

Keydata Investment Services Limited (in Administration)

Six monthly report to creditors

5 July 2011

Contents

Executive summary	3
Overview of the Administration	4
SLS backed products	6
Hometrak backed products	7
Lifemark backed products	8
Asset realisations	11
Creditors' Committee	12
Extension of the Administration and exit strategy	13
Statutory information	14
Administrators' remuneration	15
Receipts and payments account to 7 June 2011	18
Appendix	20
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Appendix 1 – Form 2.24B	21
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Executive summary

Introduction

Keydata Investment Services Limited (“the Company”) was placed into Administration, a formal insolvency procedure, on 8 June 2009.

We, Dan Schwarzmann and Mark Batten of PricewaterhouseCoopers LLP, were appointed as Joint Administrators of the Company. In our role as Joint Administrators we act as officers of the Court and are granted powers to control the finances and operations of the Company.

As Administrators, we have to complete certain statutory duties, as prescribed by the Insolvency Act 1986, and follow guidance provided in Statements of Insolvency Practice issued by professional bodies responsible for the authorisation and regulation of Insolvency Practitioners.

Our statutory duties include providing all known creditors with an update on the progress of the Administration every six months following the date of our appointment. This is in accordance with Rule 2.47(3)(a) of the Insolvency Rules 1986. This is our fourth six monthly report to creditors.

A copy of this report is available for interested stakeholders on our dedicated website www.pwc.co.uk/KIS. We encourage creditors to review this website on a regular basis to obtain future updates.

Creditors of the Company

We consider any individual or company who has received a copy of this report to be a potential creditor of the Company. This includes Independent Financial Advisors (“IFAs”), former employees who are owed monies by the Company and trade creditors.

Investors in products administered by the Company are only creditors if they have suffered a loss caused by the Company. We consider the following categories of investors may be creditors:

- investors with SLS Capital S.A. (“SLS”) backed products described as Secure Income Bond 1, 2 or 3;
- investors with Hometrak S.A. (Hometrak) backed products described as Income Property Bonds;
- investors with Lifemark S.A. (“Lifemark”) backed products described as Secure Income Plan, Income Plan, Defined Income Plan or Secure Income Bond 4.

Any investor who has received compensation from the Financial Services Compensation Scheme (“FSCS”) or ex gratia payments from Norwich & Peterborough Building Society (“N&P”) is likely to have assigned their entitlement to rank as a creditor of the Company to that entity.

Accordingly, we have not circulated a copy of this report to any creditor identified, at this time, as having received compensation from the FSCS or ex gratia payments from N&P. However, a copy of this report is available to view on our website.

Objective of the Administration

The statutory objective of the Administration is:

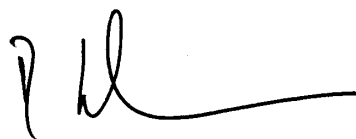
- to achieve a better result for the Company’s creditors as a whole than would be likely if the Company were wound up, without first being in Administration.

Our specific objectives in this case include:

- to protect all client accounts; and
- to deal with investors, IFAs and trade and other creditors regarding their claims against the Company.

Next report

Our next report will be distributed to creditors in six months’ time. In the interim, we will continue to update our website with matters of significance.



Dan Schwarzmann
Joint Administrator
Keydata Investment Services Limited

Overview of the Administration

The Company administered its own structured (blue chip backed) investment products, life settlement products, income property bonds and products on behalf of third party clients.

At the date of our appointment, the Company serviced approximately 260,000 investors with investments totalling some £2.85 billion.

Reading administration platform

The Reading team is supervised by the Joint Administrators' staff and continues to field queries from investors and deal with various administrative functions.

The majority of the incoming calls are in relation to the FSCS claims process and the maturity of investments which have migrated to Target Loan Services and Merchant Capital.

It is still anticipated that the Reading office will have a pivotal role in processing the payment of any income or capital to investors if a restructuring of Lifemark is approved.

