

The Insolvency Act 1986

Administrator's progress report

Name of Company

Matrix Solutions UK Limited

Company number

03130667

In the
High Court of Justice, Chancery Division,
Birmingham District Registry

(full name of court)

Court case number
8076 of 2014(a) Insert full
name(s) and
address(es) of
administrator(s)I (a)
Nigel Morrison
Grant Thornton UK LLP
Hartwell House
55-61 Victoria Street
Bristol
BS1 6FT

administrator of the above company attach a progress report for the period

(b) Insert date

From

(b) 14 August 2014

To

(b) 13 February 2015

Signed

Administrator

Dated

Contact Details:

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

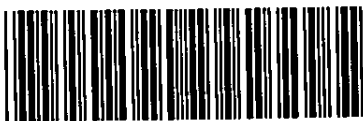
The contact information that you give will be visible to searchers of the

Nigel Morrison
Grant Thornton UK LLP
Hartwell House
55-61 Victoria Street
Bristol
BS1 6FT

DX Number

0117 305 7600
DX Exchange

SATURDAY



A425PLAY

A11

28/02/2015

#364

COMPANIES HOUSE

e

When you have completed and signed this form, please send it to the Registrar of Companies at -
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff

Our Ref NZM/PAM/BZM/JET/M02478/
Your Ref

To the creditors

25 February 2015

Dear Sirs

Recovery and Reorganisation

Grant Thornton UK LLP
4 Hardman Square
Spinningfields
Manchester M3 3EB

T +44 (0)161 953 6900
F +44 (0)161 953 6405
www.grant-thornton.co.uk

**Matrix Solutions UK Limited - in Liquidation and
formerly in Administration (the Company)**

1 Introduction

1 1 I am now in a position to conclude the administration. This is my final progress report, including:

- Appendix A, an account of my receipts and payments for the period to date in accordance with Rule 2.47 of the Insolvency Rules 1986
- Appendix B, a statement of the remuneration charged by the administrator in the period 14 August 2014 to date and a statement of expenses incurred in the period
- Appendix C, an analysis of my time costs as required by Statement of Insolvency Practice 9
- Appendix D, an extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the administrator (Rule 2.48A)
- Appendix E, an extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the administrator's remuneration and expenses, if excessive (Rule 2.109)

1 2 David Bennett and I were appointed as joint administrators of the above Company by the directors on 14 February 2014.

1 3 David Bennett has now left the firm and was formally removed from this case with effect from 27 June 2014.

1 4 Please note I am authorised by the Insolvency Practitioners Association to act as an insolvency practitioner.

2 Statutory information

2 1 The Company's statutory details are as follows:

Registered number 03130667

Registered office c/o Grant Thornton UK LLP,
4 Hardman Square, Spinningfields,
Manchester, M3 3EB

Chartered Accountants

Grant Thornton UK LLP is a limited liability partnership registered in England and Wales. No. 00307742. Registered office: Grant Thornton House, Milton Street, Euston Square, London NW1 2EP. A list of members is available from our registered office. Grant Thornton UK LLP is authorised and regulated by the Financial Conduct Authority. Grant Thornton UK LLP is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. Services are delivered by the member firms. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions. A list of personnel permitted by Grant Thornton to accept appointments as insolvency practitioners and of their respective authorising bodies may be inspected at the above address. Please see www.grant-thornton.co.uk for further details.

3 Pre-appointment expenses

- 3 1 As previously reported, my staff and I incurred costs and expenses prior to my appointment totalling £28,016
- 3 2 On 13 February 2015 the secured and preferential creditors agreed that my pre-appointment costs be settled as an expense of the administration at a capped amount of £15,000 plus VAT

4 Receipts and payments account

- 4 1 I attach my receipts and payments account at Appendix A. You will note that no amounts have been paid to the unsecured creditors by virtue of the application of section 176A of the Insolvency Act 1986 (prescribed part)

5 Report and outcome of administration

Assets

Debtors, WIP and retentions

- 5 1 As previously advised, I instructed Craigdam Services Ltd (Craigdam) to maximise book debts, work in progress (WIP) and retention realisations. In order to realise some WIP and retention balances Craigdam instructed certain remedial work at a cost of £32,890
- 5 2 To date, realisations from debtors, WIP and retentions total £185,621 (net). Of this balance £24,457 (net) is held in the Craigdam client account and £161,164 has been paid directly into the Administrator's account

6 Outcome for creditors

Secured creditors

- 6 1 As you are aware, the Company's only secured creditor is the Royal Bank of Scotland Plc (the Bank). The Bank was owed c£1.3 million on appointment and has a floating charge over the Company's assets dated 4 October 2002, and a further floating charge dated 15 August 2013
- 6 2 It is anticipated that the Bank will suffer a significant shortfall on its lending

