4 5 F Y	
Country		
4	Administrator's name ①	
Full forename(s)		① Other administrator Use this section to tell us about another administrator.
Surname		
5	Administrator's address ①	
Building name/number		② Other administrator Use this section to tell us about another administrator.
Street		
Post town		
County/Region		
Postcode		
Country		

AM03
Notice of Administrator's Proposals

6		Statement of proposals	
		<input checked="" type="checkbox"/> I attach a copy of the statement of proposals	
7		Sign and date	
Administrator's Signature	Signature ✕	 ✕	
Signature date	<div><div>d</div>0<div>d</div>4</div>	<div><div>m</div>0<div>m</div>1</div> <div><div>y</div>2<div>y</div>0<div>y</div>1<div>y</div>9</div>	

AM03 Notice of Administrator's Proposals



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	Michelle Shaw
Company name	Seneca IP Limited
Address	Speedwell Mill
	Old Coach Road
Post town	Tansley
County/Region	Matlock
Postcode	D E 4 5 F Y
Country	
DX	
Telephone	01629 761700



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 and dated 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

**Administrator's Proposals relating to
Intrinsiq Materials Limited ("the Company") – In Administration**

Issued on: 4 January 2019

Delivered to creditors on: 8 January 2019

I am the Administrator of the Company and these are my statutory proposals relating to the Company.

1. STATUTORY INFORMATION

Company Information

Company name: Intrinsic Materials Limited
Previous name:
Trading name:
Company number: 04244598
Date of incorporation: 02/07/2001
Trading address: Cody Technology Park, Farnborough, Hampshire, GU14 0LX
Current registered office: Speedwell Mill, Old Coach Road, Tansley, Matlock, DE4 5FY
Former registered office: Suite 1, 3rd Floor, 11-12 St James' Square, London, SW1Y 4LB
Principal trading activity: Nano particle printing

Appointment Details

Administrator John Hedger
Administrator's address Seneca IP Limited Speedwell Mill, Old Coach Road, Tansley, Matlock, DE4 5FY
Date of appointment 19 November, 2018
Court name and reference High Court of Justice Business and Property Courts in Manchester
3132 of 2018

Appointment made by: Director

Officers of the Company:

<i>Directors:</i>	<i>Name:</i>	<i>Shareholding</i>
	Robert Nead	Nil
	Jennifer Tegan	Nil

<i>Company secretary:</i>	<i>Name:</i>	<i>Shareholding</i>
	Jordan Company Secretaries Limited	Nil

Share capital

<i>Authorised</i>	<i>Allotted, called up and fully paid</i>
10000000 ordinary shares £1 each	9773755 ordinary shares of £1 each

Charges

There are no charges outstanding.

2. CIRCUMSTANCES LEADING TO THE APPOINTMENT OF THE ADMINISTRATOR

The United Kingdom Ministry of Defence rolled several technologies and business segments into a commercial entity called Qinetiq. This included plasma generation nanomaterials technology which formed the backbone of the Company what would eventually become Intrinsic Materials Limited. In all, six Companies (of which Intrinsic Materials Ltd was one) were formed from Qinetiq as part of a fund called Cody Gate Ventures (CGV).

Collier Capital acquired the controlling share of CGV fund I and hired a London based General Partner (GP), Cody Gate, to manage the fund. Core technology efforts continued in the nanoparticle formation and dispersion. The business direction was in Health and Wellness Applications (food additives) porous silicon delivery.

In 2010, CGV forms fund II with Collier Capital being its sole investor. Core technology efforts continued in the nanoparticle formation and dispersion. The business direction was in Health and Wellness Applications (food additives) porous silicon delivery. At this time, printed electronica as an application emerged and obtained grant funding.

In 2011, Intrinsic Materials Inc., a US company was formed in order to head business operations, scale manufacturing and provide support for North America and Asia. A Chief Executive Officer (CEO) and a Chief Operations Officer (COO) were employed and the UK operations were retained to support Research & Development (R&D), provide initial manufacturing volumes and European commercial operations. During this time, Collier Capital replaced the London based GP with Trillium International, a Rochester NY based GP. Furthermore, Cody Gate Fund I and Cody Gate Fund II were renamed Trillium International Fund 1 and Trillium International Fund II. In July of this year, Intrinsic Materials Ltd took the decision to sell the Health Wellness Business resulting in both Intrinsic Materials Ltd & Inc. focussing on the electronic inks and pastes market, the vast majority of which was copper particles.

In January 2012, laboratory facilities were opened in Rochester NY and the UK facilities were equipped for initial manufacturing capability.

A new wave of investment was raised by Intrinsic Materials Inc. in 2013 which provided for the ongoing commercialisation of inks and pastes.

Although ongoing, the commercialisation efforts never fully materialised, in spite of interest and development efforts that were being pursued for the copper paste and materials in printed electronics, lighting and automotive industries. Despite downsizing costs, without additional investment to continue to support the Company, and with operations that were still not generating sufficient revenue, NRE or development grants to cover operational expenses, the Company could not continue to operate and the board made the decision to shut down operations in both the US and the UK.

The Company never made a profit on a global basis and since 2013, the Company has been dependant on investment from the US entity, Intrinsic Materials Inc. In turn, the US entity has been generously supported by venture capital investors. Five years down the line, it became difficult to source additional venture capital investors since commercialisation was not imminent. This was despite a global outreach to approximately one hundred potential partners. In particular, through this process, the "research grant oriented" approach, prevalent in the UK Company was seen as both a current and long term drag on any potential operations. Accordingly, the businesses needed to be shuttered.

A summary of the Company's recent trading performance is shown below.

	Financial S'tments 01/01/16 to 31/12/16 £	Financial S'tments 01/01/15 to 31/12/15 £	Financial S'tments 01/01/14 to 31/12/14 £
Turnover	873,720	1,162,949	1,682,541
Cost of sales	<u>(97,406)</u>	<u>(247,533)</u>	<u>(303,999)</u>

Gross profit	776,314	915,416	1,378,542
Administrative expenses	<u>1,350,788</u> (574,474)	<u>1,203,135</u> (287,719)	<u>1,520,307</u> (141,765)
Other operating income	<u>-</u>	<u>7,563</u>	<u>30,250</u>
Operating loss	(574,474)	(280,156)	(111,515)
Interest payable and similar	<u>15,287</u>	<u>-</u>	<u>-</u>
Loss before taxation	(589,761)	(280,156)	(111,515)
Tax on loss	<u>-</u>	<u>-</u>	<u>-</u>
Loss for the financial year	(589,761)	(280,156)	(111,515)

It should be noted that the above information has been taken from the accounts filed at Companies House for the years ended 31 December 2015 and 31 December 2016. Although the financial statements for the year ending 31 December 2017 have been filed at Companies House, the same are unaudited and do not include a profit & loss account.

The Company instructed Cromwell Seymour to assist with formerly winding down the Company and it was initially thought that all disassociated creditors would be paid in full. Realise Solutions UK were also instructed to value, market and sell the Company assets. However, once it became apparent that insufficient funds would be realised in order to pay creditors in full, and the fact that the Landlord had terminated the tenancy and made attempts to take ownership of the Company's assets, Christopher Jones of Gunnercooke LLP referred the Company to Seneca IP who advised the Company to enter in to Administration in order to preserve the Company assets with a view to providing a better return for creditors.

Prior to the commencement of the Administration Seneca IP Limited acted as advisors to the Board as a whole acting on behalf of the Company. No advice was given to the individual directors regarding the impact of the insolvency of the company on their personal financial affairs. Whilst not formally in office at that time, Seneca IP Limited was still required to act in its dealings with the Company in accordance with the Insolvency Code of Ethics.