At present the Company's headcount stands at 9, at a gross monthly cost of some £25,000. The operating costs of the Reading office have been streamlined as far as possible and we continue to focus on implementing further cost efficiencies.

Funding position

We detailed in our last report that, as no commission payments had been remitted from Lifemark during the period of our Administration, we had approached Credit Suisse (then the largest client of the Company) for its financial assistance.

Credit Suisse has provided the Company with a non-recourse loan of £3.2 million on commercially favourable terms to the Company.

As previously disclosed, we have also approached other banks (who were clients of the Company or who backed its structured products) to provide funding. We obtained their agreement in principle to additional funding of approximately £2.2 million (£78,700 of which has now been paid), on similar terms to those of Credit Suisse. The terms of this funding agreement are still to be finalised.

The Joint Administrators have not drawn any fees in the last six month period. This was to ensure there are sufficient funds available to maintain the Reading operation.

We continually monitor the Company's cashflow and potential future funding requirements.

Website updates

We continue to update our website www.pwc.co.uk/KIS on a regular basis with news and information for creditors and other interested stakeholders.

The website is divided into various sections so that interested parties can immediately identify and navigate to the relevant information. The sections include information for investors and IFAs, and specific sections for parties interested in any developments in relation to Lifemark and SLS. The website also offers useful links to various other sites and we encourage creditors, particularly those with Lifemark or Hometrak products, to view this site on a regular basis.

Future prospects

The future strategy of the Administration will depend on whether a restructuring plan for Lifemark can be implemented. If a plan is approved it is likely that the Reading operation will be required to distribute funds to investors and deal with any associated correspondence.

However, if Lifemark is unable to implement a plan, we will have no option other to close the Reading operation and exit the Administration of the Company.

SLS backed products

SLS backed products

In November 2009, the FSCS confirmed the Company to be in "default" and wrote to all investors in Secure Income Bonds 1, 2 and 3 inviting them to submit a claim for compensation. Before confirming the Company to be in default, the FSCS had to consider complex legal issues associated with this case in order to establish the categories of claim that it was able to consider and the correct approach to assessing those claims.

The FSCS has indicated that, whilst it must consider claims on a case by case basis, the vast majority of investors in Secure Income Bonds 1, 2 and 3, who held investments through an ISA, will be entitled to compensation. Investors who hold a direct investment in Secure Income Bonds 1, 2 and 3 will also be able to bring claims for compensation to the FSCS and these will be considered on a case by case basis in light of an investor's particular dealings with the Company.

We strongly encourage investors to submit their claim for compensation to the FSCS if they have not already done so. Please note that the final decision as to whether an investor is entitled to receive compensation rests with the FSCS alone.

The maximum compensation available to each individual investor will be £48,000, calculated as 100% of the first £30,000 loss suffered and 90% of the next £20,000 loss suffered.

Please contact the FSCS directly on 020 7741 4100 or alternatively 0800 678 1100 if you have not received a claim form or wish to discuss your claim.

Any investor who has received compensation from the FSCS or ex gratia payments from N&P is likely to have assigned their entitlement to rank as a creditor of the Company to that entity.

Norwich & Peterborough Building Society's ex gratia payments to its clients

N&P is voluntarily making certain ex gratia payments available to its customers who invested in Keydata life settlement products. The payments will be calculated in line with the general approach of the Financial Ombudsman Service in determining Keydata complaints, but the £100,000 cap will not apply.

All investors who have received an ex gratia payment from N&P will have assigned their entitlement to rank as a creditor of the Company to N&P.

N&P's programme of making ex gratia payments to its Keydata customers in exchange for the assignment of rights is nearing completion. This process includes a settlement with the FSCS where it had previously issued payments to Keydata customers.

Reinvestment in an ISA product

Keydata distributed ISA reinvestment certificates to investors who held ISA products backed by SLS at the end of December 2009.

This certificate enabled ISA investors to deposit the amount of capital originally invested in these products back into an ISA and thus regain their ISA tax exemptions.

