

The Insolvency Act 1986

Administrator's progress report

Pursuant to Rule 2.38 of the Insolvency (Scotland) Rules 1986

Name of Company

SeaEnergy PLC

Company number

SC062845

(a) Insert full
name(s) and
address(es) of
administrators

WWe (a) Geoffrey Isaac Jacobs
KPMG LLP
37 Albyn Place
Aberdeen
Grampian
AB10 1JB

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KPMG LLP
37 Albyn Place
Aberdeen
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Gerard Anthony Friar
KPMG LLP
319 St Vincent Street
Glasgow
G2 5AS

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

from

to

(b) Insert date(s)

(b) 2 June 2016

(b) 1 December 2016

Signed



Joint Administrator

Dated

12 January 2017

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

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SATURDAY



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Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge,
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Joint
Administrators'
progress
report for the
period 2 June
2016 to 1
December
2016

SeaEnergy PLC - in
Administration

12 January 2017

Notice to creditors

This progress report provides an update on the administration of the Company.

We have included (Appendix 2) an account of all amounts received and payments made since the date of our appointment.

We have also explained our future strategy for the administration and how likely it is that we will be able to pay each class of creditor.

You will find other important information in this progress report such as the costs which we have incurred to date.

A glossary of the abbreviations used throughout this document is attached (Appendix 4).

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following website, <http://www.insolvency-kpmg.co.uk/case+KPMG+SG601C3342.html>. We hope this is helpful to you.

Please also note that an important legal notice about this progress report is attached (Appendix 5).

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1 Executive summary

- The directors resolved on 2 June 2016 to appoint us as Joint Administrators. The notice of appointment was lodged at the Court of Session on 2 June 2016 and we were duly appointed.
- This progress report covers the period from the date of our appointment to 1 December 2016.
- We circulated our statement of proposals ('proposals') to all known creditors on 21 June 2016. They were deemed approved without modification on 29 June 2016.
- With regard to the Company's key assets, we would note that:-
 - R2S was sold to James Fisher on 2 June 2016;
 - the Company's shareholding of Eagle HC was sold for £305,000 on 18/10/2016; and
 - the Company's interest in Medusa was sold for £12,000 on 17/11/2016.We are currently seeking to realise the Company's shareholding in Lansdowne. (Section 2 - Progress to date).
- The Bank's indebtedness of £686,570 has been repaid in full (Section 3 - Dividend prospects and dividends paid).
- The strategy adopted and implemented by us generated a recovery for the floating charge holders that was not anticipated prior to our involvement. To date, the two second ranking floating charge holders have received interim distributions of £202,500 each. Based on current estimates, we anticipate that there will be sufficient funds available to enable further distributions to be made to the second ranking secured lenders, however it is not possible to confirm the timing or level of the further distributions. The outcome will be dependent on the amounts realised in respect of the Lansdowne shares (Section 3 - Dividend prospects and dividends paid).
- The preferential creditors will receive a dividend of 100 pence in the pound (Section 3 - Dividend prospects and dividends paid).
- Unsecured creditors will receive a dividend. It is not currently possible to determine the timing or level of this dividend based on the information currently available (Section 3 - Dividend prospects and dividends paid).
- Please note: you should read this progress report in conjunction with our proposals which were issued to the Company's creditors and can be found at <http://www.insolvency-kpmg.co.uk/case+KPMG+SG601C3342.html>. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



Geoffrey Jacobs
Joint Administrator

2 Progress to date

2.1 Strategy and progress to date

Strategy

We have continued to progress the Administration in line with the initial strategy provided within the approved proposals. A summary of progress to date is provided below.

2.2 Asset realisations

Realisations during the period are set out in the receipts and payments account (Appendix 2).

Summaries of the most significant realisations during the period are provided below.

Sale of R2S shareholding

As detailed in the proposals, the Company's shareholding in R2S was sold for an initial consideration of £1,660,322 on 2 June 2016. Further amounts of up to £150,000 may be received depending on R2S's performance against agreed criteria. It is currently not possible to determine whether or not any further amounts will be payable, however an update will be provided in our next progress report.

