

AM03

Notice of administrator's proposals



Companies House

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1 Company details

Company number 0 6 6 6 6 1 9 5

Company name in full Dreamsport Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Philip

Surname Stephenson

3 Administrator's address

Building name/number 30 Finsbury Square

Street

Post town London

County/Region

Postcode E C 2 A 1 A G

Country

4 Administrator's name ❶

Full forename(s) Jon L

Surname Roden

❶ Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ❷

Building name/number 17th Floor

Street 103 Colmore Row

Post town Birmingham

County/Region

Postcode B 3 3 A G

Country

❷ Other administrator

Use this section to tell us about
another administrator.

AM03

Notice of Administrator’s Proposals

6		Statement of proposals		
		<input checked="" type="checkbox"/>	I attach a copy of the statement of proposals	
7		Sign and date		
Administrator’s Signature	Signature		<div><div>X</div><div>P Step</div><div>X</div></div>	
Signature date	<div><div>d</div><div>0</div></div>	<div><div>d</div><div>6</div></div>	<div><div>m</div><div>0</div></div> <div><div>m</div><div>4</div></div> <div><div>y</div><div>2</div></div> <div><div>y</div><div>0</div></div> <div><div>y</div><div>2</div></div> <div><div>y</div><div>2</div></div>	

AM03

Notice of Administrator's Proposals



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	Matthew Drinkwater
Company name	Grant Thornton UK LLP
Address	11th Floor Landmark St Peter's Square
Post town	1 Oxford St
County/Region	Manchester
Postcode	M 1 4 P B
Country	
DX	
Telephone	0161 953 6900



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- ☐ You have attached the required documents.
- ☐ You have signed and dated the form.



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Dreamsport Limited - in administration (the Company)

UK Recovery
Grant Thornton UK LLP
11th Floor, Landmark
St Peter's Square
1 Oxford Street
Manchester
M1 4PB

Report to creditors required under
Statement of Insolvency Practice 16 and
Statement of Administrators' Proposals

Prepared by: Philip Stephenson, Joint Administrator

Contact details: Should you wish to discuss any matters in
this report, please do not hesitate to
contact cmusupport@uk.gt.com

Guide to this report

Report sections

1 Executive summary

This should be read in conjunction with the remainder of the report, together with its appendices

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Includes details of how Grant Thornton was introduced to the Company and details of our prior involvement

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- B Statement of Insolvency Practice 9 disclosure: payments, remuneration and expenses to the Joint Administrators or their associates**
Includes remuneration basis, work done, expenses of the joint administrators sub-contracted out work, relationships requiring disclosure
- C Statutory information**
Includes information required about the Company (e.g. name, address) and about the administration (e.g. proceedings, Administrators, contact details)
- D Notice about this report**
Includes information about the preparation and purpose of the report, reliance on it and no liability
- E Details of the Company's creditors**
Names and addresses of the creditors, the amounts of their debt and details of any security held

Definitions

The following definitions are used either within the body of this report, the appendices to it, or both.

AMA	<i>Accelerated mergers and acquisitions process</i>
The Company	<i>Dreamsport Limited</i>
Covid-19	<i>Worldwide Coronavirus pandemic</i>
CVA	<i>Company Voluntary Arrangement</i>
The Directors	<i>The statutory directors of the Company</i>
Grant Thornton	<i>Grant Thornton UK LLP</i>
Hilco	<i>Hilco Appraisal Limited</i>
HMRC	<i>Her Majesty's Revenue and Customs</i>
HP	<i>Hire Purchase</i>
The Insolvency Act	<i>The Insolvency Act 1986</i>
The Joint Administrators	<i>Philip Stephenson and Jon Roden of Grant Thornton UK LLP</i>
Joseph Middleton	<i>Director and one of the secured creditors</i>
Martin Wakefield	<i>One of the secured creditors</i>
NDA	<i>Non-Disclosure Agreement</i>
NOI	<i>Notice of Intention to Appoint Administrators</i>
Pembroke	<i>Pembroke Investment Managers LLP, majority shareholder and one of the secured creditors</i>
The Property	<i>The leasehold property known as Part Ground Floor, 37 Canal Street and First Floor and Second Floor, 22-26 Carrington Street, Nottingham NG1 7FF</i>
Purchaser / Stevenson	<i>Dreamsport 2022 Limited, a wholly owned subsidiary of The Stevenson Group Holdings Limited set up to purchase part of the business and assets of the Company</i>
Seamless	<i>A shapewear business acquired by the Company in 2021</i>
Secured Creditors	<i>Pembroke, Joseph Middleton and Martin Wakefield</i>
SIP	<i>Statement of Insolvency Practice</i>
Teamwear	<i>The core business which designs, develops and manufactures and supplies customised sports kit for International, Professional and Amateur Clubs, Universities and Schools under the name of PlayerLayer and Under Armour</i>
TUPE	<i>Transfer of Undertakings (Protection of Employment) regulations</i>
VAT	<i>Value Added Tax</i>

1 Executive summary

- Philip Stephenson and Jon Roden of Grant Thornton UK LLP were appointed as Joint Administrators of the Company on 30 March 2022
- The affairs, business and property of the Company are being managed by the Joint Administrators who act as agents of the Company and without personal liability
- The Joint Administrators are authorised by the Insolvency Practitioners Association to act as insolvency practitioners in the UK and are bound by the Insolvency Code of Ethics
- Upon appointment, we sold the trade and assets of the Teamwear division of the Company to Dreamsport 2022 Limited (part of the Stevenson Group), an unconnected third party, for a total sale consideration of £110,000
- There was no interest in acquiring the Seamless division of the Company. As such, all five employees of the Seamless division were made redundant following appointment. There were no assets aligned to the Seamless division
- The sale transaction for the Teamwear division was entered into in pursuit of achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up without first being in administration, being a statutory purpose of administration. As the business and asset sale resulted in 35 employees transferring to the purchaser via TUPE, this prevented the crystallisation of claims for unpaid wages, holiday pay, redundancy pay and pay in lieu of notice. We are of the opinion that the outcome achieved was the best available outcome, that could be reasonably obtained, for creditors as a whole in all the circumstances
- Given the level of costs of realisation (including our remuneration, legal fees and agent's fees), we consider that it is unlikely that there will be sufficient funds available which will enable a distribution to be made to any class of creditor



Philip Stephenson
Joint Administrator

6 April 2022

2 Initial introduction

This section provides details of how Grant Thornton was introduced to the Company and details of our prior involvement.

2.1 Initial introduction

In January 2022, Pembroke (in its capacity as shareholder) approached the corporate finance team of Grant Thornton to discuss the Company's financial position.

Given the impact of Covid on the recent trading performance of the Teamwear division and the urgent need for funding for the rest of the business, Pembroke indicated that an accelerated disposal of the Teamwear division may be required. It was hoped that this sale would generate sufficient funds to deleverage the Company and also provide working capital to invest in the Seamless division, a potential growth area identified by the directors. Therefore, initially a solvent solution was sought, however, it was clear that should offers for the Teamwear division not be at a sufficient level, then the Company would need to enter insolvency.

Grant Thornton was subsequently engaged by the Company on 15 February 2022 to provide the following services in relation to the AMA process:

- a. Provide assistance with the preparation of an information pack for submission to potential acquirers based on information provided by the Company
- b. Identify potential acquirers of the Company's business and assets based on our network of contacts and desktop research
- c. Manage the marketing and sale process for the disposal of the Teamwear business including liaising with all interested parties in respect of their offers
- d. Assist and advise in respect of final negotiations with the preferred bidder to guide an efficient sale process to completion
- e. Assist the Directors in taking steps to place the Company into administration, if required.

All references to the Directors are these individuals acting in their capacity as director on behalf of the Company. We were not engaged to advise the Directors as to their personal position.