SLS investors had up to 5 April 2011 to reinvest in an ISA product.

Hometrak backed products

Hometrak backed products

We have previously communicated to Hometrak investors that a bank had appointed receivers over the US property complexes underlying the Income Property Bonds. We are advised that the two apartment complexes, Regency Pointe and Royal Summit, were subject to foreclosure on 3 August 2010 and 27 May 2010 respectively.

In January 2011 we reported on our website that, at the date of foreclosure over Royal Summit, the Bank's indebtedness was some \$8.5 million and following the sale of the complex the Bank incurred a loss in excess of \$6million. Accordingly, investors will receive no return from this particular apartment complex.

We are still awaiting information in relation to the Regency Pointe complex. However, we consider it unlikely that there will be any return from this apartment complex.

FSCS compensation

The FSCS has issued forms to all Hometrak investors to enable them to submit claims for compensation in respect of any loss relating to these products.

We strongly encourage investors to submit their claim for compensation to the FSCS if they have not already done so. Please note that the final decision as to whether an investor is entitled to receive compensation rests with the FSCS alone.

The maximum compensation available to each individual investor will be £48,000, calculated as 100% of the first £30,000 loss suffered and 90% of the next £20,000 loss suffered.

Please contact the FSCS directly on 020 7741 4100 or alternatively 0800 678 1100 if you have not received a claim form or wish to discuss your claim.

Any investor who has received compensation from the FSCS is likely to have assigned their entitlement to rank as a creditor of the Company to the FSCS.

Reinvestment in an ISA product

Keydata has recently distributed ISA reinvestment certificates to investors who held ISA products backed by Hometrak.

This certificate enables ISA investors to deposit the amount of capital originally invested in these products back into an ISA and thus regain their ISA tax exemptions. In addition, ISA investors holding products backed by Hometrak via an ISA manager other than Keydata will benefit in the same way.

If you have not received an ISA reinvestment certificate and are eligible to do so please contact the Keydata client services team on 01189 255 933 to request a replacement.

Lifemark backed products

Lifemark backed products

The investments products backed by Lifemark are described as a Secure Income Plan, Income Plan, Defined Income Plan or Secure Income Bond 4.

Income payment position

Since 25 January 2010 no income has been received from Lifemark for onward transmission to investors. The Company is unable to make income payments to individual investors until it has received the corresponding funds from Lifemark.

Lifemark funding

In October 2010, Norwich & Peterborough Building Society ("N&P"), together with CarVal Investors Limited ("CarVal"), announced that they were to provide Lifemark with a loan facility to enable it to pay the premiums due on its US traded life insurance policies and certain other trading expenses. N&P and CarVal entered into an uncommitted revolving loan facility for maximum amounts of £1.5 million and \$7.5 million respectively, at an interest rate which reflected the risk profile of the loan. This facility was available until 15 February 2011.

We understand the loan facility provided by N&P and CarVal has now been repaid in full by Lifemark following the maturity of some life policies. We understand a long-term funding solution is still sought by Lifemark.

Current status

On 10 May 2011, the Luxembourg District Court extended the term of the appointment of the Provisional Administrator (Eric Collard of KPMG) for an additional six month period to facilitate the implementation of a restructuring of Lifemark.

One of the factors attributed to the liquidity issues of Lifemark is the underperformance of the underlying assets of the investments, i.e. the US traded life insurance policies. The issue of liquidity is amplified as Lifemark must continue to make monthly premium payments on the insurance policies to ensure they do not lapse and lose their value. As a result, we understand the Provisional Administrator has focused on the continuation of the premium payments whilst a restructuring plan is considered.

We do not know at this stage the extent to which investors who have not assigned their claims to the FSCS (or any other third party) may receive income or capital under any restructuring plan.

We suggest that Lifemark investors refer to our website on a regular basis for updates on any proposed restructuring plan. Alternatively, if you do not have access to the internet you can contact the Company's client services team 01189 255 933 for updates.