Eagle HC

Eagle HC was a non-trading subsidiary of the Company, which held oil and gas production royalties. The Company's shareholding in Eagle HC was marketed extensively and a number of offers were received.

The highest offer was received from DNP and LPCPM for £305,000. This offer was accepted and the sale completed on 18 October 2016.

The consideration was made by way of cash payments of £50,000 each from DNP and LPCPM, and deemed distributions of £102,500 each.

Montenegro interest

The Company held the rights to certain proceeds of an ongoing legal claim for Medusa in Montenegro. Given the nature of this agreement and the uncertainty of any recovery, it was not economical to widely market the Company's interest for sale or for the Company to hold this interest indefinitely.

The Company's interest was offered to a targeted group of potentially interest parties and two offers were generated, and the highest offer of £12,000, received from LPCPM, was accepted. The sale completed on 17 November 2016.

Equipment, furniture and fittings

The Company held minimal equipment, fixtures and fittings, which were split across three locations, including the Company premises.

The assets held at the Company premises are subject to the landlord's hypothec claim and there will be no recovery for the Administration.

After taking advice from property agents, it was deemed uneconomical to uplift or sell the furniture and fittings held at the remaining two locations.

Trade debtors

As noted in the proposals document, the debtor ledger as at the date of appointment was £2,964. £1,112 has been received, however, it is unlikely that the remaining £1,851 will be recoverable.

As previously noted in the proposals document, the Company paid an electricity provider for electricity, which was used by the Company and another unrelated entity operating from the same building. We will write to the unrelated entity to request that payment is made to the Company in respect of their share of electricity. Please note that any recovery from this source is unlikely to be of a significant value.

Investigations

We are reviewing the affairs of the Company to consider if there are any actions which can be taken against third parties to increase recoveries for creditors. There are no actions currently ongoing.

We have complied with the relevant statutory requirements to provide information on the conduct of the Company's directors and any shadow directors to the Department for Business, Innovation and Skills. The contents of our submission are confidential.

2.3 Costs

Payments made in this period are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant payments made during the period are provided below.

Agents' fees

As noted in Section 2.2, Metis were instructed to assist us with the sales process for the Company's shareholding in Eagle HC. Metis were paid £10,000 (plus VAT) for the work undertaken.

Equipoise Limited were instructed to provide a valuation of the royalties held by Eagle HC, and were paid £10,000 (plus VAT) for the work undertaken.

GMG Asset Management received £500 (plus VAT) in respect of desktop valuations carried out on the Company's physical assets.

Solicitors' fees

Burness Paull LLP were instructed to assist with a number of legal matters relating to the sale of R2S, Eagle HC, the Company's interest in Medusa, the Lansdowne shares, and a number of other matters relating to the Administration. To date we have incurred £32,402 in respect of these legal services, in addition to £2,299 in respect of stamp duty and Court dues.

Of the legal costs noted above, £14,088 relates to work carried out prior to our appointment. This work related to the sale of R2S and the Administration appointment.

Furthermore, BoyarMiller were instructed to assist with matters relating to the Company's US interests. Payments totalling \$2,750 have been made to BoyarMiller and we have recently received invoices totalling \$475 which will be settled in due course.

Pinsent Masons LLP were instructed to perform a security review of the secured lenders' agreements with the Company, and were paid £1,845 (plus VAT) in respect of this work.

Further legal work will be required to be instructed and will be settled periodically. We will provide an update on the further costs incurred in our next report.

Rent and Rates

Payment of £1,753 (plus VAT) has been made to the landlord of the Company's former premises, Britannia House, Arnhall Business Park, Endeavour Drive, Westhill, AB32 6UF and to Aberdeen City Council (£805) in respect of the Joint Administrators' use of the Company's premises for the period 2 June 2016 to 17 June 2016.

