

AM10 (Scot)

Notice of administrator's progress report



Companies House

SATURDAY



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11/01/2020

#198

COMPANIES HOUSE

1 Company details

Company number S C 2 4 1 3 9 2

Company name in full International Cable Management Limited

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

2 Administrator's name

Full forename(s) Geoffrey Isaac

Surname Jacobs

3 Administrator's address

Building name/number 37 Albyn Place

Street Aberdeen

Post town Grampian

County/Region

Postcode A B 1 0 1 J B

Country

4 Administrator's name ①

Full forename(s) Blair Carnegie

Surname Nimmo

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

5 Administrator's address ②

Building name/number 37 Albyn Place

Street Aberdeen

Post town Grampian

County/Region

Postcode A B 1 0 1 J B

Country

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

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6 Period of progress report

From date	d	1	d	3	m	0	m	5	y	2	y	0	y	1	y	9
To date	d	1	d	2	m	1	m	1	y	2	y	0	y	1	y	9

7 Progress report

☐ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X

Geoff Taylor

X

Signature date

d	0	d	8	m	1	m	2	y	2	y	0	y	1	y	9
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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 **Andrew Plenderleath**

Company name **KPMG LLP**

Address **37 Albyn Place**

Aberdeen

Post town **Grampian**

County/Region

Postcode

A	B	1	0		1	J	B
---	---	---	---	--	---	---	---

Country

DX

Telephone **Tel +44 (0) 1224 591000**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



Important information

All information on this form will appear on the public record.



Where to send

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,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh.



Further information

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

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



Joint
Administrators'
progress
report for the
period 13 May
2019 to 12
November
2019

International Cable
Management Limited - in
Administration (t/a Interkab)

16 December 2019

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+IJ51492847.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

- On 13 May 2019, the Company, acting by its shareholders, resolved to appoint us as Joint Administrators. The notice of appointment was lodged at Aberdeen Sheriff Court on 13 May 2019 and we were duly appointed.
- This progress report covers the period from the date of our appointment to 12 November 2019.
- We circulated our statement of proposals ("proposals") to all known creditors on 5 July 2019, which were deemed approved without modification on 22 July 2019.
- Shortly following our appointment, and after a focussed marketing exercise, we completed a sale of the Company's moveable and certain other assets to R&M Electrical Group Limited ("R&M") for an initial consideration of £32,000 plus VAT. (Section 2 – Progress to date.)
- R&M also agreed to pay deferred consideration, representing a percentage of turnover generated from the acquired assets. We have secured total deferred consideration totalling c£4,000 plus VAT from R&M. (Section 2 – Progress to date)
- The Company's remaining principal asset is its trade debtors, which totalled c£326,000 at appointment. With the assistance of a specialist debtor recovery agent, Glenwood Debt Recovery ("Glenwood"), we have secured recoveries from trade debtors totalling c£218,000 to date. (Section 2 - Progress to date.)
- The Company's sole secured lender is HSBC UK Bank Plc (the "Bank"). Based on the information on hand, we anticipate a limited return could become available for the Bank under the terms of its floating charge. (Section 3 – Dividend prospects.)
- We presently estimate that preferential creditor claims may be paid in full. (Section 3 – Dividend prospects.)
- Based on the information on hand, it appears highly unlikely that sufficient funds will become available to enable a return to unsecured creditors, other than via a small potential Prescribed Part dividend distribution. (Section 3 - Dividend prospects.)
- The administration was due to end on 12 May 2020. The Bank and preferential creditors have recently approved a 12-month extension of the Administration to 12 May 2021. (Section 5 – 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+IJ51492847.html>.
- Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.


Geoff Jacobs
Joint Administrator



Document Classification - KPMG Confidential

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 proposals.

2.1 Strategy and progress to date

Strategy

Upon appointment, we met with the directors at the Company's leasehold premises in Aberdeen in order to assess the operational and financial position of the business.

It quickly became apparent that post-appointment trading to any extent would not be possible, with the nature and status of work-in-progress necessitating working capital funding which was not available (notwithstanding the limited profitability of the orders-on-hand).