Philip Stephenson, Partner and Jon Roden, Director of Grant Thornton, were appointed as Joint Administrators of the Company on 30 March 2022. A sale of the Teamwear division was concluded by way of a pre-packaged sale from administration on that date.

To date Grant Thornton has not received any payment of any fees in respect of work in relation to undertaking an accelerated sales process.

2.2 Prior involvement with the Company

Grant Thornton does not have any prior relationship with the Company or the Directors.

However, prior to this engagement Grant Thornton previously provided audit services to Pembroke but last acted in 2019. Although Pembroke holds a 25% shareholding in the Company, there was no common directorship between the Company and Pembroke, although Andrew Wolfson (Pembroke CEO) was appointed as director of the Company on 14 February 2022, after our engagement had commenced.

We reviewed the independence and ethical considerations in relation to the Company and Pembroke and are satisfied that there are no independence or ethical considerations arising out of, or in connection with our previous work undertaken that meant the Company's administration appointment could not be accepted.

3 Pre-appointment considerations

This section provides details of the considerations and the work done by us, as proposed Joint Administrators, prior to our appointment in order to determine that a pre-packaged sale was the optimal strategy in minimising the loss to creditors.

3.1 Nature of the Company's business

The Company was incorporated on 6 August 2008. The trading activities of the Company were in respect of the design, development, and manufacture and supply of customised sports kit for International, Professional and Amateur Clubs, Universities and Schools.

Subsequently, in 2021, the Company acquired the business and assets of the Seamless division for £1 from Itochu UK. Seamless sold seamless tights, leggings and Athleisurewear to large UK retailers.

There were 40 employees as at the date of administration.

3.2 Causes of the Company's distress

The Directors advised that the insolvency of the Company can be partially attributed to a decline in trading as a result of Covid-19. We understand that in recent years, the Teamwear business has generated a low margin on its sales and the Company has been unable to make this profitable.

Seamless, which was incorporated into the Company, was also loss-making and contributed to the cash flow challenges facing the Company.

Despite the weak cash position and the significant debts owed by the Company, the Directors and Pembroke were keen to explore the sale of the Teamwear division of the business (on a solvent basis). It was also hoped that achieving a sale would provide sufficient working capital for the Company to invest in the Seamless division and the new product lines (which the Directors believed had more potential to be profitable).

3.3 Actions taken by the Company

Pembroke wanted the AMA sales process to be started as early as possible but due to the Directors' concerns over funding of the process, the Directors signed a NOI on 7 February 2022 seeking to appoint another insolvency practitioner as the proposed administrator. The NOI was filed in court on 9 February 2022 and the moratorium period started on that date.

Following further discussions, the Directors and Pembroke agreed to engage Grant Thornton to run an AMA sales process of the trade and assets of the Company. Given the Company's working capital constraints, Pembroke agreed to provide additional funding of £305,000 (which would rank as super senior) to allow the business to continue trading whilst this process was undertaken. The NOI filed at court was, therefore, allowed by the Directors to lapse.

In the event that it was not possible to successfully complete the accelerated sale of the business and assets of the Company on a solvent basis, Grant Thornton was engaged to assist the Directors in taking steps to place the Company into administration.

3.4 Alternative courses of action considered by the proposed Joint Administrators

At the conclusion of the AMA process, we considered all options for the Company. We reviewed the AMA process which had been undertaken and considered that it was sufficiently comprehensive. Through the AMA process, it had been established that a solvent solution to the funding issues was not possible as:

- the offers received were not at a sufficient level to enable the Company to remain solvent
- additional finance could not be obtained to restore cashflow solvency

Given that insolvency was deemed to be unavoidable and to determine whether a pre-pack administration was the most appropriate route, we considered two other viable options: (i) trading in administration with a view to selling the business and assets as a going concern; and (ii) immediate close down of the business and a sale of the assets on a break-up basis.

It was determined that trading in an administration, whilst running a further sales process, was not in the interests of creditors as:

- The AMA marketed the Company extensively to both distressed investors and trade buyers and therefore the transaction accepted was considered to be fair market value and to provide the best return to creditors
- It was considered that a sales process within the administration was unlikely to provide a materially better offer or higher return to creditors particularly considering the likely trading losses that would be incurred and the additional administration costs that would be required to oversee this trading period
- The Company could not continue to trade without access to ongoing finance (which was not available from Pembroke or from other sources)
- Stock was either owned or under the control of third-party creditors and it was anticipated that considerable costs may have to be paid to take possession of these items (including import duty to HMRC on stock held at a bonded warehouse within the UK)

The above factors are also the key reasons why a CVA, Restructuring Plan or Scheme of Arrangement were not viable options to pursue.

In relation to the cessation of trade and the immediate collection/sale of the assets (to the extent that this was feasible), this was also determined to not be in the best interest of the creditors as:

- We anticipated a lower recovery would be achievable on book debts (albeit that these now form part of the sale to the Purchaser)
- The valuation provided by our agent for tangible fixed assets was lower on a break-up basis than on a going concern; and
- This scenario would have resulted in all 40 employees being made redundant and resulted in significant employment claims crystallising

Based on the financial analysis performed, the return to creditors from the transaction was considered to be the best outcome for the creditors.

3.5 Requests for funding the administration, and the decision of whether to trade

Financial analysis was undertaken by us prior to the appointment. It was determined that continuing to trade would be to the detriment of the creditors as a whole due to the losses forecast to be incurred. Therefore, no funding request was made to any lender or third party.

3.6 Consultation with major creditors and key stakeholders

We consulted with the following stakeholders:

Samsung

- Samsung is a key supplier and funder to the business and owns c.£2.1 million of stock which is purchased by the Company from Samsung during the typical trading cycle
- There is also a significant unsecured debt of c.£1.5 million due to Samsung from the Company in respect of stock which was sold at a loss or sold and not paid for
- On that basis, it was clear that any potential purchaser would have to engage with Samsung to ensure that an appropriate agreement could be reached to maintain an ongoing trading relationship post sale
- We maintained regular dialogue with Samsung throughout the marketing and sale process
- In addition, and as a condition of the offers received, Samsung was subsequently introduced to two parties who submitted offers for the business and assets of the Company. The outcome of these discussions would be a considerable factor on whether these parties would pursue their interest further

Pembroke

- Pembroke is a shareholder and is one of the Company's Secured Creditors (following its agreement to fund the AMA process)
- We maintained regular dialogue with Pembroke throughout the marketing and sale process
- On 17 March 2022 Pembroke provided its verbal approval for accepting the offer received from the Purchaser, noting that this was unlikely to generate any recovery on either its debt or investment in the Company

Martin Wakefield

- Martin Wakefield is one of the Company's Secured Creditors
- We maintained dialogue with this individual throughout the marketing and sale process given his security position
- On 24 March 2022 Martin Wakefield was advised that it was our intention to accept the offer received from the Purchaser and it was agreed that this transaction represented the best outcome for creditors, albeit that this will not result in any return under his secured debt

Joseph Middleton

- Joseph Middleton is one of the Company's Directors. He is also one of the Company's Secured Creditors
- Given his role as director, Joseph Middleton was fully involved in the marketing and sale process, including providing information to be included in the virtual data room for interested parties to access and to subsequently discuss any queries that were raised
- On 17 March 2022 Joseph Middleton provided his verbal approval for accepting the offer received from the Purchaser, on the basis that this represented the best outcome for creditors, albeit that this will not result in any return personally

Note that details of registered charges of the Secured Creditors are provided within Appendix C.

3.7 Previous connected insolvencies

There have not been any previous insolvencies in respect of the Company.