Preferential creditors

- 6 3 I currently estimate that preferential claims will total £34,000 and that these claims will be repaid in full

Unsecured creditors

- 6 4 As reported in my revised statement of proposals dated 19 December 2014, I now envisage that there may be a small distribution to unsecured creditors by way of the prescribed part

7 Administrator's remuneration and expenses

7.1 On 13 February 2015 the secured and preferential creditors resolved that the administrator's remuneration be fixed at £65,000 for the work completed by the administrator and his staff in attending to matters arising in the administration. It was also resolved that the remuneration for administering the distribution under a prescribed part carve out under Section 176A of the Insolvency Act 1986 be fixed in accordance with Rule 2.106(2)(b) of the Insolvency Rules 1986, that is "by reference to the time properly given by the administrator and his staff", be capped at the lower of 50% of the total available prescribed part carve out or the time properly given by the administrator and his staff.

7.2 You will note from the SIP9 table attached at Appendix C that my time costs to date are £177,330 and from the receipts and payments attached at Appendix A that I have yet to draw my fees.

7.3 Background information regarding the fees of administrators can be found at www.insolvency-practitioners.org.uk (navigate via 'Regulation and Guidance' to 'Creditors Guides to Fees'). Alternatively, we will supply this information by post on request. Time is charged in units of 6 minutes.

8 Other expenses incurred by the administrator

8.1 Details of further costs incurred can be found at Appendix B.

Yours faithfully
for and on behalf of Matrix Solutions UK Limited



Nigel Morrison
Liquidator and Former Administrator

Enc

Matrix Solutions UK Limited - in administration
Summary of receipts and payments
from 14 February 2014 to 13 February 2015

| Statement of Affairs | From 14/02/2014 to 13/08/2014 | From 14/08/2014 to 13/02/2015 | Total |
|-------------------------------|--|--|-------------------|
| £ | £ | £ | £ |
| Receipts | | | |
| Sales | 23,000 00 | 55,877 23 | 78,877 23 |
| Miscellaneous Income | 11 66 | 0 00 | 11 66 |
| Petty Cash | 101 09 | 0 00 | 101 09 |
| Plant & Machinery | 4,680 00 | 2,330 00 | 2,330 00 |
| Furniture & Equipment | | 2,936 25 | 2,936 25 |
| Motor Vehicles | 10,875 00 | 0 00 | 10,875 00 |
| Book Debts | 400,000 00 | 16,042 38 | 82,286 77 |
| Misc Float Receipts | 355 20 | 2,217 45 | 2,572 65 |
| Bank/ISA InterestGross | 50 41 | 32 71 | 83 12 |
| Misc Refunds | 3,484 95 | 1,343 49 | 4,828 44 |
| Vat on Sales | 4,703 78 | 11,187 44 | 15,891 22 |
| | 114,092 73 | 86,700 70 | 200,793 43 |
| Payments | | | |
| Remedial expenditure | 0 00 | 18,640 73 | 18,640 73 |
| Heat & Light | 254 67 | 0 00 | 254 67 |
| Insurance | 6,181 67 | 0 00 | 6,181 67 |
| Professional Fees | 2,295 00 | 0 00 | 2,295 00 |
| Chemical removal costs | 1,500 00 | 0 00 | 1,500 00 |
| PAYE/NI | 7,051 72 | 0 00 | 7,051 72 |
| Net Wages | 15,798 42 | 0 00 | 15,798 42 |
| Other Payroll Deductions | 1,551 41 | (719 27) | 832 14 |
| Pre Appointment Trading Costs | 105 77 | 0 00 | 105 77 |
| Agents/Valuers Fees (1) | 8,580 50 | 0 00 | 8,580 50 |
| Quantity Surveyors Fees | 0 00 | 21,596 54 | 21,596 54 |
| Legal Fees (1) | 5,435 05 | 6,366 65 | 11,801 70 |
| Disposal of computer assets | 342 00 | 0 00 | 342 00 |
| Hosting of servers | 538 00 | 150 00 | 688 00 |
| Storage Costs | 2,014 76 | 0 00 | 2,014 76 |
| Re-Direction of Mail | 240 00 | 0 00 | 240 00 |
| Statutory Advertising | 84 60 | 0 00 | 84 60 |
| Rates | 0 00 | 584 13 | 584 13 |
| Other Property Expenses | 253 00 | 0 00 | 253 00 |
| Liens | 2,851 16 | 0 00 | 2,851 16 |
| HP/Lease company | 952 11 | 0 00 | 952 11 |