Utilities

We have written to the electricity provider of the Company's former premises a number of times to request a statement and invoice for the period 2 June 2016 to 17 June 2016, however this has not been provided.

Once an invoice is received, this will be paid as a cost of the Administration and we will advise creditors in the subsequent progress report.

IT costs

We instructed the Company's IT provider to provide a back-up of the Company's data. Payment of £1,629 (plus VAT) has been made for these services.

Employee costs

As noted in the proposals document, four of the Company's employees were retained on a short term basis to assist with the Administration. Costs in this respect totalled £1,241.

Mail re-direction

A mail re-direction of the Company's former premises has been set up, and we have paid £435 in respect of these services.

Insurance costs

Insurance premiums totalling £411 were settled on 21 December 2016, after the date of the Receipts and Payments at Appendix 2.

Other costs

A third party accountancy firm who prepared the Company's pre-appointment VAT return has been paid £1,000 plus VAT.

3 Dividend prospects and dividends paid

3.1 Secured creditors

As noted in the proposals, the Bank had a first ranking floating charge of £686,570 at the date of appointment, and the Company's total borrowing in relation to DNP and LPCPM, which had second ranking floating charges, totalled £1,000,000 (excluding interest).

The Bank has recovered its indebtedness in full and during the period, we have distributed £202,500 each to DNP and LPCPM.

Based on our current estimates, we anticipate that there will be sufficient funds available to enable further distributions to be made to DNP and LPCPM. The timing and final level of recovery, which will be achieved by the floating charge holders, will be dependent inter alia on the amounts realised in respect of the Lansdowne shares.

Please refer to the proposals for further information regarding the security held by the Bank, DNP and LPCPM.

3.2 Preferential creditors

We estimate the amount of preferential claims to be £31,614.

Based on current estimates, we anticipate that preferential creditors should receive a dividend of 100p in the pound.

3.3 Unsecured creditors

Based on current estimates, we anticipate that unsecured creditors will receive a dividend via the prescribed part. We have yet to determine the amount, but we will do so when we have completed the realisation of assets and payment of associated costs.

4 Joint Administrators' remuneration and outlays and disbursements

Time costs

From the date of our appointment to 1 December 2016, we have incurred time costs of £206,202.50. This represents 600.15 hours at an average rate of £342.02 per hour.

Disbursements

During the period, we have incurred disbursements of £2,770.80. None of these have yet been paid.

Additional information

We have attached (Appendix 3) an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by KPMG for the period from our appointment to 1 December 2016. We have also attached our charging and disbursements policy.

Approvals

Since our appointment we have been liaising with the second ranking secured lenders, regarding the Administration strategy together with possible asset realisations and the costs of the Administration process.

We will formally request approval for our fees and the pre-appointment legal fees from the secured lenders and preferential creditors in due course, and will then revert to other creditors.

5 Future strategy

5.1 Future conduct of the administration

We will continue to manage the affairs, the business and the property of the Company in order to achieve the purpose of the administration. This will include but not be limited to:

Liaising with James Fisher regarding the potential deferred consideration amounts that may be due to the Company;

Liaising with our appointed agents regarding the sale of the Company's shareholding in Lansdowne, and seeking to realise the best return for the Company's creditors;

Investigating the affairs of the Company to establish if there are any amounts recoverable;

Arranging dividend distributions to the Company's preferential creditors, as noted in Section 3.2;

Processing future distributions to the Company's secured lenders;

Adjudication of the unsecured claims received and processing a distribution to unsecured creditors; and

Writing to request payment is made to the Company in respect of electricity charges paid prior to our appointment.

5.2 Extension of the administration

The duration of an administration is restricted to 12 months from the date of commencement unless it is extended with the permission of creditors or the Court.

The administration is currently due to end on 1 June 2017.