FSCS

At the end of September 2010, the FSCS announced that “it was satisfied that the marketing materials produced by Keydata to promote the [Lifemark backed] products did not comply with the Financial Services Authority’s rules” meaning that the Company “may owe a legal liability to investors in these products”.

As a result, the FSCS invited Lifemark investors to submit claims for compensation so that it was able to assess each investor’s eligibility. At that time the FSCS was still investigating the basis on which it was to pay compensation to investors as there was uncertainty over the value attributable to the Lifemark bonds.

At the end of November 2010, the FSCS made a further announcement that “these bonds have no value for FSCS in quantifying the claims of individual Lifemark investors. Compensation payable to eligible investors will not, therefore, be reduced to take account of an amount representing a value for the bonds”.

We strongly encourage investors to submit their claim for compensation to the FSCS if they have not already done so. Please note that the final decision as to whether an investor is entitled to receive compensation rests with the FSCS alone.

The maximum compensation available to each individual investor will be £48,000, calculated as 100% of the first £30,000 loss suffered and 90% of the next £20,000 loss suffered.

Please contact the FSCS directly on 020 7741 4100 or alternatively 0800 678 1100 if you have not received a claim form or wish to discuss your claim.

Keydata has furnished the FSCS with information in relation to investors’ holdings as and when requested by the FSCS. The Keydata client services team is not responsible for dealing with investors’ claims and, consequently, does not hold information on the progress of individual claims. Investors should contact the FSCS for an update on the progress of their claim.

Any investor who has received compensation from the FSCS is likely to have assigned their entitlement to rank as a creditor of the Company to the FSCS.

Norwich & Peterborough Building Society’s ex gratia payments to its clients

N&P is voluntarily making certain ex gratia payments available to its customers who invested in Keydata life settlement products. The payments will be calculated in line with the general approach of the Financial Ombudsman Service in determining Keydata complaints, but the £100,000 cap will not apply.

All investors who have received an ex gratia payment from N&P will have assigned their entitlement to rank as a creditor of the Company to N&P.

N&P’s programme of making ex gratia payments to its Keydata customers in exchange for the assignment of rights is nearing completion. This process includes a settlement with the FSCS where it had previously issued payments to Keydata customers.

Reinvestment in an ISA product

Keydata has recently distributed ISA reinvestment certificates to investors who held ISA products backed Lifemark.

This certificate will enable ISA investors to deposit the amount of capital originally invested in these products back into an ISA and thus regain their ISA tax exemptions. In addition, ISA investors holding products backed by Lifemark via an ISA manager other than Keydata will benefit in the same way.

If you have not received an ISA reinvestment certificate and are eligible to do so please contact the Keydata client services team on 01189 255 933 to request a replacement.

Lifemark Bondholders' Action Group ("LBAG")

This action group is aimed at Lifemark investors who have suffered losses which have not been fully compensated by the FSCS or FOS schemes, and also those who are not eligible for compensation.

Generally, these will be people with high value investments in Lifemark via the Company or who have invested through Keydata International.

The administrators have been requested to make such investors aware of the existence of this group and any investor interested in being kept informed of the activities of this Group is invited to e-mail lifemark50@talktalk.net for more information.

Please note that the Administrators do not endorse, or have any influence over, this action group and do not take responsibility for its actions or representations.

Surrender restrictions

Prior to our appointment investors were able to surrender Lifemark backed products.

This was possible because when an investor wished to surrender their investment it would be offered to the market and another party would purchase it. However, there is no longer an active market for these investments and surrenders are not presently possible.

Any investor who is not eligible to claim compensation from the FSCS or receive ex gratia payments from N&P, or who does not wish to submit a claim for compensation, will have to hold their investment, subject to the terms of any restructuring plan or unless a market can be established.

Commissions payable to the Company

The Company has not received any commission payments from Lifemark since our appointment on 8 June 2009. The total amount outstanding to the Company at the end of June 2011 was £16.2million.