On 19 November, 2018, I was appointed by Jennifer Tegan as Administrator of the Company and took over from the Board responsibility for the management of the affairs, business and property of the Company.

3. OBJECTIVES OF THE ADMINISTRATION AND THE ADMINISTRATOR'S STRATEGY FOR ACHIEVING THEM

As Administrator of the Company, I am an officer of the Court, and must perform my duties in the interests of the creditors as a whole in order to achieve the purpose of the Administration, which is to achieve one of the three objectives set out in the insolvency legislation, namely to:

- (a) rescue the Company as a going concern; or
- (b) achieve 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
- (c) realise property in order to make a distribution to one or more secured or preferential creditors.

Objective (a) could not be achieved as no purchaser could be found for the shares of the Company and the nature of the Company's trading and its financial circumstances meant that a Company Voluntary Arrangement was not appropriate.

As a result, I am seeking to achieve objective (b) for the Company, and will do this by ceasing to trade and marketing and selling the Companies assets.

The insolvency legislation has set a 12-month maximum duration for Administrations, unless the duration is extended by the Court or the creditors. If I am unable to complete the Administration of the Company within 12 months then I will either apply to the Court, or seek a decision from the creditors to extend the duration of the Administration.

4. ACTIONS OF THE ADMINISTRATOR FOLLOWING APPOINTMENT

Since I was appointed Administrator, I have spent a considerable amount of time liaising with the Directors of the Company, the agents, my solicitor and the Landlord in order to obtain as much information as possible pertaining to the operations of the business and any potential asset realisations.

My solicitor has been involved in the exchange of written correspondence with the Landlord in order to obtain access to the premises. It seems that a letter was issued to the Company on 8 October 2018 requesting payment in full of the rent arrears by 4pm on 31 October 2018 although the tenancy at will was terminated on 24 October 2018 with the Company being denied entry. The landlord has since made an attempt to claim the assets in situ as their own and possibly in payment of the rent arrears, dilapidations and other such costs. My solicitor proceeded to issue notice of court action should access to remove property continue to be denied with the Landlord responding stating that the removal of such property will not only create further damage to the property but will also pose a health & safety risk. It was therefore proposed that in order to settle the same, the Landlord purchases the property on site which belongs to the Company, together with the items previously sold which are also still on site. The Landlord has not commented on this suggestion; however, it is apparent that they are proposing that an external health & safety inspection is carried out before they will allow access to remove assets. The Landlord has yet to provide any evidence in respect of the alleged health & safety issue despite numerous requests.

I have also corresponded with Adam Costigan ANAVA, an independent auctioneer and valuer of Realise Solutions (UK) Limited in order to determine how the valuations provided prior to my appointment were made up and their basis and also to establish valuations in the present situation.

In respect of the assets valued, marketed and sold prior to my appointment, I have requested copies of the sales and purchase invoices from Cromwell Seymour together with balances held on account after associated costs. Discussions have also taken place in respect of assets still in situ which have also been sold prior to my appointment.

It was brought to my attention that Baker Law had been instructed by the Company to pursue a previous Director and two ex-employees in respect of the theft of data and technology. The case has been ongoing for some time now. I have engaged in dialogue with Mark Ridley of Baker Law who has provided a summary of the case together with his recommendations. The same will be discussed with my solicitor to ascertain what approach will be most beneficial to creditors.

The Director has advised that there are debtors which will require pursuing and I currently await full details and copy invoices for the same in order to request payment of the debts.

I have also had several conversations with the Director in the US to assist her in understanding what is required of her and also to explain the Statement of Affairs in more detail in order for her to complete the same to the best of her ability.

In addition, I have undertaken routine statutory and compliance work, such as notifying creditors and the relevant authorities of my appointment, filed notice of my appointment at Companies House and prepared a notice for advertisement in the London Gazette. Furthermore, I have managed to obtain a Statement of Affairs from the Director. I had to undertake this work either as part of my routine administrative functions, or in order to protect and realise the assets of the Company. These are tasks that are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, and whilst they do not produce any direct benefit for creditors, they still have to be carried out.

I decided that the objective of the Administration was best achieved by the Company ceasing trade. Although the Company, in effect, had already ceased trading on 30 September 2018 and its employees were dismissed on that date.

Role of the Insolvency Practitioner

I was introduced to the Board of the Company by Christopher Jones of Gunnercooke LLP on 31 October 2018. I first met with a representative of the Board on 31 October 2018 to discuss the financial affairs of the Company. Prior to the commencement of the Administration I advised the Board as a whole, acting on behalf of the Company, about the Company's financial difficulties and provided advice about the options available to the Company to help determine an appropriate course of action to take.

No advice was given to the individual directors regarding the impact of the insolvency of the Company on their personal financial affairs. Whilst not formally in office at that time, I was still required to act in my dealings with the Company in accordance with the Insolvency Code of Ethics.

Ultimately the Company was placed into Administration and I was appointed Administrator. As Administrator I am an officer of the Court and I have taken over the management of the Company from the Board. As indicated above, the purpose of this Administration is to achieve objective b.

In order to help me achieve the objective I have a wide range of powers, as set out in the insolvency legislation, and I must perform my functions as quickly and efficiently as is reasonably practicable. I must also act in the interests of the creditors of the Company as a whole other than where objective c) is being pursued I need only ensure that I do not unnecessarily harm the interests of the creditors of the Company as a whole.

Pre-appointment considerations

- Company Voluntary Arrangement ("CVA") – having reviewed the Company's accounting records and discussed the ongoing trading prospects, it appears that the Company is not in a position to propose an arrangement that is likely to be approved by creditors at present and has no cash flow going forward to support a CVA since it had already ceased to trade.
- Compulsory Liquidation – the Board confirmed that no one had petitioned for the Company to be placed into Liquidation. The Board considers that it is likely that there will be better realisations for creditors if the Company is first placed into Administration.
- Creditors Voluntary Liquidation ("CVL") – the Board considers that placing the Company into CVL would be inappropriate at present. It considers that it is likely that there will be better realisations for creditors if the Company is first placed into Administration in order to preserve the assets.

Having taken the Board's views into account and reviewed the available information, I was satisfied that a sale of the Company's assets once the Company is in Administration is an appropriate insolvency route for the Company. Such a sale would enable me to achieve the objective set out above as it achieves a better result for the creditors as a whole than would be likely if the Company had been placed into CVL without first being in Administration, as I have indicated above.

Valuation of the business and assets

The assets, namely machinery and equipment, were valued by Adam Costigan ANAVA, an independent auctioneer and valuer of Realise Solutions (UK) Limited, prior to my involvement in the Company. A valuation was undertaken on an ex-situ basis in piecemeal fashion. Realise Solutions (UK) Limited hold adequate PI insurance.

Several items of machinery and equipment were sold prior to my appointment and it was my understanding, that the Landlord, Qinetiq Limited, had offered the sum of £200,000 for all of the remaining machinery and equipment. However, the Landlord subsequently terminated the tenancy at will, evicted

the Company on 24 October 2018 and withdrew their offer seeking to claim ownership of the machinery and equipment on site. They have also denied access to the site hindering progression of any potential sale of the assets.

Adam Costigan ANAVA, an independent auctioneer and valuer of Realise Solutions (UK) Limited has since provided a "best case" scenario confirming that we would expect to achieve something in the region of £170,000 taking into account his previous valuation but also the following conditions:

- Assets are in the condition as previously viewed
- No assets have been removed from site
- This a turn key basis sale otherwise known as 'Job Lot'
- This would only be a best-case sale valuation on the basis the landlord is the purchaser.

