

The Insolvency Act 1986

Administrator's progress report

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

Name of Company

EMIS Realisations Limited (formerly IMES Limited)

Company number

SC091007

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

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

Blair Carnegie Nimmo
KPMG LLP
37 Albyn Place
Aberdeen
Grampian
AB10 1JB

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

from

to

(b) Insert date(s)

(b) 10 August 2016

(b) 9 February 2017

Signed



Joint Administrator

Dated

22 March 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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25/03/2017

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COMPANIES HOUSE

When you have completed and signed this form, please send it to the Registrar of Companies at:-
Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge,
Edinburgh, EH3 9FF
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Joint
Administrators'
progress
report for the
period 10
August 2016
to 9 February
2017

EMIS Realisations Limited
(formerly IMES Limited) - in
Administration

23 March 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+IG808F2452.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 10 August 2016 to appoint us as Joint Administrators. The notice of appointment was lodged at Aberdeen Sheriff Court on 10 August 2016 and we were duly appointed.
- This progress report covers the period from the date of our appointment to 9 February 2017.
- We circulated our statement of proposals (the 'proposals') to all known creditors on 25 August 2016. The proposals were deemed approved without modification on 5 September 2016.
- With regard to the Company's key assets, we would note that:-
 - The business and certain trading assets of the Company were sold to the Purchaser on 10 August 2016;
 - Since the date of appointment, we have recovered £449,885 from the Company's debtor ledger; and
 - Recoveries from intercompany balances currently total £127,633, and we are pursuing further balances totalling £88,776 from IMES MSS.
 - £18,146 has been recovered from the Company's pre-appointment bank account.(Section 2 - Progress to date).
- The Bank has a first ranking floating charge, however we have now been advised that there was no outstanding debt as at the date of appointment (Section 3 - Dividend prospects and dividends paid).
- The Financier has a standard security over the Company's debtor ledger and also holds a second ranking floating charge. As a result of the level of debtor collections post-appointment, the Financier has recovered its indebtedness of £279,102 in full, and a surplus for the Administration has been achieved.
- A distribution of £4,665 has been made to the landlord of the Company's former premises in Rosyth, in respect of their hypothec claim for outstanding rent as at the date of appointment. We are not aware of any other hypothec claims (Section 3 - Dividend prospects and dividends paid).
- We are not currently aware of any preferential creditors (Section 3 - Dividend prospects and dividends paid).
- Based on current estimates, it now appears that unsecured creditors may receive a small 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).
- The administration is currently due to end on 9 August 2017. However, this progress report accompanies a request to creditors to consider a 12 month extension to 9 August 2018 (Section 6 – Future strategy).
- 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+IG808F2452.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 proposals. A summary of progress to date is provided below.

2.2 Asset realisations

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

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

Sale of business

The Company's business and assets were sold for an initial consideration of £174,000 on 10 August 2016.

Since appointment we have ingathered additional consideration of £18,740. Further amounts may be received depending on the Purchaser's performance against agreed criteria. An update will be provided in our next progress report.

Following our appointment and the sale, we have required to spend a significant amount of time liaising with the Purchaser and our legal agents regarding licences to occupy, which required to be granted as part of the sale. This was a requirement of the sale agreement and could not be avoided. We are hopeful that this matter will be finalised shortly.

Trade Debtors

The Company's debtor ledger is subject to a standard security in favour of the Financier. To the reporting date we have recovered £415,912 in respect of the debtor ledger. £33,974 was received after the end of the reporting period.

As a result of the collection work undertaken, the Financier has recovered its indebtedness in full, and the surplus collections have been transferred into the Administration.

The Company's records show amounts totalling £156,115 as being due from various entities within the Harkand Group. These entities appear to be subject to insolvency proceedings or have ceased trading and have no assets. We have filed the relevant claims, however, it seems very unlikely that there will be a recovery.

We are continuing to pursue a number of smaller debts, however, it seems unlikely that there will be any further material recoveries from this source.