The Company has not waived any of its rights to receive payment from Lifemark and has submitted all due invoices to Lifemark's Provisional Administrator in order to protect the Company's position in the event monies are available to meet Lifemark's contractual obligations in the future.

Asset realisations

Fundworks UK Limited loan

The Company provided a loan for £1 million to Fundworks UK Limited, on 27 September 2007.

On 12 January 2010 Generic One Limited, previously known as Fundworks UK Limited, moved from Administration to Liquidation. We understand from the Liquidators that any dividend available to the Company will dependant on the outcome of litigation against the directors of Generic One Limited.

We continue to communicate with the Liquidators and expect a nominal dividend may be paid to the Company in the future.

Dividend prospects

The level of dividend available for preferential and unsecured creditors is dependent upon receipt of commission payments from Lifemark and is therefore uncertain.

On a worse case basis, if we do not receive any commission payments there will likely be no dividend for preferential or unsecured creditors.

However, if commission payments are received it is possible that preferential creditors will receive 100p in £.

If sufficient funds are available, we will consider various potential causes of action for recoveries against third parties. It is still not possible to comment on recovery prospects for any such potential litigation.

Creditors' Committee

A Creditors' Committee was elected at the meeting of creditors held on 14 August 2009. The elected members were:

- Credit Suisse Securities (Europe) Limited
- Her Majesty's Revenue and Customs
- John Joseph Financial Services Limited
- Peter Magowan
- Vintage Financial Limited

We, and the Creditors' Committee, have agreed for the following parties to be observers:

- Bruce Hattersley
- Financial Services Authority
- FSCS
- HFM Columbus Wealth Management Limited

The observers are able to contribute to the meetings. However, they are not able to vote on proposed resolutions.

Members and observers of the Creditors' Committee are not remunerated for their time and other than receiving travel expenses, they receive no payment from the Company.

Function and role of the Committee

The statutory function of the Creditors' Committee is to assist us in discharging our responsibilities as set out in the Insolvency Act 1986.

The responsibility of the Creditors' Committee is to represent the interests of the unsecured creditors as a whole, rather than the interests of certain parties or individuals.

Committee meetings

Following the election of the Creditors' Committee there has been:

- A first formal meeting spanning two full days held on 7 October 2009 and 23 October 2009
- A second formal meeting on 23 November 2009
- A third formal meeting on 30 April 2010
- A fourth formal meeting on 1 December 2010
- A number of informal telephone calls with members and observers of the Committee to address specific matters

The Creditors' Committee, mindful of time and cost implications, have agreed that no further meetings are to be held unless there are significant developments in relation to a restructuring of Lifemark or any other matter pertaining to the Company.

Extension of the Administration and exit strategy

Extension of Administration

Under the provisions of the Insolvency Act 1986 the duration of any Administration Order is restricted to 12 months from the date of appointment, unless it is extended either by creditors or by the Court. The Administration Order was previously extended to 7 June 2011 and was, therefore, due to expire on this date.

We made an application to Court to extend the term of office for a further period of 12 months. The extension was granted by the Court on 20 May 2011.

Please note that the Administration can be brought to an end at a date earlier than 7 June 2012 if we believe that it would be in the Company's best interests to do so.

We considered that an extension of the Administration was necessary to enable us:

- to continue our dialogue with SMP Trustees Limited as the appointed Trustee for the bond holders of Lifemark and Mr Collard in his capacity as Provisional Administrator of Lifemark in order to try and seek a resolution to the Lifemark issues that is satisfactory to the Company and its creditors;
- to continue our investigations into the Company's relationship with SLS and other counterparties should funds become available for this purpose;
- to address ongoing investor queries and correspondence;
- to protect the contractual arrangements entered into by the Company in respect of the trading of the Reading operation and with SLS and Lifemark; and
- if possible, to realise further assets for the benefit of creditors as a whole.