Following access to the site, the same will be reassessed to determine a more accurate position of the remaining assets.

Marketing of the assets

Upon access to the site, I will establish a more accurate, up to date position of the assets and obtain a formal valuation of the same. If the Landlord insists that he no longer requires the machinery and equipment, the same will be removed, marketed and auctioned.

5. FINANCIAL POSITION OF THE COMPANY

A summary of the Company's estimated financial position as at 19 November, 2018, which is known as a Statement of Affairs, is attached at Appendix 1.

Comments on the Statement of Affairs of the Company

5.1. Cash at Bank

In the Statement of Affairs, the directors have indicated that there are funds equating to approximately £100,000 held in the Company's bank account with Barclays Bank plc (Barclays). I have yet to receive confirmation from the bank in this respect however, I have been provided with a snap shot of the online banking landing page upon my appointment.

5.2. Book debts

The realisable value given to book debts of £80,000 takes into account known bad debts and estimates that 63% of debts will not be paid.

5.3. Machinery & Equipment

According to the Statement of Affairs provided by the directors a book value of £83,557 and an estimated to realise value of £200,000 has been applied to this combined category of assets. This is the value given by the directors and is based on the offer made by the Landlord. As reported above, Adam Costigan ANAVA, an independent auctioneer and valuer of Realise Solutions (UK) Limited has since provided a "best case" scenario confirming that we would expect to achieve something in the region of £170,000 subject to certain conditions as stated above.

5.4. Deposits

The Company is currently locked in litigation against a previous director and two former employees in respect of the theft of data and technology. Baker Law are the solicitors acting in this matter and currently hold the sum of £70,000 as per a court order in respect of costs. The case is currently ongoing and I have spoken with Baker Law and my own solicitors at Gunnercooke LLP to obtain the full picture in order to ascertain the best approach. Mediation has been suggested at this time and I am currently gathering

information in order to make that call. As a result, part or all of the £70,000 may be used in settlement monies.

5.5. Preferential creditors

There are no known preferential creditors. All employees of the Company were paid in full upon dismissal.

5.6. Prescribed part

There are provisions of the insolvency legislation that require an Administrator to set aside a percentage of a Company's assets for the benefit of the unsecured creditors in cases where the Company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property." A Company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. An Administrator has to set aside:

- 50% of the first £10,000 of the net property; and
- 20% of the remaining net property;

up to a maximum of £600,000.

The Company has not created any floating charges, so the prescribed part provisions will not apply.

6. ADMINISTRATOR'S RECEIPTS AND PAYMENTS ACCOUNT

I attach a summary of the receipts and payments relating to the Company for the period from when it entered Administration, 19 November, 2018, to the date of these proposals, at Appendix 2.

7. PROPOSED FUTURE ACTIONS OF THE ADMINISTRATOR TO ACHIEVE THE OBJECTIVE OF THE ADMINISTRATION

In order to achieve the objective of the Administration of the Company I propose to obtain agreement from the landlord to access the premises in order to obtain property belonging to the Company including books and records. I then hope to enter into negotiations with the Landlord to determine the best way forward in respect of the assets held on site which may involve either the removal from site or a sale to the landlord. Should the landlord be unagreeable to the same, it may result in court action being taken.

Should the landlord have no interest in the assets, I propose to market and auction the machinery and equipment in order to achieve the best return for creditors.

It is my intention to pursue the debtors for payment which may result in debt collection activity depending on the circumstances surrounding the reason for none payment.

Due to the lack of contact from the Company bankers, I intend to pursue them for the balance held on account holding them accountable for any transactions which have taken place since my appointment.

Furthermore, I intend to reach a conclusion in respect of the claim against the previous Director and ex-employees whether that be via mediation, an out of court settlement or pursuing the same through the courts.

It is unclear at this stage what the dividend prospects are for any class of creditor since the same is dependant on the level of settlements together with costs. The same will be taken into account when considering the likely outcome following any legal action.

8. ADMINISTRATOR'S REMUNERATION AND EXPENSES

I attach at Appendix 3 a copy of my practice fee recovery policy. In this case I am seeking to fix the basis of my remuneration on a time cost basis as detailed below:

Time costs:

Some work cannot be identified with enough certainty for me to seek remuneration on a fixed or percentage basis. For these tasks, I propose to seek approval on a time cost basis. i.e. by reference to time properly spent by me and members of staff of the practice at our standard charge out rates. When I seek approval for my fees on a time cost basis, I have to provide a fee estimate. That estimate acts as a cap on my time costs so that I cannot draw fees of more than the total estimated time costs without further approval from those who approved the fees. I attach a "Fees estimate summary" at Appendix 5 that sets out the work that I intend to undertake, the hourly rates I intend to charge for each part of the work, and the time that I think each part of the work will take. It includes a summary of that information in an average or "blended" rate for all of the work being carried out within the estimate.

As indicated in the fees estimate the following areas of work will be charged on a time cost basis: investigations; the liquidation of the Company and case specific matters. The following explains about the areas of work for which I am seeking approval on a time cost basis, whilst full information about the work that I will undertake on a time cost basis is contained in Appendix 4.

Administration: This represents the work that is involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holder (and their managers). It does not give direct financial benefit to the creditors, but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

Investigations: The insolvency legislation gives the office holder powers to take recovery action in respect of what are known as antecedent transactions, where assets have been disposed of prior to the commencement of the insolvency procedure and also in respect of matters such as misfeasance and wrongful trading. The office holder is required by the Statements of Insolvency Practice to undertake an initial investigation in all cases to determine whether there are potential recovery actions for the benefit of creditors and the time costs recorded represent the costs of undertaking such an initial investigation. If potential recoveries or matters for further investigation are identified then the office holder will need to incur additional time costs to investigate them in detail and to bring recovery actions where necessary, and further information will be provided to creditors and approval for an increase in fees will be made as necessary. Such recovery actions will be for the benefit of the creditors and the office holder will provide an estimate of that benefit if an increase in fees is necessary.

The office holder is also required by legislation to report to the Department for Business, Innovation and Skills on the conduct of the directors and the work to enable them to comply with this statutory obligation is of no direct benefit to the creditors, although it may identify potential recovery actions.

Realisation of Assets: This is the work that needs to be undertaken to protect and then realise the known assets in the case. As previously explained, the Landlord has prevented access from the site at present and I am currently negotiating access with him. I have already spent a considerable amount of time on this matter and anticipate gaining access will take considerably longer and may even result in legal action being taken. If this work is undertaken, the office holder anticipates that the assets will realise the estimated to realise amounts provided to creditors.

Creditors:

Claims of creditors - the office holder needs to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of his statutory functions. **Dividends** - the office holder has to undertake certain statutory formalities in order to enable him to pay a dividend to creditors. This includes writing to all creditors who have not lodged proofs of debt and reviewing the claims and supporting documentation lodged by creditors in order to formally agree their claims, which may involve requesting additional information and documentation from the creditors.

More details of the tasks included in these categories are included in the fees estimate. I estimate that the total time costs that I will incur in undertaking these tasks in this case will be £180,889.00 at a "blended" rate of £349.34 per hour.

This estimate has been provided to creditors at a relatively early stage in the administration of the case and before the office holder has full knowledge of the case. Whilst all possible steps have been taken to make this estimate as accurate as possible, it is based on the office holder's current knowledge of the case and their knowledge and experience of acting as office holder in respect of cases of a similar size and apparent complexity. It also takes into account the current difficulties with the Landlord, obtaining access to site and the likelihood of litigation. Although, the estimate does not take into account any currently unknown complexities or difficulties that may arise during the administration of the case. As a result, if the time costs incurred on the case by the office holder exceed the estimate, or is likely to exceed the estimate, the office holder will provide an explanation as to why that is the case in the next progress report sent to creditors. Since the office holder cannot draw remuneration in excess of this estimate without first obtaining approval to do so, then where the office holder considers it appropriate in the context of the case, they will seek a resolution to increase the fee estimate so that they will then be able to draw additional remuneration over and above this estimate.