Debtors shown in the receipts and payments account (Appendix 2) total £493,545, which comprises £415,912 of debtor collections noted above and £77,633 of intercompany receipts noted below.

Intercompany Debtors

£77,633 has been recovered from intercompany entities since the date of appointment to the end of the reporting period. A further £50,000 has been received after the reporting period.

We are continuing to liaise with IMES MSS regarding the remaining intercompany balance, totalling £88,776 (£100,000 has been recovered to date).

Cash at bank

£18,146 has been recovered from the Company's pre-appointment bank account.

Investigations

We have reviewed the affairs of the Company to find out if there are any actions which can be taken against third parties to increase recoveries for creditors, however, we are not aware of any such actions.

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.

Legal fees

Pinsent Masons LLP were instructed to assist with a number of legal matters relating to the sale of the business, leasehold matters, novating contracts to the Purchaser and a number of other matters relating to the Administration. To date we have paid £69,068 (plus VAT) in respect of these legal services, and have an outstanding invoice for £4,230 (plus VAT), which will be paid in due course.

Of the legal costs noted above, £36,452 (plus VAT) relates to work carried out prior to our appointment. This work related to the sale of the business and the Administration appointment.

Agents' fees

GMG Asset Management received £4,500 (plus VAT) in respect of valuations carried out on the Company's physical assets.

Lambert Smith Hampton and Ryden were instructed to provide advice in relation to the Company's leases, and were paid £500 (plus VAT) and £250 (plus VAT) respectively.

Other costs

We were required to pay £10,000 (plus VAT) in respect of the work undertaken on the sales process.

A third party accountancy firm retrieved and collated certain financial information from the Company's accounting system and has been paid £1,000 (plus VAT).

3 Dividend prospects and dividends paid

3.1 Secured creditors

The Bank has first ranking floating charge, however, we now understand that there was no outstanding debt as the date of appointment.

The Financier holds a fixed charge over the Company debtor balances, and a second ranking floating charge over the Company's assets. Collections from the debtor ledger during the period were sufficient to enable the Financier to recover its indebtedness of £279,102 in full.

3.2 Landlord claims under hypothec

A distribution of £4,665 was made to the landlord of the Company's former premises in Rosyth, in respect of their hypothec claim, for outstanding rent for the period 1 June 2016 to 9 August 2016.

We are not aware of any other hypothec claims.

3.3 Preferential creditors

We are not aware of any preferential claims against the Company.

3.4 Unsecured creditors

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

4 Other matters

4.1 Creditors' Meeting

Conducting the business of a meeting by correspondence

In order to minimise costs, we propose to conduct the business of a meeting of creditors by correspondence. Formal notice is attached to the covering letter.

The purpose of conducting the business of a meeting by correspondence is to seek approval for:

- the basis and amount of our remuneration and outlays (Section 5.1 - Joint Administrators' remuneration, outlays and disbursements)
- the payment and approval of certain pre-administration costs (Section 5.2 - Pre-administration costs)

- a 12 month extension to the period of the administration (Section 6.2 - Extension of the administration)

Creditors' right to request a meeting

We will summon such a meeting (1) if asked to do so by creditors whose debts amount to at least 10% of the total debts of the Company, and (2) if the procedures set out below are followed.

Requests for a creditors' meeting must be made within five business days of us sending the formal notice of conducting the business of a meeting by correspondence. They must include:

- a list of the creditors concurring with the request, showing the amounts of their respective claims against the company in the administration;
- written confirmation of their concurrence from each concurring creditor; and
- a statement of the purpose of the proposed meeting.

In addition, the expenses of summoning and holding a meeting at the request of a creditor must be paid by that creditor. That creditor is required to deposit security for such expenses with us.

If you wish to request a creditors' meeting, please contact Arfan Akram on 01224 416 968 to obtain the requisite forms.

5 Joint Administrators' remuneration and outlays, disbursements and pre-administration costs

5.1 Joint Administrators' remuneration, outlays and disbursements

We are seeking approval from creditors for:

- Our remuneration to be set on the basis of time properly given by us and various grades of our staff according to the charge-out rates included in Appendix 3.
- floating charge remuneration of £205,338.75 as noted below.

