

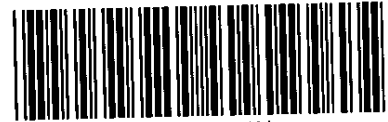
AM10

Notice of administrator's progress report



Companies House

TUESDAY



A16 *A77YNLPK* 12/06/2018 #214
COMPANIES HOUSE

1 Company details

Company number 0 7 5 7 3 6 3 8

Company name in full The Imaginarium Studios Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Stephen John

Surname Absolom

3 Administrator's address

Building name/number 15 Canada Square

Street Canary Wharf

Post town London

County/Region

Postcode E 1 4 5 G L

Country

4 Administrator's name ①

Full forename(s) William James

Surname Wright

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 15 Canada Square

Street Canary Wharf

Post town London

County/Region

Postcode E 1 4 5 G L

Country

② Other administrator
Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	^d 1	^d 5	^m 1	^m 1	^y 2	^y 0	^y 1	^y 7
To date	^d 1	^d 4	^m 0	^m 5	^y 2	^y 0	^y 1	^y 8

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X

SA

X

Signature date

^d1

^d1

^m0

^m6

^y2

^y0

^y1

^y8



Joint
Administrators'
progress
report for the
period 15
November
2017 to 14
May 2018

The Imaginarium Studios
Limited - in Administration

13 June 2018

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 6).

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+IH51040450.html>. We hope this is helpful to you.

Please also note that an important legal notice about this progress report is attached (Appendix 7).

Contents

1	Executive summary	1
2	Progress to date	2
3	Dividend prospects	4
4	Joint Administrators' remuneration and disbursements	4
5	Future strategy	5
Appendix 1	Statutory information	6
Appendix 2	Joint Administrators' receipts and payments account	7
Appendix 3	Schedule of expenses	9
Appendix 4	Joint Administrators' revised fees estimate	10
Appendix 5	Joint Administrators' charging and disbursements policy	12
Appendix 6	Glossary	17
Appendix 7	Notice: About this report	18

1 Executive summary

- This progress report covers the period from 15 November 2017 to 14 May 2018.
- We were appointed on 15 May 2017 following a resolution of the Directors of the Company. We completed two transactions shortly after appointment, one for the shares in four of the five subsidiaries of the Company, and another for the equipment in the Company's performance capture studio and associated digital assets.
- The remaining potential recoveries in the administration relate to the receipt of any back-end net profit share from the films *Breathe* and *The Ritual* (as well as other film and TV projects at development stage at the time of appointment), and from the video game *War for the Planet of the Apes: Last Frontier*. The quantum and timing of these potential recoveries remain uncertain (Section 2 - Progress to date).
- During the period the Company was assigned rights to additional back-end net profit share in the aforementioned video game. (Section 2 – Progress to date).
- We are not aware of any secured claims against the Company (Section 3 - Dividend prospects).
- Due to the ongoing uncertainty in respect of future realisations, it is unclear whether there will be a distribution to either preferential or unsecured creditors (Section 3 - Dividend prospects).
- During the period, the creditors granted a 12-month extension to the period of the administration.
- Please note: you should read this progress report in conjunction with our previous progress report and proposals issued to the Company's creditors which can be found at <http://www.insolvency-kpmg.co.uk/case+KPMG+IH51040450.html>. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



Steve Absolom
Joint Administrator

2 Progress to date

This section updates you on our strategy for the administration and on our progress to date. It follows the information provided in our previous progress report.

2.1 Strategy and progress to date

Background

The Company was incorporated on 22 March 2011 by its two founders Jonathan Cavendish and Andy Serkis. The Company's main business was in performance capture (transforming an actor's performance into a digital character), for film, TV, digital application and video games production.

The Company experienced a decline in EBITDA and cash due to a delay in key projects. This put considerable pressure on the Company's ability to fund its working capital requirements, which ultimately led to our appointment as administrators.