The matters outlined in Section 5.1 are still to be finalised in the administration. Whilst we will finalise these as soon as possible, it is unlikely to be by 1 June 2017. Accordingly, this progress report accompanies a request to the unsecured creditors to consider a 12 month extension to 1 June 2018 in order to deal with the matters noted in Section 5.1.

Our request for an extension is attached to the cover letter. Please complete the voting form and return to Arfan Akram at KPMG LLP, 37 Albyn Place, AB10 1JB by 2 February 2017.

5.3 Future reporting

We will provide a further progress report no later than six weeks after 1 June 2017.

Appendix 1 Statutory information

Company information

Company name	SeaEnergy PLC
Date of incorporation	5 August 1977
Company registration number	SC062845
Present registered office	KPMG LLP, 37 Albyn Place, Aberdeen, AB10 1JB

Administration information

Administration appointment	The administration appointment granted in Court of Session, P526 of 2016
Appointor	Directors
Date of appointment	2 June 2016
Joint Administrators' details	Geoff Jacobs, Blair Nimmo and Tony Friar
Estimated values of the Net Property and Prescribed Part	<p>Estimated Net Property is £1,613,120. Estimated Prescribed Part is £325,624.</p> <p>The Prescribed Part has been taken into account when determining the dividend prospects for unsecured creditors (Section 3).</p>
Prescribed Part distribution	<p>The Joint Administrators do not intend to apply to Court to obtain an order that the Prescribed Part shall not apply.</p> <p>Accordingly, the Joint Administrators intend to make a distribution to the unsecured creditors.</p>
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2)
Current administration expiry date	1 June 2017

Appendix 2 Joint Administrators' receipts and payments account

Receipts and payments

SeaEnergy PLC - in Administration		
Trading accounts		
Statement of Affairs (£)	From 02/06/2016 To 01/12/2016 (£)	From 02/06/2016 To 01/12/2016 (£)
OTHER DIRECT COSTS		
Direct labour	(992.85)	(992.85)
Payroll costs	(248.38)	(248.38)
	<u>(1,241.23)</u>	<u>(1,241.23)</u>
Trading surplus/(deficit)	<u>(1,241.23)</u>	<u>(1,241.23)</u>

SeaEnergy PLC - in Administration		
Abstract of receipts & payments		
Statement of affairs (£)	From 02/06/2016 To 01/12/2016 (£)	From 02/06/2016 To 01/12/2016 (£)
FIXED CHARGE ASSETS		
Sale of Business	1,660,322.00	1,660,322.00
	<u>1,660,322.00</u>	<u>1,660,322.00</u>
OTHER REALISATIONS		
Bank interest, gross	164.06	164.06
Eagle H C Limited	100,000.00	100,000.00
Trading surplus/(deficit)	(1,241.23)	(1,241.23)
23,025.86 Accrued sales	NIL	NIL
	<u>98,922.83</u>	<u>98,922.83</u>
COST OF REALISATIONS		
Agents'/Valuers' fees	(21,500.00)	(21,500.00)
Legal fees	(36,811.50)	(36,811.50)
Legal fees (2)	(2,000.00)	(2,000.00)
IT Backup fees	(1,628.93)	(1,628.93)
Re-direction of mail	(435.00)	(435.00)
Statutory advertising	(207.00)	(207.00)
Rent	(1,753.44)	(1,753.44)
Rates	(804.82)	(804.82)
Bank charges	(154.00)	(154.00)

SeaEnergy PLC - in Administration

Abstract of receipts & payments

Statement of affairs (£)		From 02/06/2016 To 01/12/2016 (£)	From 02/06/2016 To 01/12/2016 (£)
		(65,294.69)	(65,294.69)
	FLOATING CHARGE CREDITORS		
	Floating charge	(686,569.51)	(686,569.51)
	Floating charge (2)	(200,000.00)	(200,000.00)
		(886,569.51)	(886,569.51)
	UNSECURED CREDITORS		
(584,260.03)	Trade & expense	NIL	NIL
		NIL	NIL
(561,234.17)		807,380.63	807,380.63
	REPRESENTED BY		
	Floating ch. VAT rec'able		11,883.98
	Floating charge current		795,496.65
			807,380.63

Appendix 3 Joint Administrators' charging and disbursements policy

Joint Administrators' charging policy

The time charged to the administration is by reference to the time properly given by us and our staff in attending to matters arising in the administration. This includes work undertaken in respect of tax, VAT, employee, pensions and health and safety advice from KPMG in-house specialists.