Accordingly, the Company ceased trading with immediate effect, with all ten staff being made redundant.

We immediately met with the available Aberdeen-based employees to advise them of their redundancy and also notified three employees based in Dubai.

Our employee specialists have assisted the employees with submission of their claims to the Redundancy Payments Service.

The Company's in-house accountant assisted us with bringing the books and records up-to-date as far as possible and compiling certain key financial information.

We identified the Company's key assets as comprising:- customer and order-related information; stock; limited plant and machinery; office equipment, fixtures and fittings; and trade debtors. Our efforts to realise these items are commented upon below.

Shortly after our appointment, we instructed a valuation of the moveable assets by a specialist asset valuation agent, GMG Asset Management UK Limited ("GMG").

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 certain assets

Immediately following our appointment, and following detailed discussions with the directors, we contacted several potentially interested parties with whom the Company had been liaising regarding a potential solvent sale prior to our appointment. This included making contact with the preferred bidder previously selected by the directors, R&M.

We also issued notification of the potential opportunity to all KPMG Restructuring staff in the UK.

A formal offer for certain of the assets was received from R&M. No other formal offers were received.

Following a short period of negotiation, we secured a sale of certain assets to R&M, comprising whatever right, title and interest the Company held in the following:-

- all moveable items (comprising:- stock; office equipment, fixtures and fittings);
- customer order-related information;
- intellectual property; and
- goodwill.

The initial sale consideration of £30,000 plus VAT was paid upon completion of the transaction on 22 May 2019, with a further £2,000 plus VAT being paid on 24 May 2019.

The up-front consideration which R&M agreed to pay for the assets was in excess of GMG's valuation of the items on a break-up basis.

In addition, R&M agreed to pay an amount equivalent to a percentage of turnover generated by the customer order information during the 12-month period following completion. We have secured £4,000 plus VAT from R&M, representing full and final settlement of this aspect of the sale transaction.

Leasehold properties

The Company occupied two leasehold properties in Aberdeen, comprising an office and a nearby warehouse.

We understand the Company also rented a small office in Dubai.

None of the potentially interested parties with whom we liaised regarding acquisition of the Company's assets expressed any interest in the leasehold premises.



The keys to the Aberdeen properties have been returned to the landlords and the Company's non-utilisation of (nor ongoing interest in) the Dubai office notified.

No realisations will become available from this source.

Trade debtors

Trade debtors at appointment totalled c£326,000 and were excluded from the sale to R&M.

We have secured trade debtor recoveries, to date, totalling c£218,000.

With the assistance of our appointed specialist debtor recovery agent, Glenwood, we will continue to pursue recovery of the Company's remaining trade debtor balances whilst it remains cost effective to do so.

Stock

All of the stock was sold to R&M.

We received one claim to retention of title ("RoT") over a small amount of stock located within the warehouse. This claim has been finalised.

Cash at bank

There was no cash at bank at appointment.

Investigations

We have complied with the relevant statutory requirements by submitting the online director conduct assessment to The Insolvency Service. 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.

Consultant's fee

We have paid £900 to the Company's in-house accountant for assistance provided in relation to updating the Company's books and records during the days following our appointment.



Agents' fees

We have paid c£2,000 to Glenwood, representing part-payment of commission relating to the trade debtor recovery exercise.

We have paid c£1,000 to GMG for valuation of the moveable assets.

We have also paid c£1,500 to Clark Computers Limited for their assistance in decommissioning certain computer equipment which was part of the sale to R&M.

Legal fees

We have paid appointment-related legal fees, totalling c£3,200, to Stronachs LLP.

Insurance

We have paid insurance premiums, totalling c£500, in respect of the moveable assets prior to the sale to R&M.

3 Dividend prospects

3.1 Secured creditor

The Company's sole secured creditor is the Bank.

The Bank provided an overdraft facility, across four separate business current accounts, in relation to which we understand approximately £85,000, in total, was drawn by the Company at appointment.