I anticipate needing to seek approval to exceed the estimate if this work leads to further areas of investigation, potential further asset recoveries and any associated action, such as arbitration or legal proceedings.

To date a total of 43.47 hours have been spent working on the above tasks in the Administration, and total time costs to date are £15,151.30 charged at an average charge out rate of £348.57. Details of the time units used and current charge-out rates are provided in our practice fee recovery sheet, a copy of which is enclosed at Appendix 3. I attach, in respect of the areas of work where I am seeking to charge fees on a time cost basis, an analysis of time costs incurred to date by reference to grade of staff and work done at Appendix 6.

The work for which fee approval is being sought includes the work that will need to be undertaken should the Administrator be appointed Liquidator either following conversion to Creditors' Voluntary Liquidation or upon the making of a winding up order.

If a Creditors' Committee is appointed, it will be for the Committee to approve the basis of the Administrator's remuneration and category 2 expenses. If a Committee is not appointed, then I will be seeking a decision from the creditors at the same time I seek a decision from them on whether or not to approve these proposals.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of Guidance Notes issued with Statement of Insolvency Practice 9, and they can be accessed at www.seneca-ip.co.uk. There are different versions of these Guidance Notes, and in this case please refer to the April 2017 version. Please note that we have also provided further details in the practice fee recovery sheet.

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

Professional Advisor	Nature of Work	Fee Arrangement
Realise Solutions (UK) Limited	Valuer/Auctioneer	% realised
Cromwell Seymour	Agents	Time costs
Gunnercooke LLP	Solicitors	Time costs

The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment, they had also been instructed prior to my appointment therefore it made sense to retain them for continuity. I also considered that the basis on

which they will charge their fees represented value for money. I have reviewed the charges they have made and am satisfied that they are reasonable in the circumstances of this case.

My expenses incurred to date amount to £930.00 and represent:

Type of expense	Amount incurred/accrued since appointment	Amount still to be paid
Bond – Marsh Ltd	£780	£780
Statutory Advertising – EPE reynell	£150	£150

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

I also propose that I am permitted to charge and recover what are known as category 2 expenses. Details of my category 2 disbursement recovery policy are included within our practice fee recovery sheet enclosed as Appendix 3.

To date no category 2 disbursements have been incurred.

I anticipate that expenses totalling £16,630.00 will arise in these proceedings, together with any subsequent Liquidation as detailed in Appendix 7. Expenses do not have to be approved, but when reporting to any committee and the creditors during the Administration (together with any subsequent Liquidation,) the actual expenses incurred will be compared with the original estimate provided and I will explain any material differences (for example, where legal costs rise due to escalated recovery action).

9. PRE-ADMINISTRATION COSTS

A. Where approval for any of the pre-administration costs is being sought:

The Board of Directors instructed me to assist them in placing the Company in Administration on 15 November 2018. They agreed that I should be paid my pre-administration costs as a fixed fee of £5,000.

I also assisted the Board take the appropriate steps to place the Company into Administration. This task, together with some of the other tasks mentioned above are required by statute or regulatory guidance, and whilst they do not produce any direct benefit for creditors, they still have to be carried out.

If a Creditors' Committee is appointed, it will be for the Committee to approve payment of the pre-administration costs that have not yet been paid. If a Committee is not appointed, then since the pre-administration costs that have not yet been paid cannot be approved as part of these proposals, I will be seeking a separate decision from the creditors in accordance with rule 3.52 at the same time I seek a decision from them on whether or not to approve these proposals.

Gunnercooke LLP undertook the necessary legal formalities to put the company into Administration. Their costs for providing that work were £2,750 plus VAT and £50 court costs. This amount will be paid as an expense of the Administration without needing to obtain the approval of creditors.

10. ADMINISTRATOR'S INVESTIGATIONS

I have a duty to consider the conduct of those who have been directors of the Company at any time in the three years preceding the Administration. I am also required to investigate the affairs of the Company in general in order to consider whether any civil proceedings should be taken on its behalf. I should be pleased to receive from you any information you have that you consider will assist me in this duty. I would stress that this request for information forms part of my normal investigation procedure.

11. EC REGULATION ON INSOLVENCY PROCEEDINGS

I consider that the EC regulation on insolvency proceedings apply to the Administration of the Company. I also consider that they are "main" proceedings since the Company's registered office and its trading address is in the United Kingdom.

12. ADMINISTRATOR'S PROPOSALS

In order to achieve the objective, set out at section 3 above, I formally propose to creditors that:

- (a) I continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration. In particular that I:
 - (i) Gain access to the trading premises; remove the assets held on site or sell the same to the Landlord; remove, market and auction the machinery and equipment; collect the book debts; realise the cash at bank and conclude the legal case with the previous Director and ex-employees.
 - (ii) sell the Company's assets at such time(s) on such terms as I consider appropriate;
 - (iii) investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or Company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or Company which supplies or has supplied goods or services to the Company; and
 - (iv) do all such things and generally exercise all their powers as Administrator as I consider desirable or expedient at my discretion in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these proposals
- (b) the Administration of the Company will end by filing notice of dissolution with the Registrar of companies. The Company will then automatically be dissolved by the registrar of companies three months after the notice is registered.
- (c) the Administration will end by placing the Company into Creditors' Voluntary Liquidation, and propose that I, John Hedger am appointed the Liquidator of the Company. Creditors may nominate a different person(s) as the proposed liquidator(s), but they must make the nomination(s) at any time after these proposals are delivered to them, but before they are approved. Information about the approval of the proposals is set out at section 13.
- (d) the Administration of the Company will end by making an application to Court for an order that the Administration ceases.

13. APPROVAL OF PROPOSALS

I am seeking decisions by correspondence from the creditors to approve my proposals, approve my pre-administration costs, fix the basis of my remuneration, and to approve my category 2 disbursements. If a creditor wishes to vote on the decisions, they must complete and return the enclosed voting form to me by no later than 23.59 on 24 January 2019, the decision date. If a creditor has not already submitted proof of their debt, they should complete the enclosed form and return it to me, together with the relevant supporting documentation. A vote on the decisions by a creditor will not count unless they have lodged proof of their debt by no later than 23.59 on 24 January 2019.

Creditors are also invited to determine whether to form a Creditors' Committee, and a notice of invitation to form a Creditors' Committee and further instructions are enclosed. To enable the creditors to make an informed decision as to whether they wish to either seek to form a Committee, or to nominate themselves to serve on a Committee, further information about the role of the Committee and what might be

expected from its members has been prepared by R3 and can be found is available at the link www.seneca-ip.co.uk

Please note that I must receive at least one vote by the decision date or the decisions will not be made. I would therefore urge creditors to respond promptly.

Should any creditor or group of creditors wish to request a physical meeting of creditors, they must do so within 5 business days of the delivery of the notice that accompanies this letter. Such requests must be supported by proof of their debt, if not already lodged. I will convene a meeting if creditors requesting a meeting represent a minimum of 10% in value or 10% in number of creditors or simply 10 creditors, where "creditors" means "all creditors."

14. FURTHER INFORMATION

To comply with the Provision of Services Regulations, some general information about Seneca IP Limited, including about our complaints policy and Professional Indemnity Insurance, can be found at www.seneca-ip.co.uk

If creditors have any queries regarding these proposals or the conduct of the Administration in general, or if they want hard copies of any of the documents made available on-line, they should contact Michelle Shaw by email at Michelle.Shaw@seneca-ip.co.uk, or by phone on 01629 761700.