4 Marketing of the business and assets

4.1 Approach to interested parties

We identified potential interested parties through the following:

- Grant Thornton's existing database of potential contacts and investors within a similar sector
- Liaising with colleagues across our Grant Thornton offices
- Parties identified by the Directors (including those who the Directors approached during an informal marketing process undertaken prior to our involvement)

A teaser document was issued to the initial 31 potential interested parties commencing on 16 February 2022.

4.2 Marketing strategy

Given the cash constraints faced by the Company (taking into account the funding provided by Pembroke), there was a limited timeframe available to run a sales process and complete a transaction.

The marketing strategy was therefore determined with regard to the following:

- The ability to complete a transaction within the time available
- Confidentiality was required to protect the value of the assets of the business (including a number of crucial contracts)

The following marketing and subsequent actions were undertaken:

- Teaser documents were sent to all of the identified interested parties and follow-up phone calls were made
- A virtual data room of information was made available to the 14 interested parties who signed an NDA
- We held follow up discussions with the interested parties and with the support of the Directors, responded to any queries that were raised during this diligence process
- We coordinated calls/meetings between the potential purchasers and the Company's management team
- We coordinated calls/meetings between the potential purchasers and Samsung (on the basis that it owned significant stock that would be required by a successful purchaser)
- The decision was made not to publicly advertise the business and assets online to maintain confidentiality as referred to above

On 23 February 2022 a deadline for indicative offers was set for 1 March 2022. Four parties indicated that they would be submitting an offer but by the deadline only two offers had been received.

Due to the level of the offers received, it was established that it would be necessary for the sale to be completed via a pre-pack administration and, therefore, the Directors took the decision to file a NOI at the court to appoint the Joint Administrators. This was to protect the Company from creditor enforcement action (which may have resulted in liquidation and a potentially worse return to the creditors).

The interested parties were advised that a NOI was filed and further extensive negotiations were held with three interested parties, with best and final offers being received from two parties.

To allow sufficient time to conclude the sale transaction to the Purchaser, a second NOI was filed on 18 March 2022.

4.3 Offers received

Two offers were received for the Teamwear division of the Company. These offers were discussed in detail with the Directors and Secured Creditors before a decision was made as to which offer was to be accepted. However, based on the level of both offers, and after allowing for costs, it did not appear that either offer would enable any distribution to any class of creditor.

The two offers were assessed by us and it was determined that the sale to the Purchaser provided the best outcome to creditors as a whole, as it preserved employment for 35 of the Company's 40 employees. Without achieving a sale, all the employees would have been made redundant immediately following appointment and resulted in significant employment claims crystallising in the administration.

In relation to the Seamless division, unfortunately no offers were received.

5 Valuation of the business and assets

5.1 Basis of valuations

We obtained valuations of the assets in order to perform financial analysis to enable us to make a decision as to whether the transaction would be in the best interests of the creditors.

A break-up valuation reflects the value of the assets should the Company cease to trade. This is used to estimate the outcome for creditors should the transaction not occur and the Company proceed into liquidation. This is usually the worst-case position for creditors.

A going concern valuation reflects the value of the assets where a transaction includes a trading business. This is typically of greater value than a break-up basis due to the attributing of value to goodwill and future income streams. A going concern value is used to provide a guide to administrators as to the value of individual assets being sold as part of a wider transaction.

We consider that we obtained fair market value through the marketing process undertaken, as, ultimately, the assets are worth what a party will pay for them in the circumstances, taking into account the distressed nature of the business. We considered the offer received from the Purchaser against the break-up value to ensure that the transaction provided a better position for the creditors. This is particularly relevant for intellectual property for which there is no general market as a standalone asset.

5.2 Valuation of the business and assets

Kevin Smyth of Hilco was engaged by us in order to provide a professional valuation of the Company's business and assets. Kevin Smyth is qualified as an Associate Member of the Royal Institution of Chartered Surveyors and has adequate professional indemnity insurance. Hilco has confirmed its independence in this matter.

Hilco carried out a desktop valuation of the Company's stock and business assets excluding intellectual property, goodwill and leases.

The stock was valued at £80,347 in-situ and £16,770 ex-situ, before realisation costs, based on a 30 day marketing period. As there was no alternate in-situ option we considered the ex-situ value as the relevant comparator to the offer received. However significant holding and duty costs relating to this stock would likely result in a negative value for the stock on an ex-situ basis.

The plant and machinery was valued at £6,000 to £10,000 in-situ and £3,000 to £5,000 ex-situ based on a 30 day marketing period. This valuation is net of VAT and costs of sale. As there was no alternate in-situ option we considered the ex-situ value as the relevant comparator to the offer received.

Hilco considered the extensive marketing period undertaken and considered that in the absence of any other formal offer in excess of the net position and given the difficult trading circumstances of the Company, it would recommend acceptance of the offer.

We also considered the value of the book debts and believe that the amount paid represents a fair value.

We considered whether there may be a premium that could be realised from the lease. However, we concluded this was unlikely to be the case due to the location of the property, rent arrears, service charge review clauses and potential dilapidations liabilities.

6 The transaction

6.1 Details of the transaction

Date of transaction	30 March 2022
Identity of purchaser	Dreamsport 2022 Limited (part of the Stevenson Group) Company registration number: 13994957
Purchaser's connection to the Company:	
Directors	None
Shareholders	None
Secured Creditors	None
Associates	None
Company directors, former directors, or their associates	None
Assets sold and consideration:	The business and assets of the Company (with the exception of the Seamless division) for £110,000 based on a proposed allocation of the consideration from the Purchaser
Floating charge	
Goodwill, business intellectual property and domain names	£59,997
Plant and machinery	£30,000
Seller's records	£1
Stock	£1
Book debts	£20,000
Business contracts	£1
Material conditions for consideration	No deferred consideration, options, buyback agreements, or other conditions attached to the consideration. Best price has been obtained for the business and assets of the Company
Terms of payment	Cash paid on completion
Part of a wider overall transaction	No
Directors' guarantees related to the transaction	None
Providers of finance to the transaction	N/A
Other terms	Provision of Licence to Occupy the Company's premises at 37 Canal Street and 22-26 Carrington Street Nottingham for a six month period

7 Evaluator's report

7.1 Connected party transactions

The Purchaser is not a connected person in relation to the Company under Paragraph 60A of Schedule B1 to the Insolvency Act and therefore did not require an Evaluator Report as per the Administration (Restrictions on Disposal etc to Connected Persons) Regulations 2021.

8 The Joint Administrators' appointment

8.1 Appointment of Joint Administrators

As detailed in paragraph 3.3 of this report, the Directors had concerns over funding of the AMA process and signed a NOI on 7 February 2022 seeking to appoint another insolvency practitioner as the proposed administrator.

The NOI was filed in court on 9 February 2022 and the moratorium period started on that date.

Following further discussions, the Directors and Pembroke agreed to engage Grant Thornton to run an AMA sales process of the trade and assets of the Teamwear division of the Company. Given the Company's working capital constraints, Pembroke agreed to provide additional funding of £300,000 (which would rank as super senior) to allow the business to continue trading whilst this process was undertaken. The NOI filed on 9 February 2022 was, therefore, allowed to lapse.

Based on the level of the offers received, it was evident that a solvent solution could not be achieved. At this stage, and having considered all the options available, the board of directors of the Company concluded that the best option for the Company was for it to be placed into administration.

On 4 March 2022, a NOI was filed in court seeking to appoint the Joint Administrators with a second NOI filed in court on 18 March 2022 (to provide additional time to complete the negotiations for the sale of the business and assets of the Teamwear division to the Purchaser).

This was served on each of the Secured Creditors via email on 18 March 2022. The NOI was also posted out to them on the same date, with it being deemed served on the second business day after (i.e. Tuesday 22 March 2022).