Our policy is to delegate tasks in the administration to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

A copy of "A Creditors' Guide to Joint Administrators' Remuneration Scotland" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available at:

https://www.r3.org.uk/media/documents/technical_library/SIPS/Creditors'_Guide_to_Administrators'_Remuneration_Scotland.pdf

If you are unable to access this guide and would like a copy, please contact Arfan Akram on 01224 416968.

Hourly rates

Set out below are the relevant hourly charge-out rates for the grades of our staff actually or likely to be involved on this administration. Time is charged by reference to actual work carried out on the administration; using a minimum time unit of six minutes.

All staff who have worked on the administration, including cashiers and secretarial staff, have charged time directly to the administration and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the administration but is reflected in the general level of charge-out rates.

Charge-out rates (£) for: Restructuring		
Grade	From 01 Oct 2015 £/hr	From 01 Nov 2016 £/hr
Partner	595	625
Director	535	560
Senior Manager	485	510
Manager	405	425
Senior Administrator	280	295
Administrator	205	215
Support	125	131

The charge-out rates used by us might periodically rise (for example to cover annual inflationary cost increases) over the period of the administration. In our next statutory report, we will inform creditors of any material amendments to these rates.

Policy for the recovery of disbursements

Where funds permit the officeholders will seek to recover both Category 1 and Category 2 disbursements from the estate. For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

Category 1 disbursements: These are costs where there is specific expenditure directly referable to both the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

Category 2 disbursements: These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Category 2 disbursements charged by KPMG Restructuring include mileage. This is calculated as follows:

Mileage claims fall into three categories:

- Use of privately-owned vehicle or car cash alternative – 45p per mile.
- Use of company car – 60p per mile.
- Use of partner's car – 60p per mile.

For all of the above car types, when carrying KPMG passengers an additional 5p per mile per passenger will also be charged where appropriate.

We have incurred the following disbursements from the date of our appointment to 1 December 2016.

SIP 9 - Disbursements					
Disbursements	Category 1		Category 2		Totals (£)
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)	
Accommodation	196.67		NIL		196.67
External printing	27.00		NIL		27.00
Meals	12.00		NIL		12.00
Mileage	NIL		79.95		79.95
Bordereau	712.50		NIL		712.50
Postage	1,632.00		NIL		1,632.00
Sundry	45.83		NIL		45.83
Travel	64.85		NIL		64.85
Total	2,690.85		79.95		2,770.80

We have the authority to pay Category 1 disbursements without the need for any prior approval from the creditors of the Company.

The Category 2 disbursements have not been approved.

Narrative of work carried out for the period 2 June 2016 to 1 December 2016

The key areas of work have been:

