

**2.24B**

The Insolvency Act 1986

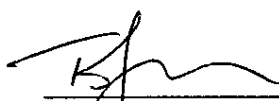
**Administrator's progress report**

Name of Company Matrad Limited	Company number 04394678
In the High Court of Justice - Chancery Division	Court case number 902 of 2007

I  
T Papanicola FCA FCCA FABRP MCI Arb  
Bond Partners LLP  
The Grange  
100 High Street  
London  
N14 6TB

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

From 2 August 2007	To 1 February 2008
-----------------------	-----------------------

Signed  **T Odyssea** attorney for T Papanicola  
Administrator

Dated 27 February 2008

**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


T Papanicola FCA FCCA FABRP MCI Arb  
Bond Partners LLP  
The Grange  
100 High Street  
London  
N14 6TB

DX Number

0870 8506007  
DX Exchange

Information that you give

**SATURDAY**



A35 01/03/2008 91  
COMPANIES HOUSE

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**

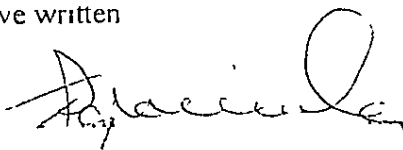
THIS GENERAL POWER OF ATTORNEY is made this 2<sup>nd</sup> day of July  
2007

By THEODOULOS PAPANICOLA of Bond Partners LLP, the Grange 100  
High Street, London N14 6TB

I APPOINT THEOPHANOS CONSTANTINOS ODYSSEA of 70 Park  
Avenue, Potter's Bar Hertfordshire, EN6 5EJ to be my attorney in accordance  
with Section 10 of the Powers of Attorney Act 1971 with general authority to act  
on my behalf in relation to all documentation concerning any clients of Bond  
Partners LLP including but not limited to appointments made under the  
Insolvency Act 1986 and the Enterprise Act 2002 and the Law of Property Act  
1925 and all other appointments or engagements in my capacity as a Licensed  
Insolvency Practitioner

IN WITNESS whereof THEODOULOS PAPANICOLA has hereunto set his  
hand and seal the day and year above written

Signed as a Deed and delivered



In the presence of

Witness

Name

ALEXANDER KAKOURIS

Address

4 LEESIDE, POTTER'S BAR

HERTS, EN6 5RG

Occupation

INSOLVENCY ADMINISTRATOR

**IN THE HIGH COURT OF JUSTICE  
CHANCERY DIVISION  
COMPANIES COURT**

**No. 902 Of 2007**

**IN THE MATTER OF  
MATRAD LIMITED  
AND  
IN THE MATTER OF THE ENTERPRISE ACT 2002**

**ADMINISTRATORS' PROGRESS REPORT PURSUANT TO  
RULE 2.47 OF THE  
INSOLVENCY RULES (AMENDMENT) 2003**

## **DISCLAIMER**

This Report has been prepared by Theodoulos Papanicola, the Administrator of Matrad Limited, solely to comply with his statutory duty under Rule 2.47 of the Insolvency Rules (As Amended) to provide progress reports to the creditors. This Report should not be relied on by any person, used for any other purpose or used in any other context.

This Report has not been prepared for use in the making of any investment decision in relation to the debt of or any financial interest in Matrad Limited, nor should it be used as such.

Any estimated outcomes for creditors included in this Report are for illustration only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Should any person choose to rely on this Report in any context other than that stated above in respect of the Insolvency Act, then that person does so at its own risk.

The Administrator does not accept any responsibility and will not accept any liability in respect of this Report.

The Administrator acts as an agent for Matrad Limited and contracts in all things without personal liability.

Bond Partners LLP does not accept any responsibility and will not accept any liability in respect of this Report.