On 30 March 2022, upon the notice period expiring, the board of directors filed at court the notice of appointment of Joint Administrators in accordance with Paragraph 22 of Schedule B1 to the Act.

9 Proposals for achieving the objective of the administration

9.1 Objective of the administration

The Joint Administrators must perform their functions with the objective of:

- Rescuing the Company as a going concern;
- Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration); or
- Realising property in order to make a distribution to one or more secured or preferential creditors.

In this case, it was not possible to rescue the Company as a going concern due to the extent of its liabilities and insufficient funding to support ongoing working capital requirements. The Joint Administrators are therefore pursuing the second statutory objective as set out above and have achieved this upon completion of the sale of the business and certain assets as set out in section 6.

As well as asset realisations being maximised via the pre-packaged sale detailed in this report, the sale will also help to reduce outstanding liabilities. Without achieving a sale, all employees would have been made redundant immediately following appointment and this would have resulted in significant employment claims crystallising in the administration.

10 Statement of Affairs

10.1 Statement of Affairs

The Directors of the Company are to provide a statement of affairs to the Joint Administrators. A statement of affairs details the assets and liabilities of the Company as at the date of appointment of the Joint Administrators.

The Directors have not yet complied with the notice to provide a statement of affairs as the deadline for submission has not yet passed.

An estimate of the financial position of the Company is included in section 12. Names and addresses of the creditors, the amounts of their debt and details of any security held are enclosed within the appendices.

11 Conduct of the administration

11.1 Strategy

The Joint Administrators undertook a pre-packaged sale of part of the business and assets to Dreamsport 2022 Limited (part of the Stevenson Group) on 30 March 2022. Full details of this transaction are included in section 6 of this report.

11.2 Realisation of assets

Assets included in the sale of business and assets to the Purchaser are detailed in section 6 of this report.

11.3 Additional assets

The Purchaser did not purchase the Stock owned by the Company. However, and as discussed above, due to the costs associated with accessing and realising this stock, it is not believed that this stock has any value. There was a small amount of stock in the property that was sold to the purchaser. The majority of the stock sold by the business was owned by Samsung. The purchaser has entered into a separate agreement with Samsung.

The only other assets that we are aware of relate to a small amount of funds held in the Company's pre-appointment bank account and a potential tax credit. In relation to the monies held in the pre-appointment bank account, we have written to the bank holding the funds and asked for them to be transferred. We understand that the sum is circa £5,000. We are still investigating the position in relation to the tax credit.

11.4 Receipts and payments account

Our receipts and payment account covering the period 30 March 2022 to 4 April 2022 is attached at Appendix A.

11.5 Exit route

It is proposed that the administration will end by the Joint Administrators filing a notice to dissolve the Company.

12 Creditors

12.1 Secured creditors

Pembroke

Pembroke was granted a fixed and floating charge debenture over the Company's assets on 22 February 2022. At the date of administration the balance due secured by this debenture was £305,000.

There is not expected to be any recovery for Pembroke under this security.

Martin Wakefield

Martin Wakefield was granted a fixed and floating charge debenture over the Company's assets on 2 August 2021.

There is not expected to be any recovery for Martin Wakefield under this security.

Joseph Middleton

Joseph Middleton was granted a fixed and floating charge debenture over the Company's assets on 16 April 2015.

There is not expected to be any recovery for Joseph Middleton under this security.

12.2 Preferential creditors

Ordinary preferential creditors

These may include employee claims for wages and salary up to £800 per person and accrued holiday pay, and employee contributions to occupational pension schemes deducted in the four months before the insolvency. A significant element of these claims will be transferred to the Secretary of State following payment of employment-related claims by the Redundancy Payments Service.

There were 40 employees of the Company and 35 of those employees have been transferred with the sale of the business and assets.

The remaining five employees have now been made redundant.

At present, it appears unlikely that there will be sufficient realisations available to pay a dividend to the ordinary preferential creditors.

Secondary preferential creditors

These may include HMRC claims for arrears of VAT and for sums deducted in respect of PAYE, employees' national insurance contributions and student loan repayments, and construction industry scheme deductions.

We have not received a claim to date. In any event, we do not anticipate that there will sufficient funds available to pay a dividend to the secondary preferential creditors.

12.3 Unsecured creditors

Prescribed part

In accordance with Section 176A of the Insolvency Act 1986, a prescribed part is to be set aside from the floating charge assets and made available to the unsecured creditors of the Company. The prescribed part calculation is applied to the net property available and is calculated at 50% of the first £10,000 of net realisations and 20% of all further amounts, up to a maximum prescribed part of £800,000.

Unsecured claims are estimated at £2.1 million.

As it is likely that there are insufficient funds to allow a dividend to be paid to the preferential creditors, there is no net property on which to calculate a prescribed part. As such no dividend will be available to unsecured creditors.

Information for shareholders

In an insolvency, shareholders rank behind creditors in the distribution of the proceeds of the administration. As there are insufficient funds to allow a return to creditors, there will be no return to shareholders in this matter.

As a result, the Joint Administrators do not require shareholders to submit details of their shareholding as part of the administration process.

Please note that the shareholding does not transfer as part of the sale of the business and assets.

13 Investigations into the affairs of the Company

13.1 Statutory investigations

Within three months of our appointment as Joint Administrators, as required by the Company Directors Disqualification Act 1986, we will report to the Secretary of State the required facts about the Company's business and the conduct of its Directors (including those acting within the past three years).

We would be pleased to receive from any creditor any useful information concerning the Company, its dealings or conduct which may assist us.

14 Joint Administrators' remuneration and disbursements

14.1 Overview

Administration costs

Since the date of administration, we have incurred time costs and expenses amounting to £22,827 and £589.

Pre-administration costs

Pre-appointment administration costs are fees charged and expenses incurred by the Joint Administrators before the Company enters administration but with a view to it doing so.

Prior to appointment of the Joint Administrators, Grant Thornton was engaged by the Company through a letter of engagement dated 15 February 2022, under which the proposed fee basis was time spent at Grant Thornton's charge out rates and out of pocket expenses.

The NOI was filed on 4 March 2022. Time costs in relation to this engagement from 4 March 2022 to 30 March 2022 total £66,653, expenses incurred in this period amount to £31,500.

Fee basis

Notwithstanding the above, we confirm that our remuneration basis has not yet been fixed as this is our first report to creditors.

We propose that our remuneration for the pre-appointment period from 4 March 2022 to 30 March 2022 be fixed on a time costs basis but capped at £60,000 and our post appointment fee be fixed at the sum of £40,000.

Further details about remuneration and expenses are provided in Appendix B to this report.

15 Other information for creditors

15.1 Future conduct of the administration

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

- payment of administration expenses, including our remuneration
- finalisation of the Company's tax affairs, including completion of corporation tax and VAT returns and settlement of any post administration liabilities
- complying with statutory and regulatory obligations

15.2 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 consent of the creditors, or by order of the court.

If it is identified that an extension is required, the Joint Administrators will seek a resolution from the Secured Creditors requesting an extension of up to 12 months.

15.3 Deemed approval

A decision of the creditors is not required because, in accordance with paragraph 52(1) of Schedule B1 to the Insolvency Act 1986, we are of the opinion that the Company has insufficient property to enable a distribution to be made to unsecured creditors.

The proposals contained in this statement will be deemed to have been approved by the creditors unless, within eight business days of this statement being sent out, creditors whose debts amount to at least 10% by value of the total debts of the Company request that the Joint Administrators seek a decision from the creditors as to whether they approve the proposals.

15.4 Future correspondence

All future creditors' reports will be shared through the creditors' portal which can be found at grantthornton.co.uk/portal

The unique passwords are being notified to creditors separately. (Any creditor that does not have a unique creditor's password should contact Aamirah Patel of this office by email at cmu@uk.gt.com).