Appointment and related formalities, statutory advertising, bonding and bordereau	<ul style="list-style-type: none"> ■ providing initial statutory notifications of our appointment to the Registrar of Companies, the Register of Inhibitions and Adjudications, creditors and other stakeholders, and advertising our appointment; ■ collating initial information to enable us to carry out our statutory duties, including creditor information, details of assets; ■ ensuring compliance with all statutory obligations within the relevant timescales; ■ Liaising with NOMAD regarding matters surrounding AIM listing requirements; ■ Providing notification of our appointment to shareholders; ■ Liaising with legal agents regarding various instructions; ■ Reviewing Company and directorship searches and advising the directors of the effect of the administration; ■ Dealing with queries arising during the appointment; ■ All communications and statutory matter to comply with SIP 16 which involves significant creditor correspondence/reports; ■ Reviewing agreements with regard to equipment services provided to the Company by third parties and related communications; ■ providing initial statutory notifications of our appointment to the Registrar of Companies, the Register of Inhibitions and Adjudications, creditors and other stakeholders, and advertising our appointment; ■ arranging bonding and complying with statutory requirements; and ■ preparing statutory receipts and payments accounts.
Strategy documents, Checklist and reviews	<ul style="list-style-type: none"> ■ formulating, monitoring and reviewing the administration strategy; ■ briefing of our staff on the administration strategy and matters in relation to various work-streams; ■ regular case management and reviewing of progress, including regular team update meetings and calls; ■ reviewing and authorising junior staff correspondence and other work; ■ dealing with queries arising during the appointment; ■ reviewing matters affecting the outcome of the administration; ■ allocating and managing staff/case resourcing and budgeting exercises and reviews; and ■ complying with internal filing and information recording practices, including documenting strategy decisions.
Reports to secured creditors	<ul style="list-style-type: none"> ■ providing written and oral updates to secured creditors regarding the progress of the administration and case strategy; and ■ agreement of distributions.
Cashiering	<ul style="list-style-type: none"> ■ setting up administration bank accounts and dealing with the Company's pre-appointment accounts; ■ preparing and processing vouchers for the payment of post-appointment invoices; ■ creating remittances and sending payments to settle post-appointment invoices; ■ reconciling post-appointment bank accounts to internal systems; and ■ ensuring compliance with appropriate risk management procedures in respect of receipts and payments.
Tax	<ul style="list-style-type: none"> ■ gathering initial information from the Company's records in relation to the taxation position of the Company; ■ submitting relevant initial notifications to HM Revenue and Customs; ■ reviewing the Company's pre-appointment corporation tax and VAT position; ■ analysing and considering the tax effects of various sale options, tax planning for efficient use of tax assets and to maximise realisations; ■ working initially on tax returns relating to the periods affected by the administration; and ■ dealing with post appointment tax compliance.
General	<ul style="list-style-type: none"> ■ locating relevant Company books and records, arranging for their collection and dealing with the ongoing storage; ■ liaising with Company IT providers to ensure appropriate back-ups of the Company books and records are secured; ■ reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9; and ■ arranging for the redirection of the Company's mail.
Asset realisations	<ul style="list-style-type: none"> ■ collating information from the Company's records regarding the assets; ■ reviewing outstanding debtors; ■ liaising with Company credit control staff and communicating with debtors; ■ extensive correspondence with directors and other agents regarding the sale of the Company's investments; ■ obtaining legal advice regarding the sale of the Company's shareholding in R2S.