Exit strategy

We may use any exit route strategy, or a combination of them, in order to bring the Administration to an end. We will determine the exit strategy for the Company once we have more certainty on the position of Lifemark and whether we have any funds to pursue litigation against certain parties.

If it is possible to distribute a dividend to unsecured non-preferential creditors, we may seek to move the Company into Creditors' Voluntary Liquidation. In these circumstances, we propose to act as Joint Liquidators of the Company.

However, if a dividend distribution is not possible we will file notice under Paragraph 84(1) of Schedule B1 of the Insolvency Act 1986, three months after which the Company will be dissolved.

We will approach the Creditors' Committee to be discharged from liability pursuant to Paragraph 98(1) of Schedule B1 of The Insolvency Act 1986.

Statutory information

Full name:	Keydata Investment Services Limited
Registered number:	3714989
Registered address:	Soanepoint, 6-8 Market Place, Reading, Berkshire RG1 2EG
Court details:	High Court of Justice, Chancery Division, Companies Court
Court case:	14997 of 2009
Company directors:	Mr Stewart Ford, Mr Craig McNeill and Mr Mark Owen
Company secretary:	Mr Craig McNeill
Shareholdings held by directors and secretary:	Less than 1%
Date of the Administration:	8 June 2009
Administrators' name and address:	Dan Schwarzmann and Mark Batten of PricewaterhouseCoopers LLP, 7 More London Riverside, London SE1 2RT
Appointer's name and address:	The Financial Services Authority of 25 The North Colonnade, Canary Wharf, London, E14 5HS
Objective being pursued by the Administrators:	To 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
Division of the Administrators' responsibility:	During the period for which the Administration is in force, any act required or authorised under any enactment to be done by either or both of the Joint Administrators, may be done by any one or more of the persons for the time they hold office
Proposed end of the Administration:	The Administrators may use any, or a combination of, exit route strategies in order to bring the Administration to an end
Estimated dividend for preferential creditors:	Not currently estimated
Estimated dividend for unsecured creditors:	Not currently estimated
Estimated value of the prescribed part:	A prescribed part is not applicable in this case
The European Regulation on Insolvency Proceedings (Council Regulation (EC) No. 1346/2000 of 29 May 2000) does not apply to this Administration as the Company is an investment undertaking for the purposes of Article1(2) of those regulations	

Administrators' remuneration

Our remuneration

As detailed in our previous reports to creditors, the Financial Services Authority Client Money Rules specifies that investors' funds should be held in segregated client accounts. They are, therefore, deemed to be protected client monies which cannot be used to settle the costs of trading the Company or our remuneration. Such funds have now been paid to investors where possible.

In the six month period ending 7 June 2011 we have drawn no remuneration and all available funds have been used to ensure the Reading operation can continue to operate and service investors.

We anticipate that our remuneration to date will be paid in part from third party funding provided by certain banks as outlined on page 4 of this report. Additionally, in the event the Company receives any commission payments due from Lifemark, some of these monies may be used to settle a portion of our remuneration, subject to approval by the Creditors' Committee. The balance of any potential funds received from Lifemark may be set aside to pursue recoveries from litigation against third parties. The split of these funds is to be agreed by the Creditors' Committee in advance of us drawing any remuneration.

Approval of our remuneration by the Creditors' Committee

The Creditors' Committee is provided with a comprehensive disclosure of our time costs at each convened meeting, in accordance with the Statement of Insolvency Practice 9.

At the first meeting of the Creditors' Committee the following resolution was approved in respect of our remuneration:

"THAT, the Joint Administrators' remuneration be fixed by reference to the time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration and that the Joint Administrators be authorised to draw their fees on account to the end of December [2009]."

We did not draw our fees in full to the end of December 2009 to ensure sufficient funds were available to trade the Reading office. In total over the course of the Administration we have drawn £1,740,000 plus VAT.

Category 1 disbursements

The disbursements of an Administrator are divided into Category 1 and Category 2 expenses.