Matrix Solutions UK Limited - in administration
 Summary of receipts and payments
 from 14 February 2014 to 13 February 2015

| Statement of Affairs £ | From 14/02/2014 to 13/08/2014 £ | From 14/08/2014 to 13/02/2015 £ | Total £ |
|---------------------------------------|---|---|-------------------|
| Vat on Purchases | 3,292 58 | 9,301 18 | 12,593 76 |
| HMRC - VAT received/paid | 1,911 20 | 7,159 84 | 9,071 04 |
| | 61,233 62 | 63,079 80 | 124,313 42 |
| Net Receipts/(Payments) | 52,859 11 | 23,620 90 | 76,480 01 |
| Made up as follows | | | |
| Floating Current Account NIB 16 10 14 | 52,859 11 | 23,620 90 | 76,480 01 |
| | 52,859 11 | 23,620 90 | 76,480 01 |

B Remuneration charged and expenses incurred by the administrators in the period

| | Paid to 14 August 2014 | Paid in period of report | Charged/ accrued in period but not yet paid | Total |
|------------------------------|---------------------------|--------------------------------|--|----------------|
| | £ | £ | £ | £ |
| Administrators' fees | | | | |
| Time costs | 0 | 0 | 177,330 | 177,330 |
| Expenses | 0 | 0 | 837 | 837 |
| Legal fees | | | | |
| Squire Patton Boggs (UK) LLP | 5,435 | 6,366 | 0 | 11,802 |
| | <u>5,435</u> | <u>6,366</u> | <u>178,167</u> | <u>189,969</u> |

C SIP 9 information

Introduction

The following information is provided in connection with the administrators' remuneration and disbursements in accordance with SIP 9

Explanation of Grant Thornton UK LLP charging and disbursement recovery policies

Time costs

All partners and staff are charged out at hourly rates appropriate to their grade, as shown on the attached schedule. Details of the hourly charge-out rates are made available to creditors or committees at the time of fixing the basis of our fees. Support staff (ie secretaries, cashiers and filing clerks) are charged to the case for the time they work on it.

| | From 01/07/13 | From 01/07/14 |
|---------------------------------------|------------------|------------------|
| | £ | £ |
| Partners up to | 600 | 615 |
| Managers up to | 455 | 470 |
| Administrators up to | 320 | 330 |
| Assistants and support staff up to | 220 | 230 |

Disbursements

Out of pocket expenses are charged at cost. Mileage is charged at standard rates which comply with HM Revenue and Customs limits or AA recommended rates. VAT is added to disbursement charges as necessary.

Matrix Solutions UK Limited - In Administration - M30202478 - SIP 9 TIME COST ANALYSIS

Transaction period All transactions

[Export version - standard](#)

[Export version - detail](#)

[Detailed Version](#)

| Standard | Partner | | Manager | | Executive | | Administrator | | Total | |
|-----------------------------|---------|----------|---------|----------|-----------|----------|---------------|-----------|--------|---------------|
| | Hrs | £ | Hrs | £ | Hrs | £ | Hrs | £ | Hrs | Avg Hrly Rate |
| Administration and Planning | 54 | 2,811.75 | 101.75 | 41,978.5 | 173.05 | 40,111.7 | 102.03 | 15,473.85 | 382.23 | 100,375.8 |
| Creditors | | | 46 | 15,179 | 58.51 | 13,491.9 | 65.75 | 9,470 | 170.26 | 38,140.9 |
| Hiatus period | | | | | | | | | | 224.02 |
| Investigations | | | 1.65 | 542 | 10.8 | 2,489 | | | 12.45 | 3,031 |
| Realisation of Assets | | | 29.9 | 9,673 | 102.45 | 23,652 | 4.9 | 762 | 137.25 | 34,087 |
| Trading | | | | | 6.5 | 1,495 | | | 6.5 | 230 |
| Unclassified | | | 5 | 200 | | | | | 5 | 400 |
| Total | 54 | 2,811.75 | 179.8 | 67,572.5 | 351.31 | 81,239.6 | 172.68 | 25,705.85 | 709.19 | 177,329.7 |