John Hedger
ADMINISTRATOR

The Administrator is an agent of the Company and acts without personal liability.

Rule 6.2

Statement of Affairs

(TITLE)

Statement as to affairs of Intrinsic Materials Limited
Company No. 04244598

As at November 2018

Statement of truth

I believe that the facts stated in this Statement of Affairs are true.

Full name.....

Jennifer R. Tegan

Signed.....



Dated.....

12/12/18

Assets

None

None

Cash
Accounts Receivable
Fixed Assets
Deposits

Estimated total assets available for preferential creditors

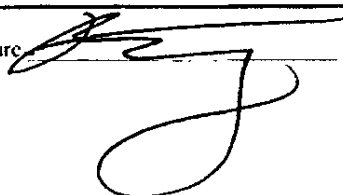
Signature [Signature] Date 12/12/18

Book Value £	Estimated to Realise £
100,000	100,000
214,034	80,000
83,557	200,000
97,913	70,000
	450,000

A1 – Summary of Liabilities

Estimated	to realise	
£		
Estimated total assets available for preferential creditors (carried from page A)		£
Liabilities		
Preferential creditors:-		
Employees		
Estimated deficiency/surplus as regards preferential creditors		£450,000
Estimated prescribed part of net property where applicable (to carry forward)		£
Estimated total assets available for floating charge holders		£ 450,000
Debts secured by floating charges		£
Estimated deficiency/surplus of assets after floating charges		£
Estimated prescribed part of net property where applicable (brought down)		£
Total assets available to unsecured creditors		£450,000
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		£
Consumer creditors for pre-paid goods or services		2,307,281
Employees		
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)		(£1,857,281)
Shortfall to floating charge holders (brought down)		
Estimated deficiency/surplus as regards creditors		(£1,857,281)
Issued and called up capital		£
Estimated total deficiency/surplus as regards members		£

Signature



Date

12/12/18

B Company Creditors

Note You must include all creditors and identify creditors under hire-purchase, chattel leasing or conditional sale agreements *and* creditors claiming retention of title over property in the company's possession.

Name of Creditor or Claimant	Address		Amount of Debt
Abbott & Co (Newark) Ltd	Northern Road, Newark Notts. NG24 2EJ	£	5,548.80
Air Liquide	Newfield Ind Est Tunstall Stoke on Trent Staffordshire ST6 5PN	£	361.05
BOC Gases		£	3,010.67
BPE Design and Support Ltd	6, Wessex Business Park, Wessex Way, Colden Common, Winchester SO21 1WP	£	21,109.50
The Clover Shipping Company Limited	Fairwater Drive Shepperton Surrey TW17 8AB	£	1,655.31
DHL Global Forwarding		£	2.00
Empower Materials		£	262.20
Environment Agency		£	486.00
Fistreem International Limited	Monarch Way; Belton Park; Loughborough Leicestershire LE11 5XG	£	250.80
HPC Compressed Air Systems	Victoria Gardens Burgess Hill West Sussex RH15 9RQ	£	10,017.00
MCI Precision Screens Ltd		£	1,281.60
Intertek NDT Services Ltd		£	165.00
O2		£	309.71
PIB Insurance Brokers	Rossington's Business Park, West Carr Road, Retford, Nottinghamshire, DN22 7SW	£	11,934.76
QinetiQ Limited	Cody Technology Park,	£	35,452.76
QinetiQ Limited		£	1.00
Scientific Laboratory Supplies		£	83.31
Servest Food Co Ltd		£	753.09
The Fish Partnership	The Mill House, Boundary Rd, Loudwater, High Wycombe, HP10 9QN	£	5,829.00
TEKNA	200 Boulevard de la Resistance 71000 Macon France	£	9,872.34
Thermartex Ltd	90 Beaufort Rd Church Crookham Hampshire GU52 6AY	£	11,513.04
Weldshop & Fabrication Ltd		£	480.00
HM Revenue and Customs	Ref: 765PZ00156790 1905	£	4,822.88
Withers & Rogers	Nicholas Wilson House Dormer Place LEAMINGTON SPA CV32	£	3,741.00
Jordans Trust Company	First Floor Templeback, 10 Templeback, Bristol, BS1 6FL	£	328.73
European Commission - Inspired Grant	JOANNEUM RESEARCH Forschungsgesellschaft mbH „INSPIRED“ Leonhardstraße 59 8010 Graz	£	102,504.26
Intrinsiq Materials, Inc.	PO Box 15532, Rochester, NY 14615-0532	£	2,075,504.93
Total		£	2,307,280.74

Signature



Date

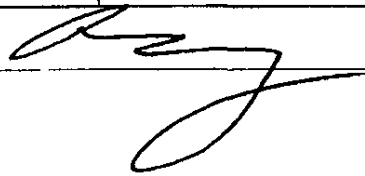
12/12/18

C
Consumer Creditors

Note You must include all creditors who are consumers claiming amounts paid in advance of the supply of goods or services

Name of creditor or claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor
N/A			

Signature



Date

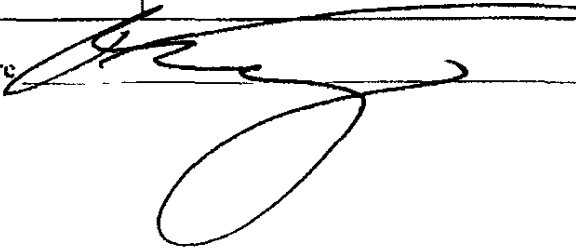
12/12/18

D
Employee Creditors

Note You must include all employees who owed monies by the company in respect of unpaid wages, holiday pay, pay in lieu of notice etc

Name of creditor or claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor
N/A			

Signature



Date 12.12.18

E Shareholders

Note You must include all shareholders of the company

Name of shareholder	Address (with postcode)	Type of share held	Nominal value of share £/p	Number of shares held	Amount per share called up £/p	Total amount called up £
Intrinsic Materials, Inc.	PO Box 15532, Rochester, NY 14615-0532	Common		100%		

Signature



Date

12/12/18

Administrator's Summary of Receipts and Payments To 04 January 2019

04 January 2019 10:14

PRACTICE FEE RECOVERY POLICY FOR SENECA IP LIMITED

Introduction

The insolvency legislation was changed in April 2010 for insolvency appointments commenced from that time in order to allow more flexibility on how an office holder's fees are charged to a case. This sheet explains how we may apply the alternative fee bases. The legislation now allows different fee bases to be used for different tasks within the same appointment. The basis or combination of bases set for a particular appointment are subject to approval, generally by a committee if one is appointed by the creditors, failing which the creditors in general meeting, or the Court. Further details about how an office holder's fees are approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at www.seneca-ip.co.uk. Alternatively a hard copy may be requested from Seneca IP Limited, Speedwell Mill, Old Coach Road, Tansley, Matlock, DE4 5FY.

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee and also to each creditor. The report will provide a breakdown of the remuneration drawn and time costs incurred and will also enable the recipients to see the average rates of such costs. Under the legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

Under the old legislation, which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged.

Time cost basis

This is the basis that we use in the majority of cases and we use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case, recorded in 6 minute units with supporting narrative to explain the work undertaken.