	<p>Lansdowne and the Company's interest in Medusa;</p> <ul style="list-style-type: none"> ■ liaising with James Fisher regarding the sale of the Company's shareholding in R2S; ■ liaising with agents with regard to concluding a sale of the Company's shareholding in R2S; ■ instructing agents to undertake a marketing process for the shares held in Eagle HC and liaising with certain of the interested parties; ■ instructing agents to undertake a marketing process for the shares held in Lansdowne and arranging for the related regulatory processes to be completed; ■ marketing of the Company's interest in Montenegro and negotiating the sale; and ■ instructing agents to assist in the preparation and submission of the Company's outstanding pre-appointment VAT return
Property matters	<ul style="list-style-type: none"> ■ reviewing the Company's leasehold properties, including review of leases; ■ communicating with landlords regarding rent, property occupation and other issues; ■ liaising with plant agents regarding the Company's office equipment, fixtures and fittings; and ■ communicating with Aberdeen City Council and electricity provider regarding payment of council tax and electricity.
Health and safety	<ul style="list-style-type: none"> ■ liaising with internal health and safety specialists in order to manage all health and safety issues and environmental issues, including ensuring that legal and licensing obligations are complied with; and ■ completing Health and Safety Questionnaire.
Open cover insurance	<ul style="list-style-type: none"> ■ arranging ongoing insurance cover for the Company's business and assets.
Creditors, shareholders and claims	<ul style="list-style-type: none"> ■ drafting and circulating our proposals; ■ creating and updating the list of unsecured creditors; ■ responding to enquiries from creditors regarding the administration and submission of their claims; ■ reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records; ■ agreeing secured and preferential claims; ■ arranging distributions to the secured and preferential creditors; ■ providing notification of our appointment; and ■ responding to enquiries from shareholders regarding the administration.
Employees	<ul style="list-style-type: none"> ■ collating employee information; ■ dealing with queries from employees regarding various matters relating to the administration and their employment; ■ dealing with statutory employment related matters, including statutory notices to employees and making statutory submissions to the relevant government departments; ■ preparing the Company's payroll, including associated taxation and other deductions, and preparing PAYE and NIC returns; ■ communicating and corresponding with HM Revenue and Customs; ■ dealing with issues arising from employee redundancies, including statutory notifications and liaising with the Redundancy Payments Office; and ■ calculating employee claims.
Pensions	<ul style="list-style-type: none"> ■ collating information and reviewing the Company's pension schemes; ■ calculating employee pension contributions and review of pre-appointment unpaid contributions; ■ ensuring compliance with our duties to issue statutory notices; and ■ communicating with employees representatives concerning the effect of the administration on pensions and dealing with employee queries.
Investigations/ directors	<ul style="list-style-type: none"> ■ reviewing Company and directorship searches and advising the directors of the effect of the administration; ■ liaising with management to produce the Statement of Affairs and filing this document with the Registrar of Companies; ■ reviewing the questionnaires submitted by the Directors of the Company; ■ reviewing pre-appointment transactions; ■ reviewing Company board minutes; and ■ drafting the statutory report and submitting to the relevant authority.

Time costs

SIP 9 – Time costs analysis (02/06/2016 to 01/12/2016)

	Hours					Time Cost (£)	Average Hourly Rate (£)
	Partner / Director	Manager	Administrator	Support	Total		
Administration & planning							
Statutory and compliance							
Appointment and related formalities	11.10	7.10	44.70	14.00	76.90	23,933.00	311.22
Statutory advertising		0.90	0.60		1.50	604.50	403.00
Bonding and bordereau		1.20	1.40		2.60	974.00	374.62
Checklist & reviews	0.40	2.50	8.00		10.90	3,639.00	333.85
Strategy documents	4.30	2.90	2.20		9.40	4,323.00	459.89
Reports to debenture holders	2.35	0.6			2.95	1548.25	524.83
Cashiering							
General (Cashiering)	0.25		14.50		14.75	4,223.75	286.36
Fund management	0.85				0.85	454.75	535.00
Reconciliations (& IPS accounting reviews)	2.30		0.60		2.90	1,418.50	489.14
Tax							
Initial reviews – CT and VAT			6.05		6.05	1,656.5	273.80
Post appointment corporation tax		0.40	13.70		14.10	3,155.00	223.76
Post appointment PAYE			0.20		0.20	56.00	280.00
Post appointment VAT	0.25	4.10	5.10		9.45	3,232.75	342.09
General							
Books and records		1.20	18.80		20.00	5,855.00	292.75
Fees and WIP	1.00		0.20		1.20	591.00	492.50
Mail redirection			0.30		0.30	84.00	280.00
Realisation of assets							
Asset Realisation							
Debtors			3.40		3.40	956.50	281.32
Sale of business		3.00	3.70		6.70	2,498.50	372.91
Cash and investments	21.80	61.60	9.90		93.30	44,506.25	477.02
Other assets	7.65	9.10	38.00		54.75	18,716.75	341.86
Pre-appointment tax & VAT refunds	0.70				0.70	374.50	535.00
Leasehold property	0.75		9.80		10.55	3,168.50	300.33

SIP 9 – Time costs analysis (02/06/2016 to 01/12/2016)