The Company had 21 employees at the time of appointment on 15 May 2017.

We completed two transactions shortly after appointment. One sale was for the shares in four of the five subsidiaries of the Company and associated intellectual property, and the other sale was for the equipment in the Company's performance capture studio and associated digital assets. Further information can be found in our Proposals and our first progress report.

Strategy

The main strategy of the administration has been to continue to realise the Company's remaining assets.

The remaining assets relate to back-end net profit shares in a number of films and TV projects, in particular the films *The Ritual* and *Breathe*, as well as a profit share in the video game *War for the Planet of the Apes: Last Frontier* (the 'Apes Game').

Once the Company's remaining assets have been realised, it is likely that the administration will exit either via creditors' voluntary liquidation, compulsory liquidation or dissolution. This will be dependent on whether a dividend will be payable to unsecured creditors, which at this stage is uncertain.

The administration was extended by a further 12 months to give us time to fully ascertain the likelihood of future realisations from the Company's remaining assets.

Progress to date

Films

As previously reported, following the sale of shares in four of the five subsidiaries of the Company to Jawjip, the Company stands to benefit from a back-end net profit share in respect of two films, *Breathe* and *The Ritual* (the 'Films') as well as a number of other TV and film projects that were at development stage at the time of appointment (the 'Projects').

Further to their release in October 2017, the performance of the Films was not as good as had been expected. Further assessments will be made over the coming months regarding the likelihood of realisations to creditors from the Films.

The Directors of Jawjip have advised that it is still uncertain whether the Company will receive any net profit share from the Projects, and this will continue to be monitored over the coming months.

Video game

As previously reported, immediately prior to administration, the Directors of the Company concluded a sale of the Company's rights to the Apes Game to New Dawns. The Directors completed this sale to preserve value in the rights to the game, which the Directors believed would likely have lapsed were they held by the Company in administration.

The sale to New Dawns included provisions which entitled the Company to benefit from a back-end net profit share in the Apes Game.

The Apes Game was released in November 2017, and we continue to liaise regularly with the Directors of New Dawns regarding its progress; further information will be released in our next progress report.

Shares held in Imaginarium Studios Asia Pacific Sdn Bhd ('IMSAP')

At the time of our First Progress Report, the Company's last remaining asset was its 100% shareholding and associated debtor balances in IMSAP, which operates in Malaysia.

In the prior period, we realised c. £52,500 in respect of cash held in IMSAP's bank account for the Company.

The Directors of IMSAP have indicated that they wish to solvently wind down IMSAP, as its business largely relied on the Company, which is no longer trading.

IMSAP held rights to a back-end net profit share of the Apes Game via an agreement with New Dawns, worth up to £125,000 depending on the performance of the Apes Game.

In exchange for the outstanding debtor balances owed to the Company by IMSAP, the Directors of IMSAP assigned these rights to the Apes Game to the Company, potentially increasing future realisations for creditors.

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.

Investigations

We reviewed the affairs of the Company to find out if there were any actions which can be taken against third parties to increase recoveries for creditors. During the period £8,338 was repaid to the Company in respect of prior preference transactions.

2.3 Costs

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

2.4 Schedule of expenses

We have detailed the costs incurred during the period, whether paid or unpaid, in the schedule of expenses attached (Appendix 3).

Administrators' fees

We have incurred time costs of £36,052 during the period.

Administrators' disbursements

We have incurred disbursements of £126 in the period.

Legal fees

We have incurred legal fees of £4,863 in the period. This relates to the time incurred over the terms of the deed of assignment of claim from IMSAP.

3 Dividend prospects

3.1 Secured creditors

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

3.2 Preferential creditors

We estimate the amount of preferential claims to be £36,638.

Based on current estimates, it is uncertain whether there will be a dividend to preferential creditors.

3.3 Unsecured creditors

Based on current estimates, it is uncertain whether there will be a dividend to unsecured creditors.