Creditors can find a guide to their rights in an administration at <https://www.grantthornton.co.uk/portal/>.

15.5 Making a claim in the administration

Creditors can log onto the portal to submit their claim directly. Alternatively, a proof of debt form can be provided and submitted manually.

15.6 Bad debt relief

Creditors registered for VAT may be able to claim VAT bad debt relief in accordance with section 36 of the Value Added Tax Act 1994. In broad terms relief is available when the debt is six months old and "written off" by the creditor entering it on his VAT refunds-for-bad-debts-account. Insolvency practitioners have no role in administering VAT bad debt relief. Creditors who are uncertain how to claim should contact their VAT office or take professional advice.

15.7 Retention of title claims

If you contend that you have any form of security or reservation of title in respect of goods supplied, please contact us immediately, in writing, with full details of your claim. We would advise you that, pursuant to paragraph 43 of Schedule B1 to the Insolvency Act 1986, you will not be able to enforce any security or reservation of title claim without our consent or the permission of the court.

15.8 Contact from third parties

Please be aware fraudsters have been known to masquerade as legitimate administrators. The fraudster will contact creditors asking for an upfront fee or tax. The Joint Administrator would never ask for such a payment nor instruct a third party to make such a request.

15.9 Data protection

Any personal information held by the Company will continue to be processed for the purposes of the administration of the Company and in accordance with the requirements of data protection law. Our privacy notice on our website (www.grantthornton.co.uk/en/privacy) contains further details as to how we may use, process and store personal data.

Dreamsport Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 30/03/2022 To 05/04/2022 £	From 30/03/2022 To 05/04/2022 £
REPRESENTED BY	NIL	NIL
		NIL

Note:

The only funds realised to date relate to the sale of the business and assets. These funds are currently held by our solicitors.

Statement of Insolvency Practice 7 states the headings used in the Receipts and Payments Account should follow those used in any prior Statement of Affairs (**SOA**) or estimated outcome statement.

The SOA has not yet been provided by the Company's directors and therefore a comparison by category cannot be made.

B - Payments to the Joint Administrators and their associates

Statement of Insolvency Practice 9 disclosure

This appendix has been prepared in accordance with the requirements of the Insolvency Act 1986, the Insolvency (England and Wales) Rules 2016 (the Rules) and Statement of Insolvency Practice 9 (SIP9). In summary, it covers:

- pre-appointment costs from 4 March 2022 to 30 March 2022
- fee basis
- work done by the Joint Administrators and their team during the period from 30 March 2022 to 1 April 2022 (the Period)
- expenses
- sub-contracted work
- payments to associates
- relationships requiring disclosure
- information for creditors (rights, fees, committees).

Pre-appointment costs

Pre-administration costs are fees charged and expenses incurred by the Joint Administrators, or other qualified insolvency practitioners, before the Company entered administration but with a view to it doing so. To the extent they remain unpaid when the Company entered administration and payment is sought, approval is required from the appropriate body of creditors as to whether they should be paid from the estate.

Prior to appointment the Joint Administrators, by way of engaging Grant Thornton UK LLP, were engaged by the Company through an engagement letter (the Agreement) dated 15 February 2022, under which the fee basis was based on time costs and out of pocket expenses incurred. Notwithstanding the above, the Joint Administrators propose to seek approval from the Secured Creditors that our remuneration for the pre-appointment period from 4 March 2022 to 30 March 2022 be fixed on a time costs basis but capped at £60,000.

We will also seek approval of the costs of Hilco Valuation Services and Knights plc in the sums of £1,500 and £30,000 respectively, details of which are provided below.

Details of the pre-administration costs are provided below:

Cost	Work done	Why the work was necessary pre-appointment and how it furthered the achievement of an objective of administration	Incurred			Paid		Unpaid
			Grade	Hrs	£	Name of payer and relationship to estate	Pre/post administration	
Grant Thornton UK LLP fees	<ul style="list-style-type: none"> Administration eligibility assessment AMA and pre-packaged sale Pre-appointment practicalities 	<ul style="list-style-type: none"> To confirm that an objective of administration could be achieved and that administration, therefore, was an option for the company To assist management with gathering and preparing information, including valuations, for potential acquirers; identification of and introduction to potential acquirers To assist management in liaising with key stakeholders; and to advise directors (as a board) of their general responsibilities with regard to insolvency 	Partner	6	5,143	n/a		66,653
			Manager	78	60,835			
			Executive	2	675			
			Total	86	66,653			
Hilco Valuation Services Knights plc	<ul style="list-style-type: none"> Valuation Legal advice 	<ul style="list-style-type: none"> To provide confirmation that the best outcome was being achieved for the creditors To provide support in preparation of sale documentation and advise on other legal matters 			1,500			1,500
					30,000			30,000

Notes:

- Partner includes director
- Manager includes associate directors and managers
- Executive includes assistant managers and executives

Post-appointment costs

Fee basis of the Joint Administrators

As at the date of this report our remuneration basis has not yet been fixed as this is our first report to creditors.

As at Period end, I have not received payment from the estate towards our remuneration. Based on the report to which this document is appended, we currently anticipate a total payment from the estate of £82,000 for the pre and post appointment periods, although this is based on current information and is therefore subject to change.

Proposed fee basis

We propose that our remuneration for the pre-appointment period from 4 March 2022 to 30 March 2022 be fixed on a time costs basis but capped at £60,000 and our post appointment fee be fixed at the sum of £40,000.

Due to the level of realisations, the Joint Administrators think that the Company has insufficient property to enable a distribution to be made to any class of creditor.

A consequence of this statement is that Rule 18.18(4) of the Rules provides that the basis of the Joint Administrators' remuneration shall be fixed, if, as in this case, there is no creditors committee, by (a) the consent of each of the Secured Creditors; or (b) if the Joint Administrators have made or intends to make a distribution to preferential creditors (i) the consent of each of the Secured Creditors, and (ii) a decision of the preferential creditors in a decision procedure.

Although the unsecured creditors are not involved in fixing the basis of the Joint Administrators' remuneration, Rule 18.16(4) nevertheless requires that where the proposed basis of remuneration is by reference to the time properly given by the Joint Administrators and their staff in attending to matters arising in the administration, the Joint Administrators must, prior to the determination of the basis, deliver to the creditors (a) a fees estimate and (b) details of the expenses which will be or are likely to be incurred.

We provide details of the work we propose to undertake and details of the expenses we consider will be, or are likely to be, incurred in the table below.

We expect this fee basis to produce a fair and reasonable reflection of work undertaken to date and in the remainder of the Administration which still represents a significant discount on the total time costs incurred to date.

Likely return to creditors

Unfortunately, at present it appears that there will be insufficient funds available for a dividend to be paid to creditors.