Charge out Rates

Grade of staff	Current charge-out rate per hour, effective from 1 January 2018 £	Previous charge-out rate per hour, effective from 1 January 2017 £
Partner/Appointment taker/Director	£455	£445
Senior Manager - Manager	£320 - £405	£285 - £395
Supervisor/Senior Administrator/Administrator	£220 - £320	£220 - £295
Cashier	£155	£150
Support Staff	£155	£150

Where necessary and appropriate, members of staff from other departments of the practice will undertake work on a case. They will be charged at their normal charge out rate for undertaking such work.

These charge-out rates charged are reviewed on 1st January each year and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. Each unit of time is 6 minutes. The work is recorded under the following categories:

- Administration and Planning – which includes work such as planning how the case will be administered and progressed; the administrative set up of the case; notifying creditors and others of the appointment; keeping the records relating to the case up to date; and reporting on progress of the case to creditors and others.
- Investigations – which includes work such as undertaking an initial review of the financial affairs of the Company and bankrupt; undertaking a detailed investigation with a view to making recoveries for the benefit of creditors where matters such as preferences or wrongful trading come to light as a result of the initial review; and reporting to the Insolvency Service on the conduct of the Directors.
- Realisation of Assets – which includes work such as identifying, securing and insuring assets; dealing with retention of title claims; collecting debts owed; and selling assets.
- Employee matters – which includes work such as dealing with employees; and liaising with the redundancy payments office.
- Creditors – which includes work such as communicating with creditors; dealing with creditors' claims; and where funds realised allow, paying dividends to creditors.
- Trading – which includes work such as managing and controlling all aspects of the business; and preparing financial records and information relating to that trading

Percentage basis

The legislation now allows fees to be charged on a percentage of the value of the property with which the office holder has to deal. Different percentages can be used for different assets or types of assets. Where we would like to realise any asset or type of assets on a percentage basis we will provide further information explaining why we think that this basis is appropriate and ask creditors to approve the basis.

Fixed fee

The legislation now allows fees to be charged at a set amount. Different set amounts can be used for different tasks. Where we would like to charge a set amount for a task or different set amounts for different tasks we will provide further information explaining why we think that this basis is appropriate and ask creditors to approve the basis.

All bases

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

Agent's Costs

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes:

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

Disbursements

In accordance with SIP 9 the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or Seneca IP Limited; in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage, specific bond insurance and Company search fees.

Category 2 expenses are incurred by the firm and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, internal storage and mileage.

It is proposed that the following Category 2 disbursements are recovered:

Storage and Debt Collection, Contested Asset Recovery and Related Services and Legal Services and Pension Services

A separate amount will be charged by the way of an expense to recover the cost of **Category 2** disbursements for services provided by Silverlining Finance Limited. Contested debt collection will on occasions be referred to Silverlining Finance Limited, an associated company of Seneca IP Limited. The Fees of Silverlining Finance Limited shall be charged at no more than 25% of realisations where legal action has been initiated, 20% on other book debt collection and 30% on construction book debt collection. Silverlining Finance Limited may also provide staff to assist in larger cases on a consultancy agreement basis with their charges being on a time cost basis at the following rates, director £350; manager £250; case administrator £150; support staff £75.

The charge for the use of meeting rooms will be a flat rate of £100 per meeting for both premises. This includes where requested, the use of computer and media facilities. Travelling by motor vehicle on business for the administration of the insolvency will be charged to the estate £0.45p per mile. Pension Services will be charged at a rate of £375 to cover the cost of the pension services provided by a third party business.

Stationery

Stationery/fax/telephone per credit	£15.00 one off cost
Stationery/fax/telephone per debtor	£10.00 one off cost
Internal storage of IP's work papers	£10.00 p/a for 10years (£100.00)
File & Indices	£45.00 one off cost
Photocopying (other than to creditors)	£0.25

The charges stated above are subject to small annual increments and creditors will be advised of these with future circulars.

Appendix 4: Details of work to be undertaken in the Administration and subsequent Liquidation

Work for which the Liquidator is seeking to be remunerated on a time basis:

Administration:

Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
Setting up physical/electronic case files (as applicable).
Setting up the case on the practice's electronic case management system and entering data.
Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment (as applicable).
Obtaining a specific penalty bond (this is insurance required by statute that every insolvency office holder has to obtain for the protection of each estate).
Preparing, reviewing and issuing proposals to the creditors and members.
Filing the proposals at Companies House.
Seeking approval of the proposals by way of a decision by correspondence.
Reporting on the outcome of the approval of the proposals to the creditors, Companies House and the Court.
Dealing with all routine correspondence and emails relating to the case.
Opening, maintaining and managing the office holder's estate bank account.
Creating, maintaining and managing the office holder's cashbook.
Undertaking regular reconciliations of the bank account containing estate funds.
Reviewing the adequacy of the specific penalty bond on a quarterly basis.
Undertaking periodic reviews of the progress of the case.
Overseeing and controlling the work done on the case by case administrators.
Preparing, reviewing and issuing 6-month progress reports to creditors and members.
Filing progress reports at Companies House.
Preparing and filing VAT returns.
Preparing and filing Corporation Tax returns.
Seeking closure clearance from HMRC and other relevant parties.
Preparing, reviewing and issuing final reports to creditors and members.
Filing final reports at Companies House.

Realisation of assets:

Arranging suitable insurance over assets.
Regularly monitoring the suitability and appropriateness of the insurance cover in place.
Corresponding with debtors and attempting to collect outstanding book debts.
Liaising with the bank regarding the closure of the account.
Instructing agents to value known assets.
Liaising with agents to realise known assets.
Instructing solicitors to assist in the realisation of assets.

Creditors:

Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
Maintaining up to date creditor information on the case management system.
Issuing a notice of intended dividend and placing an appropriate gazette notice.
Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend.
Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims.
Calculating and paying a dividend to creditors, and issuing the notice of declaration of dividend.

Investigations:

Recovering the books and records for the case.
Listing the books and records recovered.

Submitting an online return on the conduct of the directors as required by the Company Directors Disqualification Act.

Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc.

Reviewing books and records to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors

Estimate of Fees and Expenses for Intrinsic Materials Limited (In Administration)

Obtaining a specific bond	1.90	356.32	677.00
Liaising with Landlord re site health & safety	10.00	483.75	4,837.50
Overseeing and controlling the work done on the cases by case administrators	5.00	422.00	2,110.00
Preparing and filing Corporation Tax returns	4.00	278.75	1,115.00
Preparing and filing VAT returns	4.00	196.25	785.00
Preparing, reviewing and issuing annual progress reports to creditors and or members	14.00	360.36	5,045.00
Preparing, reviewing and issuing final reports to creditors and members (as applicable)	4.50	358.89	1,615.00
Reviewing the adequacy of the specific penalty bond	1.50	365.00	547.50
Seeking closure agreement from HMRC and other relevant parties	1.00	320.00	320.00
Setting up physical/electronic case file	3.10	312.42	968.50
Setting up the case on the practice's electronic case management system and or entering data	2.50	287.00	717.50
Undertaking Periodic reviews of the progression of the case	14.00	354.64	4,965.00
Creditors			
Crown creditors	16.50	345.91	5,707.50
Dealing with creditors correspondence, emails and telephone calls regarding their claims	40.00	353.75	14,150.00
Discussions/correspondence in regards to ROT issues	7.00	358.57	2,510.00
Maintaining up to date creditor information on case management system	11.00	332.27	3,655.00
Requesting additional information from creditor in support of their claims	4.00	320.00	1,280.00
Reviewing debt received from Creditors, adjudicating on them and formally admitting/rejecting them for the payment of a dividend	6.00	365.00	2,190.00
Investigations			
Investigation	118.00	377.42	44,535.00
Realisations of Assets			
Book debt realisations	15.00	347.00	5,205.00
Arrange suitable insurance cover over assets	1.50	365.00	547.50
Correspondence with other debtors and attempting to collect	7.50	365.00	2,737.50
Correspondence, strategy and planning for legal case / action pursuing asset	20.00	387.50	7,750.00
Instructing agents to value know assets	3.00	365.00	1,095.00
Instructing solicitors to assist in the realisation of assets	6.00	365.00	2,190.00
Liaising with agents to realise known assets	17.00	375.59	6,385.00
Liaising with solicitors to realise known/potential assets	20.00	387.50	7,750.00