The Bank also provided trade finance facilities by way of guarantees for sales to certain overseas customers, in relation to which we understand the Bank's potential total exposure at appointment was approximately \$60,000.

The Bank's lending is secured by way of a floating charge dated 23 April 2014.

Whilst the trade debtor recovery process is ongoing, the outcome for the Bank cannot be estimated with certainty. However, based upon the information on hand, it appears a limited return could become available for the Bank under the terms of its floating charge.

3.2 Preferential creditors

Claims from employees in respect of (1) arrears of wages up to a maximum of £800 per employee, (2) unlimited accrued holiday pay and (3) certain pension benefits, rank preferentially.

We estimate the amount of preferential claims at the date of our appointment to be c£27,000.

Based on current estimates, we consider sufficient funds may become available to enable payment of preferential creditor claims in full. However, the final outcome for preferential creditors will only become known with certainty upon finalisation of the asset realisation process.

3.3 Unsecured creditors

Based upon the information on hand, it is highly unlikely that anything other than a small Prescribed Part dividend distribution may become available to unsecured creditors – albeit, the quantum and timing of any potential return cannot be estimated at this time. Updates will be provided within the Joint Administrators' future progress reports.

4 Joint Administrators' remuneration, outlays and disbursements

4.1 Joint Administrators' remuneration, outlays and disbursements

In accordance with the relevant insolvency legislation, the basis of the Joint Administrators' remuneration – being set and drawn on the basis of time properly given by us and the various grades of our staff according to charge-out rates (as contained within Appendix 3) – was approved via a decision of the Bank and preferential creditors on 1 November 2019.

The Bank and preferential creditors also determined that disbursements for services provided by KPMG (defined as Category 2 disbursements within Statement of Insolvency Practice 9) be charged in accordance with KPMG's policy (as outlined within Appendix 3).

In accordance with Section 5 of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018, we subsequently sought and obtained approval from the Bank and preferential creditors for the following:-

- that remuneration comprising an interim floating charge fee of up to £115,285.50 plus VAT be drawn in respect of our firm's time costs for the period from 13 May 2019 to 12 November 2019 as and when funds permit; and



- floating charge outlays (for services provided by KPMG and defined as Category 2 disbursements in Statement of Insolvency Practice 9) totalling £1,369.09 plus VAT be drawn in respect of the period from 13 May 2019 to 12 November 2019.

Detailed analysis of the time costs and outlays incurred during the period are set out within Appendix 3.

Should the circumstances of the administration change, we reserve the right to revert to the Court in order to seek approval for the amount of our remuneration and outlays.

Should you wish to challenge:- the basis of our remuneration; the remuneration approved; or the outlays approved during the period covered by this progress report, you must do so by making an application to Court within 8 weeks of the end of the accounting period and by no later than 7 January 2020 or within 14 days of receiving this progress report.

Please also see further details within Appendix 3 regarding the ability to challenge the remuneration which has been approved.

Time costs

From the date of our appointment to 12 November 2019, we have incurred time costs of £115,285.50. These represent 315.00 hours at an average rate of £365.99 per hour.

Remuneration and outlays

During the period, we have not drawn any remuneration or outlays.

Disbursements

During the period, we have incurred disbursements of £1,369.09. 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 12 November 2019. 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:-

- seeking to recover the Company's remaining trade debtor balances whilst it remains cost effective to do so;
- finalising the costs of the administration process;
- if appropriate, adjudicating upon creditor claims and, thereafter, facilitating dividend distributions, as necessary; and
- attending to all ongoing statutory and compliance matters.

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 was due to end on 12 May 2020.

The Bank and preferential creditors have recently approved a 12 month extension of the administration, to 12 May 2021, in order to allow the remaining outstanding matters to be attended to.

5.3 Discharge from liability

The Bank and preferential creditors have granted approval that we be discharged from liability in respect of any actions as Joint Administrators upon the filing of our final receipts and payment account with the Registrar of Companies.

Should the circumstances of the administration change, we reserve the right to revert to unsecured creditors in order to obtain discharge from liability.

Discharge does not prevent the exercise of the Court's power in relation to any misfeasance action against us.