Category 1 disbursements include telephone calls, postage, case advertising, travel costs and properly reimbursed expenses incurred by personnel in connection with the case. Also included are services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage. It is not necessary for an Administrator to obtain approval to draw Category 1 disbursements.

In the six month period ending 7 June 2011 we have drawn category 1 disbursements of £69,981 plus VAT covering the period 8 June 2009 to 31 December 2010. The extract below provides an analysis of these costs:

Expense	£
Accommodation	8,347
Bank charges	15
Administrators' insurance	1,600
Committee expenses	1,105
Company searches	1,419
Technology services	10,745
Courier charges	2,425
Lunch allowance	173
Meeting room charges	404
Miscellaneous	4,467
Travel costs	39,281
Total	69,981

Category 2 disbursements

Category 2 disbursements include costs which, whilst being in the nature of expenses or disbursements, include elements of shared or allocated costs. These costs are subject to approval by those responsible for approving remuneration.

Accordingly, a resolution was sought from the Creditors' Committee in respect of Category 2 disbursements and the following resolution was approved:

THAT, in accordance with the Statement of Insolvency Practice No. 9, the Joint Administrators be authorised to draw category 2 disbursements (i) for mileage at a rate of up to 50p per mile for 2,000cc engines or up to 70p per mile for engines over 2,000 and (ii) for photocopying at a rate of 3p per sheet.

In the six month period ending 7 June 2011 we have drawn category 2 disbursements of £3,448 plus VAT covering the period 8 June 2009 to 31 December 2010. The extract below provides an analysis of these costs:

Expense	£
Mobile telephone charges	1,338
Photocopying and printing costs	2,110
Total	3,448

Extracts

We set out below our analysis of our time costs for the period 8 December 2010 to 7 June 2011 including details of the number of hours spent on this case by each grade of staff and by activity.

Relevant considerations

Our time costs to date should be considered with reference to:

- the expertise required and work involved in dealing with the Luxembourg Regulator, the Trustee and Provisional Administrator of Lifemark, the Financial Services Authority and other parties in relation to the liquidity issues experienced by Lifemark and its potential restructuring;
- the resources needed to respond to letters and calls from some 26,000 investors with products still managed by the Company;
- the resources required to resolve queries forwarded by the FSCS.

The extract below provides an analysis of the total hours and the associated cost by grade:

Grade	Hours	£
Partner	7	4,535
Director	272	170,409
Senior Manager	207	97,038
Manager	19	6,682
Senior Associate	321	103,901
Associate	242	45,651
Support staff	2	206
Total	1,070	428,422

The following extract provides an analysis of the total hours and associated cost by activity:

Activity		Hours	£
Strategy and planning	Strategy and planning	49	19,550
	Team management	17	5,756
Statutory and compliance		133	41,068
Assets	Asset realisations	8	2,902
	Insurance	4	1,305
Forensic investigations		5	5,779
Tax		13	10,893
Trading	Employees	101	24,836
	Pensions	2	783
	Funding of the Administration	85	36,219
	Lifemark related matters	180	102,069
	Other trading matters	142	66,831
	FSCS and FSA liaison	50	28,184
Creditors	Creditor enquiries	104	35,588
	Creditors' Committee	4	1,233
Support services	Accounting and treasury	155	40,230
	Secretarial	18	5,196
Total		1,070	428,422