**Estimate of Fees and Expenses for
Intrinsic Materials Limited (In Administration)
To 04/01/2019**

Summary

	Total Hours	Avg Hourly Rate £	Time Cost £	Disbursements £	Expenses £
Classification of Work Function					
Administration & Planning					
Billing	4.00	312.50	1,250.00		
Cashiering					
Bank Reconciliations	9.20	194.13	1,786.00		
Daily bank postings, journals and transfers	12.00	223.75	2,685.00		
Liaising with bank	2.00	155.00	310.00		
Setting up bank account	2.00	237.50	475.00		
Setting up case on IPS	1.00	155.00	155.00		
VAT returns	4.50	225.00	1,012.50		
Checklist / Review	8.50	356.47	3,030.00		
Closure	10.00	338.50	3,385.00		
Calculating and paying a dividend to creditors	7.00	335.00	2,345.00		
Dealing with creditor correspondence, emails and phone calls regarding their claims	19.00	342.63	6,510.00		
Maintaining up to date creditor information on the case management system	2.00	320.00	640.00		
Requesting additional information from creditor in support of their claim	3.50	339.29	1,187.50		
Tax issues	5.50	272.27	1,497.50		
Writing/signing cheques	5.00	284.00	1,420.00		
Insurance & Bonding	1.50	365.00	547.50		
Office holder tax liability	2.50	281.00	702.50		
Case Planning	9.00	373.89	3,365.00		
Completing banking journals for receipts and payments into/out of the office holder's estate bank account	14.00	315.71	4,420.00		
Dealing with routine correspondence and emails relating to the case	11.00	351.82	3,870.00		
Filing Final returns at Companies House and or Court	2.50	347.00	867.50		
Filing returns at Companies House and or Court (as applicable)	2.50	347.00	867.50		
Holding general meetings of creditors and or members	8.00	353.75	2,830.00		
Issuing statutory notifications to creditors and others required on appointment as office holder, including gazetting the office holder's appointment (as applicable)	6.60	322.73	2,130.00		

Estimate of Fees and Expenses for Intrinsiq Materials Limited (In Administration)

Liaising with the bank over the closure of the bank account and collection of funds where appropriate	3.00	265.00	795.00	
Regularly monitoring the suitability and appropriateness of the insurance cover in place	4.00	353.75	1,415.00	
	<u>517.80</u>	<u>349.34</u>	<u>180,889.00</u>	
Disbursements				
Category 1 Disbursements				1,080.00
Category 2 Disbursements				0.00
				<u>1,080.00</u>
Expenses (*)				
Agents fees				<u>3,500.00</u>
				<u>3,500.00</u>
Totals	<u>517.80</u>	<u>349.34</u>	<u>180,889.00</u>	<u>1,080.00</u>
				<u>3,500.00</u>

(*) Details of the expenses the IP considers will be, or are likely to be, incurred during the period of this estimate.

Estimates Chargeable Time	180,889.00
Total Disbursements	1,080.00
Total Expenses	3,500.00
Assets by Percentage (See Note 6)	0.00
Total Fees and Expenses	<u>185,469.00</u>

Details of estimated disbursements that will be paid during the period of this estimate.

Category 1 Disbursements	
Bonding	780.00
Statutory Advertising	300.00
	<u>1,080.00</u>

Notes:
1. Category 1 Disbursements are payable without prior approval as they are payments to independent third parties

**Estimate of Fees and Expenses for
Intrinsic Materials Limited (In Administration)**

e.g. advertising, room hire, storage, travel expenses

2. Category 2 Disbursements are costs directly referable to the appointment e.g. Postage, Printing & Stationery, Mileage but as they are not to an independent third party they require approval in the same manner as the fee

3. The figures provided for Expenses are as accurate as possible based on the information available at this time. No prior approval is required for the payments of the expenses as they are regarded as a cost of the administration of the estate

4. Further approval will be sought from the creditors committee or creditors if the circumstances of the case indicate that the above fee estimate is likely to be exceeded

5. The above estimates are all exclusive of VAT

6. Where applicable, the Assets by Percentage are itemised in the section headed Asset Realisations on a Percentage Basis

Estimate of Fees and Expenses for Intrinsiq Materials Limited (In Administration)

Time Linked to Specific Matters

Further analysis of work included in the estimate which is of a more complex nature is reported by reference to individual issues in order to provide more detail of the time required and of the potential benefit

Time Linked to Specific Matters

Category	Total Hours	Total Costs
		0.00
Total		0.00

Time not Linked to Specific Matters

Category	Total Hours	Total Costs
Administration & Planning	218.30	70,991.50
Creditors	84.50	29,492.50
Investigations	118.00	44,535.00
Realisations of Assets	97.00	35,870.00
Total		180,889.00

Time Entry - Cumulative Detailed SIP9 Time & Cost Summary

0579 - Intrinsic Materials Limited
To: 04/01/2019
All Post Appointment Project Codes
Including Sub-Analysis Codes

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Avg Hourly Rate (£)	Hours Cum (POST Only)	Time Costs Cum (POST Only)
02 : Post-appointment statutory matters									
N/A N/A	1.50	0.17	24.30	0.00	25.97	8,525.30	328.31	25.97	8,525.30
14 : Insurance & Bonding									
N/A N/A	0.00	0.00	0.30	0.00	0.30	96.00	320.00	0.30	96.00
Administration & Planning	1.50	0.17	24.60	0.00	26.27	8,621.30	328.22	26.27	8,621.30
06 : Secured creditors									
N/A N/A	0.00	0.00	0.50	0.00	0.50	160.00	320.00	0.50	160.00
08 : Unsecured creditors									
N/A N/A	0.20	0.00	2.90	0.00	3.10	1,019.00	328.71	3.10	1,019.00
Creditors	0.20	0.00	3.40	0.00	3.60	1,179.00	327.50	3.60	1,179.00
12 : Investigation									
N/A N/A	2.60	0.00	0.50	0.00	3.10	1,343.00	433.23	3.10	1,343.00
Investigations	2.60	0.00	0.50	0.00	3.10	1,343.00	433.23	3.10	1,343.00
04 : Book debt realisations									
N/A N/A	0.00	0.00	0.20	0.00	0.20	64.00	320.00	0.20	64.00
05 : Other asset realisations									
N/A N/A	4.80	0.00	5.50	0.00	10.30	3,944.00	382.91	10.30	3,944.00
Realisations of Assets	4.80	0.00	5.70	0.00	10.50	4,008.00	381.71	10.50	4,008.00
Total Hours	9.10	0.17	34.20	0.00	43.47	15,151.30	348.57	43.47	15,151.30
Total Fees Claimed						0.00			

** - Denotes codes included in cumulative data that are not present in the period.

Appendix 7: Estimate of expenses to be incurred in the Administration and subsequent Liquidation