Area of work	Work done	Anticipated work	Why the work is necessary	Financial benefit to creditors	Anticipated expenses
Assets					£3,000
Intellectual property	<ul style="list-style-type: none">Identified IP available to be sold	<ul style="list-style-type: none">Assist with assigning IP	<ul style="list-style-type: none">To enable a sale of the asset	<ul style="list-style-type: none">This work is necessary to help realise financial value for the benefit of the estate and for a distribution to creditors should sufficient funds become available	

Commercial in confidence

Plant & machinery, fixtures & fittings, equipment	<ul style="list-style-type: none">Reviewed fixed asset schedules and obtained valuation	<ul style="list-style-type: none">Undertake further reviews to identify any other potential realisations	<ul style="list-style-type: none">To enable a sale of the assets	<ul style="list-style-type: none">This work is necessary to help realise financial value for the benefit of the estate and for a distribution to creditors should sufficient funds become available
Stock & WIP	<ul style="list-style-type: none">Reviewed stock schedules and obtained valuation	<ul style="list-style-type: none">Undertake further reviews to identify any potential realisations	<ul style="list-style-type: none">To enable a sale of the assets	<ul style="list-style-type: none">This work is necessary to help realise financial value for the benefit of the estate and for a distribution to creditors should sufficient funds become available
Cash at bank	<ul style="list-style-type: none">Contacted bank to freeze account and transfer any funds to the post appointment account	<ul style="list-style-type: none">N/A	<ul style="list-style-type: none">To realise value for creditors	<ul style="list-style-type: none">This work is necessary to help realise financial value for the benefit of the estate and for a distribution to creditors should sufficient funds become available
Sale of business	<ul style="list-style-type: none">Completed the sale of the business and assets	<ul style="list-style-type: none">Provide assistance to purchaser in line with Sale Agreement including in regard to the licence to occupy the Company's former premises	<ul style="list-style-type: none">To realise value for creditors	<ul style="list-style-type: none">This work is necessary to help realise financial value for the benefit of the estate and for a distribution to creditors should sufficient funds become available
Investigations				£10,000
Debtor/directors/senior employees	<ul style="list-style-type: none">Requested completion of director questionnaires to understand company history	<ul style="list-style-type: none">Reviewing company records to establish the reasons for its failureCompleting relevant forms on the Directors Conduct Reporting Service portal and undertaking internal checks	<ul style="list-style-type: none">To report on the conduct of the directorsTo ensure that all company assets are identified, secured and realisedTo comply with regulation and law	<ul style="list-style-type: none">This work is necessary for administrative purposes and/or complying with statutory requirements and it has no direct financial benefit to the estate

Books & records	<ul style="list-style-type: none"> Reviewed the software platforms in use and collated information from these 	<ul style="list-style-type: none"> Reviewing the Company's books and records Recovering and reviewing information from the Company's IT systems Carrying out forensic analysis if applicable 	<ul style="list-style-type: none"> To ensure that all company assets are identified, secured and realised To comply with regulation and law 	<ul style="list-style-type: none"> This work is necessary for administrative purposes and/or complying with statutory requirements and it has no direct financial benefit to the estate 	
Bank statements & analysis	<ul style="list-style-type: none"> No work undertaken during the Period 	<ul style="list-style-type: none"> Reviewing the company's bank statements for any antecedent transactions 	<ul style="list-style-type: none"> To ensure that all company assets are identified, secured and realised 	<ul style="list-style-type: none"> This work is necessary for administrative purposes and/or complying with statutory requirements and it has no direct financial benefit to the estate 	
Creditors					£10,000
Secured	<ul style="list-style-type: none"> Liaising with secured creditors following appointment 	<ul style="list-style-type: none"> Provide updates to the secured creditors and seeking approvals as necessary including fixing the basis of the Joint Administrators' remuneration and extending the administration, if necessary Make a distribution to the secured creditors (if further assets are identified) 	<ul style="list-style-type: none"> To comply with our requirements in respect of reporting to the secured creditors To keep the secured creditors informed as the key stakeholders in the administration due to their fixed and floating charges over the Company's assets 	<ul style="list-style-type: none"> This work is necessary for administrative purposes and/or complying with statutory requirements and it has no direct financial benefit to the estate 	
Employees & pensions	<ul style="list-style-type: none"> Liaise with employees following appointment 	<ul style="list-style-type: none"> Arrange communication with employees Advise employees of the administration and the impact on the TUPE transfer and redundancies Respond to incoming employee queries 	<ul style="list-style-type: none"> To ensure all employees are informed as stakeholders in the administration To ensure all employee claims are dealt with appropriately 	<ul style="list-style-type: none"> This work is necessary for administrative purposes and/or complying with statutory requirements and it has no direct financial benefit to the estate 	
Unsecured	<ul style="list-style-type: none"> Gather information in relation to known unsecured creditors 	<ul style="list-style-type: none"> Writing to all known creditors advising of the appointment and 	<ul style="list-style-type: none"> To ensure all creditors are kept up to date with the administration 	<ul style="list-style-type: none"> This work is necessary for administrative purposes and/or complying with statutory 	

		<ul style="list-style-type: none"> other statutory reporting requirements Writing to all creditors providing the Joint Administrators' Proposals and other statutory requirements 	<ul style="list-style-type: none"> To ensure all creditor claims are dealt with appropriately 	requirements and it has no direct financial benefit to the estate
Administration				
				£10,000
Take-on	<ul style="list-style-type: none"> Obtained and assessed statutory company information together with other publicly available information Completed necessary relationship and ethical checks to confirm independence and objectivity for taking the insolvency appointment and considering whether any safeguards needed to be implemented Conduct anti-money laundering checks, including client verification, assessing the risks 	<ul style="list-style-type: none"> Continuing to monitor and maintain compliance with anti-money laundering procedures Continuing to monitor risk and implement ongoing checks 	<ul style="list-style-type: none"> To comply with financial crime legislation as well as internal risk management policies To facilitate understanding of the client and completion of other take-on tasks To ensure and maintain independence in line with the Insolvency Code of Ethics pursuant to anti-money laundering regulations and Grant Thornton policy To facilitate an efficient and effective start to the insolvency process 	<ul style="list-style-type: none"> This work is necessary for administrative purposes and/or complying with statutory requirements and it has no direct financial benefit to the estate
Appointment formalities	<ul style="list-style-type: none"> Prepare, circulate, advertise and file notice of appointment File appointment documents at Companies House 	<ul style="list-style-type: none"> Continue to file documents at Companies House as required by statute Check the presence, validity and filing of all formal appointment documents 	<ul style="list-style-type: none"> To ensure that the appointment is valid To comply with insolvency law and regulations 	<ul style="list-style-type: none"> This work is necessary for administrative purposes and/or complying with statutory requirements and it has no direct financial benefit to the estate
Case set-up	<ul style="list-style-type: none"> Set up insolvency practitioner's software and transaction processing software Collate and assess information regarding data collection, storage, processing and destruction, implementing and maintaining any necessary 	<ul style="list-style-type: none"> Continuing to maintain insolvency practitioner's software and transaction processing software Calculate, complete, and submit the bordereau notification 	<ul style="list-style-type: none"> To capture key information and facilitate compliance with statutory requirements To ensure the appointees are insured and the insolvency estate is protected To understand the data in use, its sensitivities (if any) and to comply with data protection laws 	<ul style="list-style-type: none"> This work is necessary for administrative purposes and/or complying with statutory requirements and it has no direct financial benefit to the estate

	data protection strategies, reporting any known issues		<ul style="list-style-type: none"> To comply with insolvency law and regulations 	
Case management	<ul style="list-style-type: none"> Review of case and progress by Insolvency Practitioners and internal risk management team 	<ul style="list-style-type: none"> Reviewing of case and progress by Insolvency Practitioners and internal risk management team 	<ul style="list-style-type: none"> To comply with insolvency law and regulations 	<ul style="list-style-type: none"> This work is necessary for administrative purposes and/or complying with statutory requirements and it has no direct financial benefit to the estate
Reports to creditors, notices & decisions	<ul style="list-style-type: none"> Notify creditors of appointment Drafted, circulated and filed the Joint Administrators' Proposals for achieving the purpose of administration 	<ul style="list-style-type: none"> Drafting, circulating and filing of reports to creditors every six months regarding case progress and any significant matters Monitoring deemed consent and/or decision procedures, reviewing submissions, establishing the decision outcomes, assessing validity and reporting as appropriate Preparing the necessary paperwork in relation to fixing the basis of the Administrators' remuneration, forming a committee and any other necessary decisions If applicable, requesting approval from creditors for the conversion of the administration to a liquidation and issuing notice of deemed consent or decision procedure as appropriate and related paperwork 	<ul style="list-style-type: none"> To comply with insolvency law and regulations 	<ul style="list-style-type: none"> This work is necessary for administrative purposes and/or complying with statutory requirements and it has no direct financial benefit to the estate
Committee	<ul style="list-style-type: none"> No work undertaken during the Period 	<ul style="list-style-type: none"> Convening meetings of creditors committee, if appropriate 	<ul style="list-style-type: none"> To comply with insolvency law and regulations 	<ul style="list-style-type: none"> This work is necessary for administrative purposes and/or complying with statutory requirements and it has no direct financial benefit to the estate