4 Joint Administrators' remuneration and disbursements

4.1 Joint Administrators' remuneration and disbursements

Time costs

From 15 November 2017 to 14 May 2018, we have incurred time costs of £36,052. These represent 96 hours at an average rate of £377 per hour.

Remuneration

During the period, we have drawn administrators' fees of £73,612.

Disbursements

During the period, we have incurred disbursements of £126. Of these, £58 have been paid.

Disbursements totalling £928 were drawn in the period.

Additional information

We have attached a revised time costs estimate at Appendix 4. Our time costs will increase as we have extended the administration for a further 12 months. We are not requesting an increase in the amount of fees that we can draw at this stage and no further action is required.

We have attached (Appendix 4) 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 15 November 2017 to 14 May 2018. We have also attached our charging and disbursements policy.

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:

- To continue to do everything that is reasonable, and use all our powers appropriately, in order to maximise realisations from the assets of the Company;
- To make a distribution to the preferential creditors where funds allow;
- To make a distribution to unsecured creditors where funds allow.

5.2 Extension of the administration

During the period the creditors granted a 12 month extension to the period of the administration.

The administration is currently due to end on 14 May 2019.

5.3 Future reporting

We will provide a further progress report within one month of 14 November 2018 or earlier if the administration has been completed prior to that time.

Appendix 1 Statutory information

Company information

Company name	The Imaginarium Studios Limited
Date of incorporation	22 March 2011
Company registration number	07573638
Present registered office	KPMG LLP, Arlington Business Park, Theale, Reading, RG7 4SD

Administration information

Administration appointment	The administration appointment granted in Birmingham County Court, 8129 of 2017
Appointor	Directors
Date of appointment	15 May 2017
Joint Administrators' details	Steve Absolom and Will Wright
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	14 May 2019

Appendix 2 Joint Administrators' receipts and payments account

The Imaginarium Studios Limited - in Administration			
Abstract of receipts & payments			
Statement of affairs (€)		From 15/11/2017 To 14/05/2018 (€)	From 15/05/2017 To 14/05/2018 (€)
ASSET REALISATIONS			
81,999.00	Shares and investments	NIL	82,000.00
24,343.00	Cash at bank	NIL	23,551.89
52,487.00	Cash at bank - Malaysia	NIL	52,487.00
		NIL	158,038.89
OTHER REALISATIONS			
	Petty cash	NIL	423.77
	Recoveries from investigations	8,338.08	8,338.08
	Contribution to costs	NIL	2,280.00
	Office equipment	NIL	400.00
1.00	Intellectual property	NIL	3,000.00
99,997.00	Studio equipment	NIL	85,000.00
3,000.00	Equipment - digital assets	NIL	15,000.00
		8,338.08	114,441.85
COST OF REALISATIONS			
	Pre-administration legal costs	NIL	(36,121.30)
	Administrators' fees	(73,612.00)	(73,612.00)
	Administrators' expenses	(928.15)	(928.15)
	Administrators' pre-administration costs	NIL	(48,730.00)
	Legal fees	NIL	(25,826.20)
	Statutory advertising	NIL	(69.00)
	Bank charges	NIL	(20.00)
		(74,540.15)	(185,306.65)
PREFERENTIAL CREDITORS			
(37,524.00)	Employees' holiday pay	NIL	NIL
		NIL	NIL
UNSECURED CREDITORS			
(375,723.00)	Trade & expense	NIL	NIL
(170,780.00)	Employees	NIL	NIL
(2,326,966.00)	Directors	NIL	NIL
(77,000.00)	Non-preferential PAYE/NIC	NIL	NIL
(17,179.00)	Non-preferential VAT	NIL	NIL