Type of expense	Estimated Amount £
Bonding - this is insurance required by statute that every officeholder has to obtain for the protection of each estate, with the premium being based on the value of the company's assets	780.00
Gazetting – various notices relating to the company have to be placed in the London Gazette	300.00
Postage	250.00
Copying	-
Travel expenses	-
Storage of accounting records – the company's accounting records have to be stored by the officeholder	2,500.00
Gunnercooke LLP, solicitors – Placing the Company into Administration, Liaise with Landlord regarding access to site, prepare any sales and purchase agreements, carry out any legal work and prepare legal documentation	7,800.00
Realise Solutions (UK) Limited, valuation agents – value and auction remaining assets	5,000.00
Total estimated expenses	<hr/> 16,630.00

Notice of decisions by correspondence

INTRINSIQ MATERIALS LIMITED - In Administration

(Company Number 04244598)

Notice is given by John Hedger to the creditors of Intrinsic Materials Limited that set out below are decisions for your consideration under paragraph 51 of Schedule B1 of the Insolvency Act 1986. Please complete the voting section below indicating whether you are in favour or against the following decisions:

- i). That the Administrator's proposals be approved.
- ii). That the Administrator's pre-Administration costs, the details of which are set out in the Administrator's proposals and issued with the notice of the decision procedure, be approved.
- iii). That the Administrator's fees will be charged by reference to the time properly spent by them and their staff in dealing with the matters relating to the Administration, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time the work is undertaken and subject to the fees estimate set out in the Administrator's proposals and issued with the notice of the decision procedure.
- iv). That the Administrator be permitted to recover category 2 disbursements.

The final date for votes is 24 January 2019 the decision date.

1. In order for their votes to be counted creditors must submit to me their completed voting form so that it is received at Seneca IP Limited, Speedwell Mill, Old Coach Road, Tansley, Matlock, DE4 5FY by no later than 23.59 hours on 24 January 2019. It must be accompanied by proof of their debt, (if not already lodged). Failure to do so will lead to their vote(s) being disregarded.
2. Creditors must lodge proof of their debt (if not already lodged) at the offices of John Hedger by no later than 23.59 on 24 January 2019, without which their vote will be invalid.
3. Creditors with claims of £1,000 or less must have lodged proof of their debt for their vote to be valid.
4. Any creditors who have previously opted out from receiving documents in respect of the insolvency proceedings are entitled to vote on the decisions provided they have lodged proof of their debt.
5. Creditors may, within 5 business days of delivery of this notice to them, request a physical meeting of creditors be held to determine the outcome of the decisions above. Any request for a physical meeting must be accompanied by valid proof of their debt (if not already lodged). A meeting will be convened if creditors requesting a meeting represent a minimum of 10% in value or 10% in number of creditors or simply 10 creditors, where "creditors" means "all creditors."
6. Creditors have the right to appeal the decision made by applying to Court under Rule 15.35 within 21 days of 24 January 2019, the decision date.

Creditors requiring further information regarding the above, should either contact me at Speedwell Mill, Old Coach Road, Tansley, Matlock, DE4 5FY, or contact Michelle Shaw by email at Michelle.Shaw@seneca-ip.co.uk, or by phone on 01629 761700.

DATED THIS 4TH DAY OF JANUARY 2019

John Hedger
ADMINISTRATOR

INTRINSIQ MATERIALS LIMITED - In Administration
Trading as:

(Company Number 04244598)

Voting on Decisions

- i). That the Administrator's proposals be approved.

For / Against

- ii). That the Administrator's pre-Administration costs, the details of which are set out in the Administrator's proposals and issued with the notice of the decision procedure, be approved.

For / Against

- iii). That the Administrator's fees will be charged by reference to the time properly spent by them and their staff in dealing with the matters relating to the Administration, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time the work is undertaken and subject to the fees estimate set out in the Administrator's proposals and issued with the notice of the decision procedure.

For / Against

- iv). That the Administrator be permitted to recover category 2 disbursements.

For / Against

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:

Name of
creditor: _____

—

Signature of
creditor: _____

(Complete the following if signing on behalf of creditor, e.g. director/solicitor)

Capacity in which
signing document: _____

Dated _____

Proof of Debt – General Form

IN THE

HIGH COURT OF JUSTICE BUSINESS AND PROPERTY COURTS IN
MANCHESTER

Number:

3132 of 2018

Name of Company in Administration:

Intrinsiq Materials Limited

Company Registration Number:

04244598

Date of Administration:

19 November, 2018

1 Name of creditor

(If a company, please also provide the company
registration number).

2 Correspondence address of creditor (including
any email address)

3 Total amount of claim (£)
(include any Value Added Tax)

4 If amount in 3 above includes (£)
outstanding uncapitalised interest, state amount.

5 Details of how and when the debt was incurred.
(If you need more space, attach a continuation
sheet to this form)

6 Details of any security held, the value of the
security and the date it was given.

7 Details of any reservation of title claimed in
respect of goods supplied to which the debt
relates.

8 Details of any document by reference to which
the debt can be substantiated

9 Signature of creditor
(or person authorised to act on the creditor's
behalf)

10 Address of person signing if different from 2
above

11 Name in BLOCK LETTERS:

12 Position with, or relation to, creditor

13 Date of signature

Admitted to vote for

Amount (£)

Date

Admitted for dividend for

Amount (£)

Date

John Hedger
ADMINISTRATOR

John Hedger
ADMINISTRATOR

Notes:

1. There is no need to attach them now but the office holder may ask you to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.

2. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office holder. If completing on behalf of a company, please state your relationship to the company.

Notice of invitation to form a Creditors' Committee

**Intrinsiq Materials Limited – In Administration
In the High Court of Justice Business and Property Courts in Manchester Number 3132 of 2018
(Company Number 04244598)**

NOTICE IS GIVEN by John Hedger to the creditors of Intrinsiq Materials Limited of an invitation to form a Creditors' Committee under rule 3.39 of The Insolvency (England and Wales) Rules 2016.

1. In addition to seeking a decision on the matters set out in the accompanying notice, creditors are also invited to determine, at the same time, whether a Creditors' Committee should be established.
2. A Committee may be formed if a minimum of 3 and a maximum of 5 creditors are willing to become members.
3. Nominations can only be accepted for a creditor to become a member of the Committee if they are an unsecured creditor and have lodged a proof of their debt that has not been disallowed for voting or dividend purposes.
4. The specified date for receipts of nominations for creditors to act as a member of the Committee under rule 3.39 of The Insolvency (England and Wales) Rules 2016 is 24 January 2019, the Decision Date.
5. Please complete the form sent with this notice, and include the name and address of any person you wish to nominate to act as a member of the Committee. The completed document should be returned to Seneca IP Limited of Speedwell Mill, Old Coach Road, Tansley, Matlock, DE4 5FY so that it is received by no later than 23.59 hours on 24 January 2019, the decision date.

Note: Further information on the rights, duties and the functions of a Committee is available in a booklet published by the Association of Business Recovery Professionals (R3). This booklet can be accessed at www.seneca-ip.co.uk. If you require a hard copy of the booklet please contact Michelle Shaw of Seneca IP Limited by email at Michelle.Shaw@seneca-ip.co.uk, or by phone on 01629 761700.

DATED THIS 4TH DAY OF JANUARY 2019

**John Hedger
ADMINISTRATOR**

INTRINSIQ MATERIALS LIMITED - In Administration
In the High Court of Justice Business and Property Courts in Manchester Number 3132 of 2018
(Company Number 04244598)

Decision

1. That a Creditors' Committee should be established.

For/Against

I wish to nominate the following creditor to act as a member of the committee:

Name of nominated creditor _____

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:

Name of creditor: _____

Signature of creditor: _____

(Complete the following if signing on behalf of creditor, e.g. director/solicitor)

Capacity in which signing document: _____

Dated: _____

Note: The completed form should be delivered to Seneca IP Limited of Speedwell Mill, Old Coach Road, Tansley, Matlock, DE4 5FY.