5.4 Future reporting

We will provide a further progress report within six weeks of 12 May 2020 or earlier if the administration has been completed prior to that time.



Appendix 1 Statutory information

Company information	
Company name	International Cable Management Limited (t/a Interkab)
Date of incorporation	19 December 2002
Company registration number	SC241392
Present registered office	c/o KPMG, 37 Albyn Place, Aberdeen, AB10 1JB

Administration information	
Administration appointment	The administration appointment granted in Aberdeen Sheriff Court, L40 of 2019
Appointor	The Company
Date of appointment	13 May 2019
Joint Administrators' details	Geoff Jacobs and Blair Nimmo
Estimated values of the Net Property and Prescribed Part	Based upon the information on hand:- estimated Net Property is c£30,000; and estimated Prescribed Part is c£9,000. The Prescribed Part has been taken into account when determining the dividend prospects for unsecured creditors (Section 3).
Prescribed Part distribution	The Joint Administrators do not intend to apply to Court to obtain an order that the Prescribed Part shall not apply. Accordingly, if sufficient funds become available, the Joint Administrators intend to make a distribution to unsecured creditors under the terms of the Prescribed Part.
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	12 May 2021

Appendix 2 Joint Administrators' receipts and payments account

International Cable Management Limited - in Administration

Abstract of receipts & payments

ASSET REALISATIONS			
3,000.00	Plant & machinery	2,997.00	2,997.00
4,000.00	Furniture & equipment	4,000.00	4,000.00
25,000.00	Stock	25,000.00	25,000.00
195,000.00	Book debts	218,384.55	218,384.55
	Goodwill	1.00	1.00
	Intellectual property	1.00	1.00
	Customer orders	4,027.00	4,027.00
		<u>254,410.55</u>	<u>254,410.55</u>
OTHER REALISATIONS			
	Bank interest, gross	273.56	273.56
		<u>273.56</u>	<u>273.56</u>
COST OF REALISATIONS			
	Statement of affairs work	(150.00)	(150.00)
	Consultants fee	(900.00)	(900.00)
	Agents'/Valuers' fees	(4,032.01)	(4,032.01)
	Legal fees	(3,208.50)	(3,208.50)
	Storage costs	(640.50)	(640.50)
	Statutory advertising	(73.00)	(73.00)
	Insurance of assets	(506.24)	(506.24)
	Bank charges	(10.70)	(10.70)
		<u>(9,520.95)</u>	<u>(9,520.95)</u>
PREFERENTIAL CREDITORS			
(20,100.00)	Employees' wage arrears & holiday pay	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
FLOATING CHARGE CREDITORS			

International Cable Management Limited - in Administration

Abstract of receipts & payments

Notes to the Statement of Financial Position		Statement of Financial Position	
(84,582.00)	HSBC UK Bank Plc	NIL	NIL
		NIL	NIL
UNSECURED CREDITORS			
(602,717.00)	Trade & expense	NIL	NIL
(80,500.00)	Employees	NIL	NIL
(35,000.00)	Pre-paid creditors	NIL	NIL
(15,000.00)	HMRC - Provision	NIL	NIL
		NIL	NIL
DISTRIBUTIONS			
(50,000.00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
(660,899.00)		245,163.16	245,163.16
REPRESENTED BY			
	Floating ch. VAT rec'able		2,400.20
	Floating charge current		245,056.09
	Floating ch. VAT payable		(8,010.40)
	Floating ch. VAT control		5,717.27
			245,163.16

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, and pensions 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 Andrew Plenderleath on 0122 441 6870.

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: International Cable Management Limited (t/a Interkab)

Grade	From 01 Jan 2019 £/hr
Partner	655
Director	590
Senior Manager	535
Manager	445
Senior Administrator	310
Administrator	225
Support	140



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 12 November 2019.