## **CONTENTS**

- 1. Introduction**
- 2. EC Regulations on Insolvency Proceedings**
- 3. Asset Realisations**
- 4. Receipts and Payments**
- 5. Administrator's Remuneration**
- 6. Conclusion**

## **SCHEDULE OF APPENDICES**

- 1. Statutory Information**
- 2. Receipts and Payments Account as at the 27<sup>th</sup> February 2008**
- 3. Schedule of Time spent**

## **1. INTRODUCTION**

On the 2<sup>nd</sup> February 2007, the Directors of the Company duly appointed me Theodoulos Papanicola of Bond Partners LLP, The Grange, 100 High Street, London N14 6TB as Administrator of Matrad Limited ("the Company" or "Matrad"). I am an Insolvency Practitioner licensed by the Association of Chartered Certified Accountants

Statutory information relating to the Company is set out in Appendix 1

## **2. EC REGULATIONS ON INSOLVENCY PROCEEDINGS**

The EC Council Regulation on Insolvency proceedings applies to this Administration. These are the main proceedings. The Company's principal interest is situated in the United Kingdom.

## **3. ASSETS REALISATIONS**

Creditors will be aware from my previous reports that there is currently the sum of £1,400,000.00 due back to the Company from HM Revenue & Customs, in respect of a VAT reclaim. As stated in my progress report circularised to creditors on the 17<sup>th</sup> August 2007, I have joined a group action with The Federation of Technological Industries ("the FTI") with a view to them providing me with assistance in this matter. Additionally, I have instructed Dass Solicitors ("DASS") to act on behalf of the Company in this regard.

I would confirm that, to date, I have not received any form of acceptance or rejection in respect from HMRC. I am advised by the FTI that, in view of the number of companies in a similar position to Matrad, the process is likely to be lengthy and it may take some time before a response is received from HMRC. In the event that a rejection is received, I confirm that it is my intention to instruct DASS to lodge an immediate appeal against the decision.

As confirmed in my progress report I have sold the assets for the Company to the director and received payment in full in this regard. In respect of the Companies shareholding in Fonix Limited ("Fonix"), I confirm that Fonix entered into Administration on the 19<sup>th</sup> January 2007 with joint Administrators from KPMG. The Administrator has confirmed to me that, Fonix is in a similar position to Matrad, in so far as they may also be due a substantial sum of money from HMRC in respect of a VAT reclaim. In view of the foregoing, it is unlikely that any monies will be forthcoming from Fonix in the near future. In addition, I confirm that the Company is indebted to Fonix in the amount of £526,447.00 and that confirmation of the amount outstanding has been received from KPMG.

Creditors will note that according to the proposals agreed at the Meeting of Creditors on the 14<sup>th</sup> April 2007, that in the eventuality that Administration matters cannot be dealt with within the initial 12 month period, the duration of the Administration shall be extended by a further 6 months without further recourse to creditors. With this in mind, I confirm that the

Administration has been extended, by a period of six months, to the 2<sup>nd</sup> August 2008, in order to allow sufficient time to deal with the outstanding matters

#### **4. RECEIPTS AND PAYMENTS**

I would refer you to Appendix 2, being an up-to-date Receipts and Payments account being self-explanatory

#### **5. ADMINISTRATORS REMUNERATION**

The Statutory provisions relating to remuneration are contained in Rule 2.106 of Insolvency Rules 1986, as amended by the Insolvency (Amendment) Rules 2003. A guide to Administrators Fees is available to all creditors upon written request to this office.

My staff and I have incurred time charges to the date of this Report of £16,138.00 plus VAT, representing a total of 93.50 hours having been spent on the administration of this case. Therefore, the average hourly rate equates to £172.60. I would confirm that my remuneration has been agreed on the basis of time spent, subject to a maximum of £20,000.00 plus Vat, in accordance with my proposals.

To date, I have not drawn any monies in respect of my remuneration.

In order that Creditors may properly review the time spent on the administration of this case, we enclose herewith a schedule confirming the same, being compliant with Statement of Insolvency Practice 9, and would refer you to Appendix 3.

#### **6. CONCLUSION**

As stated previously, it is my intention to extend the Administration period by 6 months due to the outstanding matters within the Administration. I would confirm that once these matters have been finalised, I will be in a position to pursue an exit of the Administration.