See Section 4 for details regarding conducting the business of a meeting by correspondence.

Time costs

From the date of our appointment to 9 February 2017, we have incurred time costs of £205,338.75. These represent 597.60 hours at an average rate of £343.61 per hour.

Disbursements

During the period, we have incurred disbursements of £108.81. 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 9 February 2017. We have also attached our charging and disbursements policy.

5.2 Pre-administration costs

We disclosed the following pre-administration costs, which were unpaid at the date of our appointment, in our proposals:

Pre-administration costs		(£)
KPMG fees		64,470.25
KPMG disbursements		0.00
Agent's costs*		15,250.00
Legal fees		36,453.00
Total		116,173.25

We are seeking approval from creditors to treat these pre-appointment costs as a cost of the administration and to make payment where not already done.

*The amount detailed in the proposals for Agent's costs was £15,000. Please note that we have subsequently received a further invoice of £250.

See section 4 for details regarding conducting the business of a meeting by correspondence.

6 Future strategy

6.1 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:

- Pursuing IMES MSS and trade debtors for the amounts due to the Company;
- Liaising with the Purchaser regarding the additional consideration and other obligations under the Sale and Purchase agreement.
- Finalising the Sheffield lease position and terminating the licence to occupy agreement with the Purchaser;

- Making final payments to all landlords in respect of the periods occupied by the Purchaser under the licence to occupy agreements, and reconciling with the amounts received from the Purchaser;
- Liaising with creditors regarding the approval of the fees and costs of the Administration;
- Liaising with creditors regarding the extension of the Administration; and
- Dealing with various statutory matters in the Administration and the procedures required to close the case.

6.2 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 9 August 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 will not be possible to have all of the matters finalised by 9 August 2017. Accordingly, this progress report accompanies a request to the creditors to consider a 12 month extension to 9 August 2018 in order to deal with the matters outlined in Section 5.1.

Our request for an extension is attached to the covering letter. Please complete the voting form and return it to Arfan Akram at KPMG LLP, 37 Albyn Place, Aberdeen, AB10 1JB, United Kingdom.

6.3 Future reporting

We will provide a further progress report within six weeks of 9 August 2017.

Appendix 1 Statutory information

Company information

Company name	EMIS Realisations Limited (formerly IMES Limited)
Date of incorporation	18 December 1984
Company registration number	SC091007
Present registered office	KPMG LLP, 37 Albyn Place, Aberdeen, AB10 1JB

Administration information

Administration appointment	The administration appointment granted in Aberdeen Sheriff Court
Appointor	Directors
Date of appointment	10 August 2016
Joint Administrators' details	Geoff Jacobs and Blair Nimmo
Estimated values of the Net Property and Prescribed Part	Estimated Net Property is £532,732. Estimated Prescribed Part is £0. The Prescribed Part has been taken into account when determining the dividend prospects for unsecured creditors (Section 3.4).
Prescribed Part distribution	We understand that the floating charge holders have recovered their debt in full and as such there will be no requirement for a Prescribed Part dividend.
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	9 August 2017