SIP 9 - Disbursements					
Disbursements	Category 1		Category 2		Totals (£)
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)	
Accommodation	146.66		NIL		146.66
Meals	50.94		NIL		50.94
Bonding	235.00		NIL		235.00
Postage	716.79		NIL		716.79
Professional and legal fees	100.00		NIL		100.00
Travel	119.70		NIL		119.70
Total	1,369.09		NIL		1,369.09

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 are to be approved in the same manner as our remuneration.

Creditors' right to challenge our remuneration and outlays

If you wish to challenge:- the basis of our remuneration; the remuneration approved; 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 7 January 2020.

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 Andrew Plenderleath at KPMG LLP, 37 Albyn Place, Aberdeen, AB10 1JB, United Kingdom.

Narrative of work carried out for the period 13 May 2019 to 12 November 2019

Key areas of work have been:-

Statutory and compliance	<ul style="list-style-type: none"> ■ collating initial information to enable us to carry out our statutory duties, including creditor information and details of assets; ■ providing initial statutory notifications of our appointment to the Registrar of Companies, The Registrar of Inhibitions and Adjudications, creditors and other stakeholders and advertising our appointment; ■ 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.
Strategy	<ul style="list-style-type: none"> ■ formulating, monitoring and reviewing the administration strategy;



documents, Checklist and reviews	<ul style="list-style-type: none"> ■ 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; ■ meeting 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; ■ complying with internal filing and information recording practices, including documenting strategy decisions.
Reports to secured creditor	<ul style="list-style-type: none"> ■ providing written and oral updates to representatives of the Bank regarding the progress of the administration and case strategy.
Cashiering	<ul style="list-style-type: none"> ■ setting up an administration bank account 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 the post-appointment bank account to internal systems; ■ 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; ■ ensuring compliance with appropriate risk management procedures in respect of receipts and payments.
Shareholders	<ul style="list-style-type: none"> ■ providing notification of our appointment; ■ responding to enquiries from shareholders regarding the administration; ■ providing copies of statutory reports to the shareholders.
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; ■ locating relevant Company books and records, arranging for their collection and dealing with the ongoing storage.
Asset realisations	<ul style="list-style-type: none"> ■ collating information from the Company's records regarding the assets; ■ liaising with finance companies in respect of assets subject to finance agreements; ■ liaising with agents regarding the sale of assets; ■ negotiating terms of a sale with a preferred bidder; completing the sale; and securing receipt of initial and deferred consideration amounts; ■ arranging for the Company's sales ledger to be brought up-to-date (as far as possible); ■ obtaining copies of all trade debtor-related paperwork; ■ considering the most appropriate trade debtor collection strategy considering the extent and whereabouts of trade debtors; ■ obtaining quotations from and agreeing terms with a specialist debtor recovery agent; ■ liaising with the Bank regarding transfer of debtor monies received; ■ dealing with issues associated with the sale of stock; ■ communicating with debtors.
Property matters	<ul style="list-style-type: none"> ■ reviewing the Company's leasehold properties, including review of leases; ■ communicating with landlords regarding property occupation and other issues.
Health and safety	<ul style="list-style-type: none"> ■ liaising with 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	<ul style="list-style-type: none"> ■ arranging insurance cover for the Company's business and assets; ■ liaising with the post-appointment insurance brokers to provide information, assess risks

insurance	<ul style="list-style-type: none"> ■ and ensure appropriate cover in place; ■ assessing the level of insurance premiums.
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; ■ calculating employee pension contributions and review of pre-appointment unpaid contributions; ■ ensuring compliance with our duties to issue statutory notices.
Creditors 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; ■ dealing with a retention of title claim.
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; ■ submitting the online director conduct assessment to the relevant authority.