Receipts and payments account from 8 June 2009 to 7 June 2011

Receipts account from 8 June 2009 to 7 June 2011

	As at 07/12/10	Movement from 08/12/2010 to 07/06/2011	Total to 07/06/2011
	£	£	£
Receipts			
Cash at bank	3,336,188	-	3,336,188
Third party funding	3,278,700	-	3,278,700
Reimbursement of costs of distributing ISA certificates and circulars	2,151	6,008	8,159
Reimbursement of costs of migrating plans	44,054	-	44,054
FSCS related work	-	18,400	18,400
Sale of other assets	9,678	2,278	11,956
Sundry income	39,000	673	39,673
Bank interest	3,283	153	3,436
VAT	10,848	4,737	15,585
	<u>6,723,902</u>	<u>32,249</u>	<u>6,756,151</u>
Payments			
Trading deficit	2,588,895	381,516	2,970,411
Administrators' fees	1,740,000	-	1,740,000
Administrators' disbursements - Category 1	-	69,981	69,981
Administrators' disbursements - Category 2	-	3,448	3,448
Agents' fees and disbursements	-	3,605	3,605
Statutory meeting expenses	34,417	-	34,417
Statutory advertising	1,234	-	1,234
Distribution of statutory reports	70,521	29,719	100,240
Creditors' Committee expenses	739	313	1,052
Legal fees and disbursements	843,785	-	843,785
Interest on third party funding	41,044	25,075	66,119
VAT (recoverable at 3%)	327,350	13,512	340,862
	<u>5,647,985</u>	<u>527,169</u>	<u>6,175,154</u>
Funds in hand	<u>1,075,916</u>	<u>(494,918)</u>	<u>580,997</u>

Trading account from 8 June 2009 to 7 June 2011

	As at 07/12/10	Movement from 08/12/2010 to 07/06/2011	Total to 07/06/2011
	£	£	£
Receipts			
Book debts	1,451,535	-	1,451,535
Trading income	286,733	446	287,179
	<u>1,738,268</u>	<u>446</u>	<u>1,738,714</u>
Payments			
Net wages	1,820,358	124,784	1,945,142
PAYE and NIC	854,176	66,104	920,280
Healthcare and pension payments	52,040	9,588	61,628
Employee expenses	17,246	-	17,246
Consultancy costs	58,579	38,125	96,704
Rent, service charges and utilities	319,338	39,774	359,112
Rates	33,273	-	33,273
Custodian fees	268,196	60,000	328,196
Trading expenses	237,189	-	237,189
IT licences	8,683	-	8,683
IT costs	100,630	11,428	112,058
Telephone charges	108,758	1,004	109,762
Office cleaning	7,982	-	7,982
Postage, stationary and printing	129,403	7,133	136,536
Storage costs	17,643	2,375	20,018
Security	1,703	-	1,703
Insurance	21,711	3,964	25,675
General expenses	4,590	-	4,590
Petty cash	3,300	-	3,300
Bank charges	78,264	6,485	84,749
VAT (recoverable at 3%)	184,101	11,198	195,299
	<u>4,327,163</u>	<u>381,962</u>	<u>4,709,125</u>
Trading deficit	(2,588,895)	(381,516)	(2,970,411)

Appendix

Appendix 1 – Form 2.24B

(Please note this form is for your reference only)

Rule 2.47

The Insolvency Act 1986

Form 2.24B

Administrator's progress report

2.24B

Name of Company Keydata Investment Services Limited	Company Number 03714989
In the High Court of Justice, Chancery Division, Companies Court <small>(full name of court)</small>	Court case number 14997 of 2009

We, Dan Yoram Schwarzmann and Mark Charles Batten of PricewaterhouseCoopers LLP, 7 More London Riverside, London SE1 2RT, Administrators of the above company, attach a progress report for the period

from 8 December 2010 to 7 June 2011



Signed _____
Joint Administrator

Dated 5 July 2011 _____

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 public record

Victoria Keefe of PricewaterhouseCoopers LLP, 7 More London Riverside, London SE1 2RT	
Tel: 020 7212 6744	Fax: 020 7212 6800
DX Number:	DX Exchange:

Companies House receipt date barcode

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**

www.pwc.co.uk/KIS

Dan Schwarzmann and Mark Batten of PricewaterhouseCoopers LLP were appointed Joint Administrators of Keydata Investment Services Limited on Monday 8 June 2009, to manage its affairs, business and property as agents without personal liability. Dan Schwarzmann and Mark Batten are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.

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