Appendix 2 Joint Administrators' receipts and payments account

EMIS Realisations Limited (formerly IMES Limited) - in Administration			
Abstract of receipts & payments			
Statement of affairs (£)		From 10/08/2016 To 09/02/2017 (£)	From 10/08/2016 To 09/02/2017 (£)
FIXED CHARGE ASSETS			
36,371.00	Plant & machinery	NIL	NIL
470,493.00	Book debts	NIL	NIL
		NIL	NIL
FIXED CHARGE CREDITORS			
(235,817.00)	Fixed charge creditor	(279,101.58)	(279,101.58)
(33,908.00)	Fixed charge creditor (2)	NIL	NIL
		(279,101.58)	(279,101.58)
GENERAL SECURED GROUP			
	Landlord's Hypothec	(4,665.12)	(4,665.12)
		(4,665.12)	(4,665.12)
ASSET REALISATIONS			
40,000.00	Plant & machinery	NIL	NIL
60,000.00	Stock	NIL	NIL
62,750.00	Stock - work in progress	NIL	NIL
	Book debts	493,545.10	493,545.10
23,262.00	Cash at bank	18,145.93	18,145.93
		511,691.03	511,691.03
OTHER REALISATIONS			
	Bank interest, gross	29.63	29.63
	Sale of business	174,000.00	174,000.00
	Sundry refunds	399.18	399.18
	Rent control account	59,593.47	59,593.47
	Suspense - Company bank account receipt	3,200.00 ¹	3,200.00
	Deferred consideration	18,740.00	18,740.00
		255,962.28	255,962.28
COST OF REALISATIONS			
	KPMG pre-appointment fees	(12,000.00)	(12,000.00)
	Agents'/Valuers' fees	(5,250.00)	(5,250.00)
	Agents'/Valuers' fees (2)	(11,000.00)	(11,000.00)
	Legal fees	(69,067.64)	(69,067.64)

EMIS Realisations Limited (formerly IMES Limited) - in Administration

Abstract of receipts & payments

Statement of affairs (£)		From 10/08/2016 To 09/02/2017 (£)	From 10/08/2016 To 09/02/2017 (£)
	Statutory advertising	(217.00)	(217.00)
	Rent	(26,624.52)	(26,624.52)
	Insurance of assets	(832.20)	(832.20)
	Bank charges	(130.70)	(130.70)
		<u>(125,122.06)</u>	<u>(125,122.06)</u>
	UNSECURED CREDITORS		
(810,986.00)	Trade & expense	NIL	NIL
(628,163.00)	Non-preferential VAT	NIL	NIL
(1,013,084.00)	Intercompany	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(30,000.00)	Ordinary shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(2,059,082.00)</u>		<u>358,764.55</u>	<u>358,764.55</u>
	REPRESENTED BY		
	Floating ch. VAT rec'able		23,808.68
	Floating charge current		334,955.87
			<u>358,764.55</u>

1 – Funds due to the Purchaser, which were paid to the Company in error. To be refunded to the Purchaser.

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 9 February 2017.

SIP 9 - Disbursements					
Disbursements	Category 1		Category 2		Totals (£)
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)	
External printing	20.58		NIL		20.58
Postage	88.23		NIL		88.23
Total	108.81		NIL		108.81

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.

Creditors' right to challenge our remuneration and outlays

If you wish to challenge the basis of our remuneration or the outlays approved during the period covered by this progress report, you must do so by making an application to Court within eight weeks of the accounting period and no later than 6 April 2017 or within 14 days of receiving this progress report.

Applications by any creditor must be made with concurrence of at least 25% in value of unsecured creditors (including the creditor making the challenge).

The full text of the relevant rules can be provided on request by writing to Arfan Akram at KPMG LLP, 37 Albyn Place, Aberdeen, AB10 1JB, United Kingdom.

Narrative of work carried out for the period 10 August 2016 to 9 February 2017

We have noted work done pre-appointment in respect of the pre-pack sales process within the Sale of Business section below.

The key areas of work have been:

Statutory and compliance, strategy documents, checklist and reviews	<ul style="list-style-type: none"> ■ collating initial information to enable us to carry out our statutory duties, including creditor information, details of assets and information relating to the licences; ■ 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; ■ issuing press releases and posting information on a dedicated web page; ■ preparing statutory receipts and payments accounts; ■ arranging bonding and complying with statutory requirements; ■ ensuring compliance with all statutory obligations within the relevant timescales; ■ 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; ■ liaising with legal advisors regarding the various instructions; ■ complying with internal filing and information recording practices, including documenting strategy decisions.
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; ■ ensuring compliance with appropriate risk management procedures in respect of receipts and payments.
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 agents regarding the extraction of the Company's electronic records; ■ reviewing financial information extracted from the Company's system; ■ reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9;
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; ■ registering the Company for VAT post-appointment and submitting opt-to-tax notices to HMRC in respect of the Company's premises; ■ analysing VAT related transactions; ■ reviewing the Company's duty position to ensure compliance with duty requirements; ■ dealing with post appointment tax compliance; ■ liaising with the pre-appointment VAT group representative member regarding tax returns relating to pre-appointment periods; ■ obtaining VAT advice from tax department, in respect of pre and post appointment VAT issues, with regards to raising VAT invoices, re-registering for VAT and the option-to-tax.
Creditors, claims and shareholders	<ul style="list-style-type: none"> ■ 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;