Time costs

SIP 9 – Time costs analysis (13/05/2019 to 12/11/2019)

	Hours				Total	Time Cost (£)	Average Hourly Rate (£)
	Partner/Director	Manager	Administrator	Support			
Administration & planning							
Bankrupt/Director/Member							
General correspondence			1.10		1.10	341.00	310.00
Notification of appointment		2.30	3.20		5.50	2,015.50	366.45
Cashiering							
General (Cashiering)			5.20		5.20	1,612.00	310.00
Reconciliations (& IPS accounting reviews)			2.40		2.40	744.00	310.00
General							
Books and records		1.70	16.90		18.60	5,995.50	322.34
Fees and WIP		0.30	0.40		0.70	257.50	367.86
Statutory and compliance							
Appointment and related formalities	7.25	1.60	11.30		20.15	8,830.50	438.24
Bonding & Cover Schedule		0.30	0.20		0.50	195.50	391.00
Budgets & Estimated outcome statements		3.10			3.10	1,658.50	535.00
Checklist & reviews	0.80	0.40	5.90		7.10	2,479.00	349.15
Reports to debenture holders	3.45				3.45	2,035.50	590.00
Statutory advertising			4.20		4.20	1,302.00	310.00
Strategy documents	2.40	2.50	4.70		9.60	4,129.00	430.10
Tax							
Initial reviews - CT and VAT		0.60	7.80		8.40	2,302.50	274.11
Post appointment corporation tax		1.90			1.90	845.50	445.00
Post appointment PAYE (Non Trading)			1.20		1.20	372.00	310.00
Post appointment VAT		0.40	3.30		3.70	1,237.00	334.32



SIP 9 – Time costs analysis (13/05/2019 to 12/11/2019)

	Hours				Total	Time Cost (£)	Average Hourly Rate (£)
	Partner Director	Manager	Administrator	Support			
Creditors							
Creditors and claims							
General correspondence	0.40	4.90	35.90		41.20	13,626.50	330.74
Notification of appointment			2.30		2.30	713.00	310.00
Secured creditors		5.00			5.00	2,351.00	470.20
Statutory reports	3.35	8.80	22.90		35.05	13,074.50	373.02
Employees							
Correspondence		4.90	6.70		11.60	4,257.50	367.03
Pensions reviews			6.30		6.30	1,834.00	291.11
Investigation							
Directors							
Correspondence with directors		4.50	5.20		9.70	3,614.50	372.63
D form drafting and submission		2.50	4.20		6.70	2,414.50	360.37
Directors' questionnaire / checklist			0.30		0.30	93.00	310.00
Statement of affairs		2.50	1.30		3.80	1,515.50	398.82
Investigations							
Mail redirection			3.10		3.10	833.50	268.87
Realisation of assets							
Asset Realisation							
Debtors	3.00	12.20	23.60		38.80	14,695.00	378.74
Goodwill		0.10			0.10	44.50	445.00
Health & safety			0.40		0.40	124.00	310.00
Insurance		0.40	0.30		0.70	271.00	387.14
Leasehold property		3.10	3.20		6.30	2,371.50	376.43
Office equipment, fixtures & fittings		0.20	4.20		4.40	1,391.00	316.14
Plant and machinery		1.00	8.70		9.70	3,142.00	323.92

SIP 9 – Time costs analysis (13/05/2019 to 12/11/2019)

	Hours					Time Cost (£)	Average Hourly Rate (£)
	Partner	Director	Manager	Administrator	Support		
					Total		
Sale of business	1.70	12.00			13.70	6,343.00	462.99
Stock and WIP		0.80			0.80	356.00	445.00
Employee Matters / PAYE	0.75			17.50	18.25	5,867.50	321.51
Total in period	23.10	78.00	213.90	0.00	315.00	115,285.50	365.99

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)	315.00	115,285.50
Carry forward time (appointment date to SIP 9 period end date)	315.00	115,285.50

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 UK Bank Plc
Company	International Cable Management Limited - in Administration (t/a Interkab)
Joint Administrators/we/our/us	Geoff Jacobs and Blair Nimmo
KPMG	KPMG LLP

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) (Company Voluntary Arrangements and Administration) Rules 2018 respectively.

Appendix 5 Notice: About this report

This report has been prepared by Geoff Jacobs and Blair Nimmo, the Joint Administrators of International Cable Management Limited – in Administration (the “Company”), solely to comply with their statutory duty to report to creditors under the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018 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) (Company Voluntary Arrangements and Administration) Rules 2018 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.

Geoff Jacobs and Blair 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.

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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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