T Odyssea attorney for T Papanicola



**T Papanicola FCA FCCA FABRP MCI.Arb**  
**Administrator**

Authorised to act as an Insolvency Practitioner by  
The Association of Chartered Certified Accountants

**27 February 2008**

## **Appendix 1**

### **STATUTORY INFORMATION**

Date of Incorporation	14 March 2002
Company Registration Number	04394678
Registered Office	The Grange 100 High Street London N14 6TB
Trading Address	122 Handsworth Road Handsworth Sheffield S9 4AE
Authorised Share Capital	1,000 Ordinary Shares of £1 each
Called up Share Capital	2 Ordinary Shares of £1 each
Shareholders	David Lloyd 2 Ordinary Shares of £1 each
Directors	David Alexander Lloyd 8 Parsley Hay Drive Sheffield South Yorkshire S13 8NH
Secretary	Dennise Ann Dawson 8 Parsley Hay Drive Sheffield South Yorkshire S13 8NH
Previous Names	None
Charges	None



## Appendix 2

**Matrad Limited**  
**(In Administration)**  
**Administrator's Abstract of Receipts & Payments**  
**To 27/02/2008**

S of A £		£	£
	<b>ASSET REALISATIONS</b>		
500 00	Office Equipment	500 00	
300,000 00	Shareholding Fonix Limited	NIL	
1,400,000 00	VAT Claim	NIL	
	Cash at Bank	7 41	
	Bank Interest Gross	0 97	
	Sundry Refunds	35 48	
			543 86
	<b>COST OF REALISATIONS</b>		
	Legal Fees	500 00	
			(500 00)
	<b>UNSECURED CREDITORS</b>		
(524,275 00)	Fonix Limited	NIL	
(630,560 00)	Star Telecommunications Limited	NIL	
			NIL
	<b>DISTRIBUTIONS</b>		
(2 00)	Ordinary Shares	NIL	
			NIL
545,663 00			43 86
	<b>REPRESENTED BY</b>		
	Bank 1 Deposit		43 86
			43 86

## Appendix 3

**M0775 Matrad Limited**

27 February 2008

### SIP 9 - Time & Cost Summary

Period 02/02/07 27/02/08

#### Time Summary

Hours						Time Cost (£)	Average hourly rate (£)
Classification of work function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Statutory/Legal/Compliance	5 20	1 00	0 00	18 40	24 60	3 585 00	145 73
Bank Correspondence	0 00	0 00	0 00	2 70	2 70	219 50	81 30
S192	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Complaints	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Telephone Messages	0 50	0 00	0 00	4 80	5 30	691 00	130 38
Planning	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Administration & planning	5 70	1 00	0 00	25 90	32 60	4 495 50	137 90
D1/D5/Investigations	6 20	0 00	0 00	25 50	31 70	4,723 00	148 99
Investigations	6 20	0 00	0 00	25 50	31 70	4 723 00	148 99
Insurance	0 00	0 00	0 00	0 20	0 20	24 00	120 00
VAT	4 30	0 00	1 30	5 50	11 10	2,464 50	222 03
Corporation Tax	0 00	0 80	0 00	0 00	0 80	200 00	250 00
Asset Realisation - Property	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Asset Realisation - Fixed Assets	3 00	0 00	0 00	1 00	4 00	1,239 00	309 75
Asset Realisation - Debtors	0 00	0 00	0 00	0 90	0 90	94 50	105 00
Costs	0 00	0 00	0 00	0 70	0 70	46 00	65 71
Realisations of assets	7 30	0 80	1 30	8 30	17 70	4 068 00	229 83
Trading On	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditor Correspondence	1 70	0 40	0 00	2 70	4 80	925 50	192 81
Proofs/Proxies	0 00	0 20	0 00	0 50	0 70	113 50	162 14
Preferential Claims/Crown Creditors	0 00	0 00	0 00	0 00	0 00	0 00	0 00
ERA	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Report/Statement of Affairs	5 50	0 00	0 00	0 00	5 50	1,760 00	320 00
PAYE	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Secured Creditors	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Retention of Title	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Committee	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Dividends	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Statement of Affairs/Cred Mtg	0 00	0 00	0 00	0 50	0 50	52 50	105 00
Creditors	7 20	0 60	0 00	3 70	11 50	2 851 50	247 96
Total Hours	26 40	2 40	1 30	63 40	93 50	16,138 00	172 60
Total Fees Claimed						0 00	