Statement of affairs	<ul style="list-style-type: none"> Request Statement of Affairs from the directors 	<ul style="list-style-type: none"> Reviewing statement of affairs and circulating to creditors and Companies House 	<ul style="list-style-type: none"> To comply with insolvency law and regulations 	<ul style="list-style-type: none"> This work is necessary for administrative purposes and/or complying with statutory requirements and it has no direct financial benefit to the estate
Treasury, billing & funding	<ul style="list-style-type: none"> Setup of post-appointment bank account 	<ul style="list-style-type: none"> Undertaking bank reconciliations Managing and maintaining the estate's bank account Transfer of funds from pre appointment bank account 	<ul style="list-style-type: none"> To comply with insolvency law and regulations 	<ul style="list-style-type: none"> This work is necessary for administrative purposes and/or complying with statutory requirements and it has no direct financial benefit to the estate
Tax	<ul style="list-style-type: none"> Collected tax information to present to tax team 	<ul style="list-style-type: none"> Collecting tax information Completion of tax and VAT returns Calculating and discussing VAT impact of achieving sale of the assets Corresponding with HMRC 	<ul style="list-style-type: none"> To comply with tax legislation 	<ul style="list-style-type: none"> This work is necessary for administrative purposes and/or complying with statutory requirements and it has no direct financial benefit to the estate
Pensions	<ul style="list-style-type: none"> No work undertaken during the Period 	<ul style="list-style-type: none"> Corresponding with The Pensions Regulator, employee benefits provider and pension scheme Complete and file statutory forms in relation to the pension 	<ul style="list-style-type: none"> To comply with pension related legislation 	<ul style="list-style-type: none"> This work is necessary for administrative purposes and/or complying with statutory requirements and it has no direct financial benefit to the estate
Closure	<ul style="list-style-type: none"> No work undertaken during the Period 	<ul style="list-style-type: none"> Obtaining tax clearance from HMRC, ensuring that all assets have been realised or otherwise dealt with, ensuring all funds have been distributed where applicable Drafting final report and circulating to creditors Filing relevant documents at Companies House to ensure closure of the administration 	<ul style="list-style-type: none"> To ensure proper closure of the case following the completion of the administration To comply with insolvency law and regulations 	<ul style="list-style-type: none"> This work is necessary for administrative purposes and/or complying with statutory requirements and it has no direct financial benefit to the estate

Statement of expenses incurred in the Period

This table provides details of expenses incurred in the Period in connection with the work done by the Joint Administrators, description of which is provided in the Fees estimate and work done in the Period' section above.

Category	Incurred in the Period (£)	Cumulatively incurred as at Period end (£)	Of which paid by the estate as at Period end (£)
Category 1 expenses			
Statutory advertising	89	89	0
Evolve IS Limited	500	500	0
Total expenses	589	589	0

Expenses are any payments from the estate which are neither the Joint Administrators' remuneration nor a distribution to a creditor or member, but they may include disbursements which are payments first met by and then reimbursed to the Joint Administrators from the estate. Expenses fall into two categories:

Category 1 expenses

These are also known as 'out of pocket expenses' and are payments to third parties not associated with the Joint Administrators where there is specific expenditure directly referable to the insolvent estate; they can be drawn without prior approval from creditors.

Category 2 expenses

These are expenses directly referable to the insolvent estate but payments that are either to an associate, or that include shared or allocated costs that may be incurred by the Joint Administrators or their firm and that can be allocated to the appointment on a proper and reasonable basis. Category 2 expenses require approval in the same manner as the Joint Administrators' remuneration.

Payments to associates

We confirm that, in the Period, we have not enlisted services from within our firm or from a party with whom (to the best of our knowledge) our firm, or an individual within our firm, has an association.

Relationships requiring disclosure

We confirm that we are not aware of any business or personal relationships with any parties responsible for approving the Joint Administrators' fee basis.

Sub-contracted work

During the Period we have sub-contracted the following work that could otherwise have been carried out by us or our team:

Sub-contractor	Work sub-contracted	Reason for sub-contracting
Evolve IS Limited	<ul style="list-style-type: none">• ERA support	<ul style="list-style-type: none">• Specialists in dealing with the claims of redundant employees

The costs incurred and paid for each subcontractor can be seen in the 'Statement of expenses incurred in the Period' table above.

Information for creditors and members

Information to help creditors and members to understand their rights in insolvency and regarding officeholders' (ie administrators or liquidators) fees, and the roles and functions of committees is available via Grant Thornton's website:

<https://www.grantthornton.co.uk/portal>

Alternatively, we will supply this information by post, free of charge, on request.

C Statutory information

Company information

Company name	Dreamsport Limited	
Date of incorporation	6 August 2008	
Company registration number	06666195	
Present registered office	Embankment House, Electric Avenue, Nottingham, England, NG2 1AS	
Registered charges	Chargeholder 1: Pembroke Investment Managers LLP	
	Creation date: 22 February 2022	
	Nature of security: Fixed and floating charge over all the property or undertaking of the Company	
	Chargeholder 2: Martin Wakefield	
	Creation date: 2 August 2021	
Directors and officers:	Nature of security: Fixed and floating charge over all the property or undertaking of the Company	
	Chargeholder 3: Joseph Middleton	
	Creation date: 16 April 2015	
	Nature of security: Fixed and floating charge over all the property or undertaking of the Company	
	Company	
Directors and officers:	Name	Shareholding %
	Roderick Bradley	2.89
	James Clayfield	2.89
	Joseph Middleton	30.20
	Andrew Wolfson	0

Administration information

Administration appointment	The administration appointment in the High Court of Justice (OR-2022-000802)
Appointor	The Directors
Date of appointment	30 March 2022
Joint Administrators' names	Philip Stephenson and Jon Roden of Grant Thornton UK LLP
Joint Administrators' address(es)	Grant Thornton UK LLP, 30 Finsbury Square, London, EC2A 1AG Grant Thornton UK LLP, The Colmore Building, 20 Colmore Circus, Birmingham B4 6AT
Functions	In accordance with paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the functions of the administrators are to be exercised by any or all of them
Current administration expiry date	29 March 2023
EU Regulation	These insolvency proceedings are English proceedings relating to a company registered in the jurisdiction of England and Wales. Accordingly, the EU Regulation on Insolvency Proceedings as it has effect in the law of the United Kingdom does not apply

D Notice about this report

This report has been prepared by Philip Stephenson, the Joint Administrator of Dreamsport Limited – in administration, solely to comply with the Joint Administrators' duty to report to creditors under the Insolvency (England and Wales) Rules 2016 on the progress of the creditors, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purposes, 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 persons choosing to rely on this report for any purpose or in any context other than under the Insolvency (England and Wales) Rules 2016 do so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any liability in respect of this report to any such person.

Please note that we are both authorised by the Insolvency Practitioners Association to act as insolvency practitioners.

The Joint Administrators are bound by the Insolvency Code of Ethics.

The Joint Administrators act as agents for the Company and contract without personal liability. The appointment of the Joint Administrators is personal to them and to the fullest extent permitted by law, Grant Thornton UK 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.