The Imaginarium Studios Limited - in Administration			
Abstract of receipts & payments			
Statement of affairs (€)		From 15/11/2017 To 14/05/2018 (€)	From 15/05/2017 To 14/05/2018 (€)
		NIL	NIL
	DISTRIBUTIONS		
(5.00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
(2,743,350.00)		(66,202.07)	87,174.09
	REPRESENTED BY		
	Floating ch. VAT rec'able		37,047.33
	Floating charge current		72,266.06
	Floating ch. VAT payable		(20,680.00)
	Floating ch. VAT control		(1,459.30)
			87,174.09

Appendix 3 Schedule of expenses

Schedule of expenses (15/11/2017 to 14/05/2018)			
Expenses (£)	Incurred and paid in the period (£)	Incurred in the period not yet paid (£)	Total (£)
Cost of realisations			
Administrators' fees	0.00	36,052.00	36,052.00
Administrators' expenses	57.54	68.48	126.02
Legal fees	0.00	4,683.00	4,683.00
TOTAL	57.54	40,803.48	40,861.02

Please note that there is a difference between the payments made during the period of £74,540 (per the receipts and payments account) and the expenses incurred and paid in the period of £58 (per the schedule of expenses).

This is due to the fact that some of the payments made in the period relate to expenses incurred in a prior period.

Requests for further information and right to challenge our remuneration and expenses

Creditors' requests for further information

If you would like to request more information about our remuneration and expenses disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report.

Requests from unsecured creditors must be made with the concurrence of at least 5% in value of unsecured creditors (including, the unsecured creditor making the request) or with the permission of the Court.

Creditors' right to challenge our remuneration and expenses

If you wish to challenge the basis of our remuneration, the remuneration charged, or the expenses incurred during the period covered by this progress report, you must do so by making an application to Court within eight weeks of receiving this progress report.

Applications by unsecured creditors must be made with concurrence of at least 10% in value of unsecured creditors (including the unsecured creditor making the challenge) or with the permission of the Court.

The full text of the relevant rules can be provided on request by writing to Kerry O'Sullivan at KPMG LLP, Arlington Business Park, Theale, Reading, RG7 4SD.

Appendix 4 Joint Administrators' revised fees estimate

The Imaginarium Studios Limited - In Administration		Disclosed estimated time costs for the engagement			Additional estimated time costs for the engagement			Total cost
	Notes	Estimated Total hours	Estimated Time cost (£)	Estimated Average hourly rate (£)	Additional Estimated Total hours	Additional Estimated Time cost (£)	Estimated Average hourly rate (£)	
Administration & planning								
Bankrupt/Director/Member Cashiering - processing receipts, payments and bank reconciliations General - books & records, fees & work in progress Statutory and compliance - appointment & related formalities, bonding, checklist & reviews, reports to secured creditors, advertising, strategy Tax - VAT & Corporation tax, initial reviews, pre and post appointment tax Creditors Creditors and claims - general correspondence, notification of appointment, statutory reports Committees - committee meetings and reports to the committee Employees - correspondence Investigation Directors - correspondence, statement of affairs, questionnaires Investigations - director conduct and affairs of the Company Realisation of assets Asset Realisation - including insurance of assets Trading Trading - purchases, sales, cash projections	Note 1	12.00	3,630.00	302.50	9.00	2,055.00	228.33	5,685.00
	Note 2	46.00	15,330.00	333.26	5.00	2,000.00	400.00	17,330.00
	Note 3	143.00	49,345.00	345.07	10.50	4,085.00	389.05	53,430.00
	Note 4	59.00	18,425.00	312.29	9.00	3,995.00	443.89	22,420.00
	Note 5	100.00	30,870.00	308.70	43.00	14,855.00	345.47	45,725.00
	Note 6	43.50	17,780.00	408.74	12.00	4,195.00	349.58	21,975.00
	Note 7	46.00	17,710.00	385.00	0.00	0.00	0.00	17,710.00
	Note 8	28.00	11,530.00	411.79	0.00	0.00	0.00	11,530.00
	Note 9	99.00	40,525.00	409.34	30.00	13,935.00	464.50	54,460.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00
		576.50	205,145.00	355.85	118.50	45,120.00	380.76	250,265.00

Note 1 - Cashiering

The Company operated several bank accounts prior to our appointment. Our anticipated work will involve closing the existing accounts, opening a separate administration account, carrying out monthly bank reconciliations.