	<ul style="list-style-type: none"> ■ dealing with suppliers with retention of title claims, including reviewing supporting documentation and arranging and carrying out stock inspection visits; ■ providing written and oral updates to representatives of the Financier regarding the progress of the administration and case strategy; ■ drafting and circulating our proposals; ■ providing notification of our appointment to shareholders; ■ responding to enquiries from shareholders regarding the administration; ■ providing copies of statutory reports to the shareholders.
Employees	<ul style="list-style-type: none"> ■ dealing with queries from employees regarding various matters relating to the administration and their employment; ■ writing to employees to confirm their transfer to the Purchaser.
Pensions	<ul style="list-style-type: none"> ■ collating information and reviewing the Company's pension schemes; ■ ensuring compliance with our duties to issue statutory notices; ■ 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; ■ arranging for the redirection of the Company's mail; ■ reviewing the questionnaires submitted by the Directors of the Company; ■ reviewing pre-appointment transactions; ■ drafting the statutory report and submitting to the relevant authority.
Asset realisations	<ul style="list-style-type: none"> ■ collating information from the Company's records regarding the assets; ■ corresponding with the Company bank to obtain bank statements and other information; ■ reviewing the inter-company debtor position between the Company and other group companies. ■ liaising with inter-company debtors regarding the payment of outstanding balances; ■ reviewing outstanding debtors and management of debt collection strategy; ■ liaising with Company credit control staff and communicating with debtors; ■ all work associated with pursuing debtors; ■ seeking legal advice in relation to book debt collections; ■ liaising with the Financier regarding debtor recoveries; ■ reviewing the inter-company debtor position between the Company and other group companies.
Property matters	<ul style="list-style-type: none"> ■ reviewing the Company's leasehold properties, including review of leases; ■ liaising with the legal agents and the Purchaser regarding licence to occupy agreements; ■ communicating with landlords regarding rent, property occupation and other issues; ■ liaising with legal agents, the Purchaser and landlords regarding the transfer/termination of lease agreements; ■ performing land registry searches.
Sale of business	<ul style="list-style-type: none"> ■ planning the strategy for the sale of the business and assets, including instruction and liaison with professional advisers; ■ seeking legal advice regarding sale of business; ■ carrying out sale negotiations with interested parties; ■ preparation of detailed sale agreement and all commercial negotiations and sale matters; ■ liaising with the Purchaser regarding additional consideration payments and the refund of pre-appointment prepayments; ■ liaising with legal agents regarding the novation of certain contracts to the Purchaser as agreed in the Sale and Purchase Agreement.
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; ■ liaising with the Health and Safety Executive regarding the administration and ongoing health and safety compliance.
Open cover insurance	<ul style="list-style-type: none"> ■ arranging ongoing insurance cover for the Company's business and assets; ■ liaising with the post-appointment insurance brokers to provide information, assess risks and ensure appropriate cover in place; ■ assessing the level of insurance premiums.