	Hours					Time Cost (£)	Average Hourly Rate (£)
	Partner / Director	Manager	Administrator	Support	Total		
Office equipment, fixtures & fittings			3.00		3.00	840.00	280.00
Health & safety			0.80		0.80	224.00	280.00
Open cover insurance			2.40		2.40	672.00	280.00
Creditors							
Creditors and claims							
Agreement of preferential claims			1.80		1.80	504.00	280.00
General correspondence	1.20	11.40	35.20		47.80	15,913.00	332.91
Payment of dividends		1.30	0.60		1.90	798.50	420.26
Pre-appointment VAT / PAYE / CT	0.30		3.00		3.30	1,018.50	308.64
Secured creditors	2.90	3.40	5.90		12.20	4,852.50	397.75
Statutory reports	7.85	12.20	30.90	2.00	52.95	18,270.75	345.06
Employees							
Correspondence	2.15	1.50	81.10		84.75	24,198.75	285.53
DTI redundancy payments service			7.10		7.10	2,039.00	287.18
Pension funds			3.05		3.05	677.75	222.21
Pensions reviews			15.05		15.05	2,891.75	192.14
Investigation							
Directors							
Correspondence with directors		0.50	11.30		11.80	3,406.50	288.69
D form drafting and submission	0.60		2.20		2.80	937.00	334.64
Directors' questionnaire / checklist			2.00		2.00	560.00	280.00
Statement of affairs			2.20		2.20	616.00	280.00
Investigations							
Correspondence re investigations		1.80			1.80	873.00	485.00
Total in period	68.70	126.70	388.75	16.00	600.15	205,263.00	342.02

SIP 9 – Time costs analysis (02/06/2016 to 01/12/2016)

	Hours				Time Cost (£)	Average Hourly Rate (£)
	Partner / Director	Manager	Administrator	Support		
				Total		
Brought forward time (appointment date to SIP 9 period start date)				0.00	0.00	
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)				601.85	206,202.50	
Carry forward time (appointment date to SIP 9 period end date)				601.85	206,202.50	

All staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

All time shown in the above analysis is charged in units of six minutes.

Appendix 4 Glossary

Bank	HSBC Bank PLC
Company	SeaEnergy PLC - in Administration
DNP	Davies Newman Properties Limited
EHC	Eagle HC Limited
Group	The Company together with: Return to Scene (Asia) Ltd, LLC, SEIL, Mesopotamia Petroleum Company Ltd, EHC, SHL, Lansdowne, SMHL, SeaEnergy Ship Management Ltd, Goseasenergy Ship Management Ltd
Joint Administrators/we/our/us	Geoff Jacobs, Blair Nimmo and Tony Friar
KPMG	KPMG LLP
Lansdowne	Lansdowne Oil & Gas PLC
LPCPM	LP Capital Master Fund
Medusa	Medusa (Montenegro) Limited and Medusa Oil and Gas Limited
R2S	Return to Scene Limited
SEIL	SE Innovation Limited
SHL	SeaEnergy Hibernia Limited
SMHL	SeaEnergy Marine Holdings Limited
The Purchaser/James Fisher	James Fisher Holdings (UK) Limited

Any references in this progress report to sections, paragraphs or rules are to Sections,

Paragraphs and Rules in the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency (Scotland) Rules 1986 respectively.

Appendix 5 Notice: About this report

This report has been prepared by Geoff Jacobs, Blair Nimmo and Tony Friar, the Joint Administrators of SeaEnergy PLC – in Administration (the 'Company'), solely to comply with their statutory duty to report to creditors under the Insolvency (Scotland) Rules 1986 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company or any other company in the Group.

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

Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency (Scotland) Rules 1986 does so at its own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

Geoffrey Isaac Jacobs and Blair Carnegie Nimmo and Gerard Anthony Friar are authorised to act as insolvency practitioners by the Institute of Chartered Accountants of Scotland.

We are bound by the Insolvency Code of Ethics.

The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the administration.

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