Note 2 - General

Our work includes collection of the Company's books and records not included in the sales contracts, arranging mapping of the Company's accounting records and other electronic records and seeking approval for our fees and expenses as detailed in the Proposals.

Note 3 – Statutory & Compliance

Our work will include notifying the Registrar of Companies and other relevant parties of our appointment, arranging bonding and ensuring compliance with all statutory obligations. Further details are included in the Proposals.

Note 4 - Tax

We have instructed our internal VAT and Tax specialists to review the Company's tax and VAT affairs. We will submit post-administration tax and VAT returns as required.

Note 5 – Creditors & Claims

There will be time spent dealing with creditor queries and statutory reporting.

Note 6 - Employees

As reported, 17 employees were transferred to the Purchaser immediately following our appointment. Various employees were made redundant shortly after our appointment. Our work includes making announcements to the employees on our appointment, assisting the former employees to complete their claim forms and dealing with any subsequent queries.

Note 7 - Directors

Our anticipated work will involve correspondence with the Directors regarding their statutory duties, requesting the completion of the Statement of Affairs and questionnaire.

Note 8 - Investigations

This work will involve reviewing the Company's affairs, directorship searches, compliance with our statutory duties and submitting director reports and other relevant reports to the Secretary of State. We will also be investigating any transactions or disposals made in the lead up to and/or immediately prior to our appointment.

Note 9 – Asset realisation / lease assignments

Whilst the majority of the Company's assets were sold to Purchaser 1 and Purchaser 2, we anticipate further work will be required in exploring any potential value in the last remaining key asset, the Company's Malaysian based subsidiary. There will also be ongoing work needed in respect of monitoring the progress of the deferred back-end net profit share arrangements per the productions.

Appendix 5 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 Fees" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available at:

<https://www.r3.org.uk/what-we-do/publications/professional/fees/administrators-fees>

If you are unable to access this guide and would like a copy, please contact Kerry O'Sullivan on 01223 582036.

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 Nov 2016 £/hr
Partner	625
Director	560
Senior Manager	510
Manager	425
Senior Administrator	295
Administrator	215
Support	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 (excluding VAT) during the period 15 November 2017 to 14 May 2018.

SIP 9 - Disbursements					
Disbursements	Category 1		Category 2		Totals (£)
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)	
Courier & delivery costs	7.28	7.28	NIL	NIL	14.56
External printing	7.14	NIL	NIL	NIL	7.14
Postage	43.12	61.20	NIL	NIL	104.32
Total	57.54	68.48	NIL	NIL	126.02

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

Category 2 disbursements have been approved in the same manner as our remuneration.

Narrative of work carried out for the period 15 November 2017 to 14 May 2018

The key areas of work have been:

Statutory and compliance	<ul style="list-style-type: none"> ■ issuing regular press releases and posting information on a dedicated web page; ■ preparing statutory receipts and payments accounts; ■ arranging bonding and complying with statutory requirements; ■ obtaining approval from creditors of a 12-month extension of the administration; ■ ensuring compliance with all statutory obligations within the relevant timescales.
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; ■ liaising with management to review and update strategy and monitor progress; ■ 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"> ■ 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.
Tax	<ul style="list-style-type: none"> ■ 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; ■ <i>working initially on tax returns relating to the periods affected by the administration;</i> ■ analysing VAT related transactions; ■ reviewing the Company's duty position to ensure compliance with duty requirements; ■ dealing with post appointment tax compliance.
General	<ul style="list-style-type: none"> ■ reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9; ■ drawing remuneration in accordance with the basis which has been approved by the creditors.
Asset realisations	<ul style="list-style-type: none"> ■ collating information from the Company's records regarding the assets; ■ reviewing outstanding debtors and management of debt collection strategy; ■ seeking legal advice in relation to book debt collections; ■ 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; ■ communicating with landlords regarding rent, property occupation and other issues; ■ performing land registry searches.
Employees	<ul style="list-style-type: none"> ■ 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; ■ 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; ■ managing claims from employees.
Pensions	<ul style="list-style-type: none"> ■ collating information and reviewing the Company's pension schemes.
Creditors and claims	<ul style="list-style-type: none"> ■ 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; ■ drafting our progress report.
Investigations/ directors	<ul style="list-style-type: none"> ■ reviewing pre-appointment transactions.

Time costs

SIP 9 –Time costs analysis (15/11/2017 to 14/05/2018)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning			
Cashiering			
General (Cashiering)	1.60	344.00	215.00
Reconciliations (& IPS accounting reviews)	0.50	128.50	257.00
General			
Books and records	2.95	821.25	278.39
Fees and WIP	4.45	1,267.75	284.89
Statutory and compliance			
Appointment and related formalities	2.20	831.00	377.73
Checklist & reviews	4.50	1,678.50	373.00
Closure and related formalities	0.30	127.50	425.00
Strategy documents	2.00	850.00	425.00
Tax			
Post appointment corporation tax	2.05	801.50	390.98
Post appointment VAT	6.40	2,577.00	402.66
Creditors			
Creditors and claims			
Agreement of preferential claims	5.40	2,295.00	425.00
General correspondence	2.30	709.50	308.48
Statutory reports	33.40	12,404.50	371.39
Employees			
Correspondence	0.80	301.00	376.25
Pension funds	0.20	59.00	295.00
Pensions reviews	6.00	1,842.50	307.08
Investigation			
Directors			
Correspondence with directors	2.60	975.00	375.00
Investigations			
Correspondence re investigations	2.00	1,120.00	560.00
Preferences / transactions at undervalue	4.70	1,997.50	425.00
Realisation of assets			
Asset Realisation			
Cash and investments	10.70	4,641.00	433.74
Other assets	0.50	280.00	560.00

SIP 9 –Time costs analysis (15/11/2017 to 14/05/2018)			
	Hours	Time Cost (£)	Average Hourly Rate (£)
Total in period	95.55	36,052.00	377.31
Brought forward time (appointment date to SIP 9 period start date)	424.25	162,997.85	
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	95.55	36,052.00	
Carry forward time (appointment date to SIP 9 period end date)	519.80	199,049.85	

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 6 Glossary

Company	The Imaginarium Studios Limited - in Administration
EBITDA	Earnings before interest, taxation, depreciation and amortisation
IMSAP	The Imaginarium studios Asia Pacific Sdn Bhd
Jawjip	Jawjip Limited
Joint Administrators/we/our/us	Steve Absolom and Will Wright
KPMG	KPMG LLP
New Dawns	New Dawns Limited

Any references in this progress report to sections, paragraphs and rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency Rules (England and Wales) 2016 respectively.

Appendix 7 Notice: About this report

This report has been prepared by Steve Absolom and Will Wright, the Joint Administrators of The Imaginarium Studios Limited – in Administration (the 'Company'), solely to comply with their statutory duty to report to creditors under the Insolvency Rules (England and Wales) 2016 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 Rules (England and Wales) 2016 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.

Stephen John Absolom and William James Wright are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England & Wales.

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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Notice of administrator's progress report



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Kerry OSullivan**

Company name **KPMG LLP**

Address **15 Canada Square**

Canary Wharf

Post town **London**

County/Region

Postcode **E 1 4 5 G L**

Country

DX

Telephone **Tel +44 (0) 1223 366692**



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- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.



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You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

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