Time costs

SIP 9 – Time costs analysis (10/08/2016 to 09/02/2017)

	Hours				Total	Time Cost (£)	Average Hourly Rate (£)
	Partner / Director	Manager	Administrator	Support			
Administration & planning							
Statutory and compliance							
Appointment and related formalities	3.35	0.30	9.50		13.15	4,608.00	350.42
Bonding and bordereau		0.80	1.20		2.00	724.00	362.00
Statutory advertising			0.30		0.30	84.00	280.00
Strategy documents	4.75	2.60	0.60		7.95	4,194.25	527.58
General correspondence			0.70		0.70	196.00	280.00
Notification of appointment			2.40		2.40	672.00	280.00
Cashiering							
General (Cashiering)			14.90		14.90	4,280.00	287.25
Fund management	1.75				1.75	980.00	560.00
Reconciliations (& IPS accounting reviews)	0.60		0.20		0.80	395.00	493.75
General							
Books and records	0.25		4.80		5.05	1,524.25	301.83
Fees and WIP			0.20		0.20	59.00	295.00
(Company) Secretarial time				4.50	4.50	589.50	131.00
Tax							
Initial reviews - CT and VAT			0.30		0.30	88.50	295.00
Post appointment VAT	1.15	10.10	10.50		21.75	7,893.00	362.90
Post appointment corporation tax	0.25	1.50	5.80		7.55	2,053.25	271.95
Pre-appointment VAT / PAYE / CT			1.10		1.10	312.50	284.09
Creditors							
Creditors and claims							
General correspondence	0.70	5.10	41.40		47.20	14,423.50	305.58
ROT Claims		1.60	8.60		10.20	3,181.00	311.86
Secured creditors	4.2	4.7	17.5		26.40	9,587.75	363.17
Statutory reports	6.45	8.30	13.70	4.50	32.95	11,891.75	360.90

SIP 9 – Time costs analysis (10/08/2016 to 09/02/2017)

	Hours				Total	Time Cost (£)	Average Hourly Rate (£)
	Partner / Director	Manager	Administrator	Support			
Employees							
Correspondence		0.80	18.20		19.00	5,429.00	285.74
DTI redundancy payments service			1.40		1.40	413.00	295.00
Pension funds			2.60		2.60	677.00	260.38
Pensions reviews			19.90		19.90	4,108.00	206.43
Investigation							
Directors							
Correspondence with directors	0.80		2.70		3.50	1,190.00	340.00
D form drafting and submission	0.60	4.30	2.10		7.00	2,994.50	427.79
Directors' questionnaire / checklist	0.90		0.30		1.20	565.50	471.25
Statement of affairs			2.10		2.10	597.00	284.29
Investigations							
Checklist & reviews	3.25	0.90	19.40		23.55	7,829.75	332.47
Correspondence re investigations			0.40		0.40	112.00	280.00
Realisation of assets							
Asset Realisation							
Cash and investments	1.45		12.30		13.75	4,359.25	317.04
Debtors	11.35	57.20	86.60		155.15	57,843.50	372.82
Other assets	0.75	6.10	0.50		7.35	3,526.00	479.73
Leasehold property	7.10	15.10	75.30		97.50	32,095.00	329.18
Sale of business	6.50	11.40	22.00		39.90	15,260.00	382.46
Health & safety			0.25		0.25	70.00	280.00
Open cover insurance			1.90		1.90	532.00	280.00
Total in period	56.15	130.80	401.65	9.00	597.60	205,338.75	343.61
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)					597.60	205,338.75	
Carry forward time (appointment date to SIP 9 period end date)					597.60	205,338.75	
Pre-appointment time					160.25	64,470.25	
Total carry forward time (pre-appointment to SIP 9 report date)					757.85	269,809.00	

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	Barclays Bank PLC
Company	EMIS Realisations Limited (formerly IMES Limited) - in Administration
Financier	Bibby Factors Scotland Limited
Harkand Group	Includes Harkand Atlantis Inc, Harkand Da Vinvi Inc and Integrated Subsea Services Limited
IMES MSS	IMES MSS Limited
Joint Administrators/we/our/us	Geoff Jacobs and Blair Nimmo
KPMG	KPMG LLP
The Purchaser	IMES International Limited (formerly NEWCO SMG Limited), a wholly owned subsidiary of Seanamic Group

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 and Blair Nimmo, the Joint Administrators of EMIS Realisations Limited (formerly IMES Limited) – 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.

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 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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