Total fees billed to date (Time) £

D An extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the administrator

Rule 2 48A

- (1) If
 - (a) within 21 days of receipt of a progress report under Rule 2 47 -
 - (i) a secured creditor, or
 - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
 - (b) with the permission of the court upon an application made within that period of 21 days, any unsecured creditor makes a request in writing to the administrator for further information about remuneration or expenses (other than pre-administration costs) set out in a statement required by Rule 2 47(1)(db) or (dc), the administrator must, within 14 days of receipt of the request, comply with paragraph (2)
- (2) The administrator complies with this paragraph by either -
 - (a) providing all of the information asked for, or
 - (b) so far as the administrator considers that
 - (i) the time or cost of preparation of the information would be excessive, or
 - (ii) disclosure of the information would be prejudicial to the conduct of the administration or might reasonably be expected to lead to violence against any person, or
 - (iii) the administrator is subject to an obligation of confidentiality in respect of the information,
 giving reasons for not providing all of the information
- (3) Any creditor, who need not be the same as the creditor who requested further information under paragraph (1), may apply to the court within 21 days of -
 - (a) the giving by the administrator of reasons for not providing all of the information asked for, or
 - (b) the expiry of the 14 days provided for in paragraph (1),
 and the court may make such order as it thinks just
- (4) Without prejudice to the generality of paragraph (3), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 2 109(1B) by such further period as the court thinks just

E An extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the administrator's remuneration or expenses if excessive

Rule 2.109

- (1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)
- (1A) Application may be made on the grounds that -
 - (a) the remuneration charged by the administrator,
 - (b) the basis fixed for the administrator's remuneration under Rule 2.106, or
 - (c) expenses incurred by the administrator,
 is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate
- (1B) The application must, subject to any order of the court under Rule 2.48A(4), be made no later than 8 weeks after receipt by the applicant of the progress report which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")
- (2) The court may, if it thinks that no cause is shown for a reduction, dismiss it without a hearing but it shall not do so without giving the applicant at least 5 business days' notice, upon receipt of which the applicant may require the court to list the application for a without notice hearing. If the application is not dismissed, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly
- (3) The applicant shall, at least 14 days before the hearing, send to the administrator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders -
 - (a) an order reducing the amount of remuneration which the administrator was entitled to charge
 - (b) an order fixing the basis of remuneration at a reduced rate or amount
 - (c) an order changing the basis of remuneration
 - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration
 - (e) an order that the administrator or the administrator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify
 and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report
- (5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the administration

Liquidator's ref NZM/PAM/BZM/JET/M97005/7
Claimant's ref

Matrix Solutions UK Limited - In Liquidation

Creditor's Claim Form

Name and address of creditor _____

Amount claimed in the liquidation £ _____

Particulars of any security held _____

Value of security £ _____

Signature _____

Name and position of signatory
(if not personally the creditor) _____

Telephone _____

E-mail _____

Date _____

Please provide appropriate documentation in support of your claim

If you are registered for VAT the amount claimed should include VAT even if VAT bad debt relief has been claimed under the Value Added Tax Act 1994

Please return this form when you have completed it to

Nigel Morrison
Grant Thornton UK LLP, 4 Hardman Square, Spinningfields, Manchester, M3 3EB

Headings in all the official languages of the Institutions of the European Union
(es, da, de, el, en, fr, it, nl, pt, fi, sw)

«Convocatoria para la presentacion de creditos Plazos aplicables»
 »Opfordring til anmeldelse af fordringer Vær opmærksom på fristerne«
 „Aufforderung zur Anmeldung einer Forderung Etwaige Fristen beachten!“
 «Προ'σκληση για αναγγελι'α απαιτη'σεως Προσοχη' στις προθεσμι'ες»
 'Invitation to lodge a claim Time limits to be observed'
 «Invitation a produire une creance Delais à respecter»
 «Invito all'insinuazione di un credito Termine da osservare»
 „Oproep tot indiening van schuldvorderingen In acht te nemen termijn”
 «Aviso de reclamação de creditos Prazos legais a observar»
 ”Kehotus saatavan ilmoittamuseen Noudatettavat maataajat”
 ”Anmodan att anmala fordran Tidsfrister att iaktta”

«Presentacion de credito»
 »Anmeldelse af fordring«
 „Anmeldung einer Forderung“
 «Αναγγελι'α απαιτη'σεως»
 'Lodgement of claim'
 «Production de créance»
 «Insinuazione di credito»
 „Indiening van een schuldvordering”
 «Reclamação de credito»
 ”Saatavaa koskeva ilmoitus”
 ”Anmalan av fordran”

The Insolvency Act 1986

Administrator's progress report

Name of Company

Matrix Solutions UK Limited

Company number

03130667

In the
High Court of Justice, Chancery Division,
Birmingham District Registry

(full name of court)

Court case number
8076 of 2014(a) Insert full
name(s) and
address(es) of
administrator(s)I (a)
Nigel Morrison
Grant Thornton UK LLP
Hartwell House
55-61 Victoria Street
Bristol
BS1 6FT

administrator of the above company attach a progress report for the period

From

To

(b) Insert date

(b) 14 August 2014

(b) 13 February 2015

Signed

Administrator

Dated

25/2/15