Please note you should read this report in conjunction with any other reports that may have been issued by the Joint Administrators to the Company's creditors, which can be found on the Grant Thornton Insolvency Act portal. Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

E Details of the Company's creditors

Grant Thornton UK LLP
Dreamsport Limited
B - Company Creditors

Key	Name	Address	£
CA00	A & B Apparel	6 Flash Lane, Bollington, Macclesfield, SK10 5AQ	11,992.04
CA01	A.R.T. (GB) Limited	231 Eldon Street, Ashton-On-Ribble, Preston, PR2 2BB	342.24
CA02	Absolute Design Associate Ltd	Haddon House, 27 Millicent Road, West Bridgford, Nottingham, NG2 7PZ	14,549.70
CA03	AC Enterprise Cleaning & Maintenance Ltd	15 Roe Gardens, Ruddington, Nottingham, NG11 6AQ	3,094.40
CA04	Accordance Technical Services Ltd - Sovos	Mocatta House, Trafalgar Place, Brighton, BN1 4DU	2,164.80
CA05	Amberside Capital Ltd	Warnford Court, 29 Throgmorton Street, London, EC2N 2AT	2,549.79
CA06	Apparel Dynamics Limited - PL	Unit 308, 3/F, Chevalier House, 45-51 Chatham Road South, Tsim Sha Tsu, Kowloon, Hong Kong	31,723.56
CA07	Apparel Dynamics Limited - UA	Unit 308, 3/F, Chevalier House, 45-51 Chatham Road South, Tsim Sha Tsu, Kowloon, Hong Kong	(8,684.32)
CA08	Aspen Waite	8 Devonshire Square, London, EC2M 4PL	6,503.86
CA09	Avery Dennison Paxar	5/F Harbourside HQ, 8 Lam Chak Street, Kowloon Bay, Kowloon, Hong Kong	1,469.97
CB00	Badger Sportswear LLC - DBA Founder Sport Gr	111 badger Lane, Statesville, NC 28625, USA	1,835.48
CB01	Baldwin Cox Ltd	15 Foster Avenue, Beeston, Nottingham, NG9 1AE	652.80
CB02	Belastingdienst	Kloosterweg 22, PO Box 2865, 6401 DJ Heerlen, The Netherlands	560.19
CB03	Black and Yellow Ltd	Lytchett House, Unit 13, Poole, BH16 6FA	17,888.76
CB04	Branch In Phu Tho, Thygesen Textile Vietnam C	Tan Quang Commune, Van Lam Dist, Hung Yen Province, Viet Nam	29,745.16
CB05	Branded Sales Limited	Southfields, Common Lane, Bramcote, Nottingham, NG9 3DT	485.15
CB06	British Gas	Millstream, Maidenhead Road, Windsor, Berkshire, SL4 5GD	9,344.28
CB07	BTC Activewear Limited	Axletree Way, WEDNESBURY, Wednesbury, Staffordshire, WS10 9QY	4,220.31
CB08	Butler Cook	3B, New Winnings Court, Ormonde Drive, Ripley, DE5 8LE	49,360.00
CC00	CARLSQUARE	14 Buckingham Street, London, Middlesex, WC2N 6DF	12,000.00
CC01	Carlton Street Trading (CS) LTD	Units A-C Willow Road, Lenton, Nottingham, NG7 2TA	23,823.98
CC02	Castle Water Limited	1 Boat Brae, Rattray, Blairgowrie, PH10 7BU	112.86
CC03	cooltech	Unit 8, Peaks Place Business Park, Rossini Street, Bolton, BL1 8GJ	1,364.90
CC04	Custom Gateway Ltd	Pinewood Court, Larkwood Way, Tytherington Business Park, Macclesfield, SK10 2XR	1,220.40
CC05	Cyclescheme	Cycle Scheme Ltd, BATH, Bath, Somerset, BA1 1WX	350.00
CD00	David Ross Education Trust	Thorpe Hill,, Loughborough, LE11 4SQ	2,017.00
CD01	D H L International (UK) Ltd	Southern Hub, Horton Road, Colnbrook, Slough, SL3 0BB	16,706.60
CD02	Dolphin Transport	7 Birch Ave, Carlton, Nottingham, NG4 1EJ	228.00

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Key	Name	Address	£
CD03	DPD	Ham Street, Baltonsborough, Glastonbury, BA6 8QG	64.24
CD04	Durham University	Durham University, The Graham Sports Centre, Durham, Durham, DH1 3SE	52,000.00
CD05	Fergus Mcleish Dunn	Ronda Montmany 82, 08753, Barcelona, Spain	3,095.89
CE00	Ecosphere Global Logistics	Unit 3, Mercury Centre, Central Way, Feltham, TW14 0RN	15,253.83
CE01	Employees		TBC
CF00	FedEx Express	Federal Express Europe Inc, Coventry, Coventry, Warwickshire, CV1 4QD	233.50
CF01	Fitzwilliam Museum Enterprises Ltd	Fitzwilliam Museum, Trumpington Street, Cambridge, Cambridge, CB2 1RB	2,572.97
CF02	Frayte GBP	Unit 502, 5/F Kwong Loong Tai Building, 1016-1018 Tai nan West Street, Cheung Sha Wan, HONG KONG	9,056.01
CF03	Frayte Global (GB)	34 North Street, Bridgwater, Somerset, TA6 3YD	921.14
CF04	Fresh Orange Brands	Weg en Bos 19, Bergschenhoek, Zuid Holland, 2661 DG, Netherlands	15,878.03
CG00	Gregory Pollard Limited (Magic fit)	Unit C2, Blaby Industrial Park, Winchester Avenue, Leicester, LE8 4GZ	7,540.79
CG01	GS1 UK LTD	GS1 UK Ltd, Hasilwood House 60-64, Bishopsgate, London, EC2N 4AW	1,525.20
CH00	HM Revenue & Customs	Debt Management - EIS C, BX9 1SH	0.00
CH01	HM Revenue & Customs		0.00
CH02	Halborns Limited	Pioneer House Pioneer Business Park, North Road, Ellesmere Port, CH65 1AD	600.00
CH03	HLB HAMT	Level 18, City tower 2, Sheikh Zayed Road, 32665, Dubai,UAE	1,290.00
CI00	i2i	Cardiff, Glamorgan, United Kingdom	(1,124.62)
CI01	Ian Leech Professional Recruitment Ltd	27 Old Gloucester Street, London, WC1N 3AX	4,950.00
CJ00	Jacc Sport	Unit A6, Parkway Business Centre, Ballymount Cross, Ballymount Cross, Dublin 24	89.21
CJ01	Jacc Sport EUR	Unit A6, Parkway Business Centre, Ballymount Cross, Ballymount Cross, Dublin 24	17,539.76
CJ02	J&A (International) Limited	Insignia House, Vale Road, Spilsby, Lincolnshire, England, PE23 5HE	0.00
CK00	K Season Enterprise Limited	International Finance Center Jiangmen Guangdong ,, 529000, China	38.28
CK01	KAPE Fashion Ltd	65 Cowper Crescent, Hertford, Hertford, Hertfordshire, SG14 3EA	263.00
CK02	Knights		(4,837.60)
CL00	Leo Lightfoot Limited	One, Bell Lane, Lewes, BN7 1JU	2,400.00
CL01	Luke Pruden		1,080.00
CM00	Joe Middleton		4,477.68
CM01	Mail Workshop Ltd - Parcelhub Ltd	Unit 6, Road No 2, Colwick Quays Business Park, Nottingham, NG2 4EU	10,954.70

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Key	Name	Address	£
CM02	Masuri Group Limited	Unit F, Wykeham Industrial Estate, Moorside Road, Winchester, SO23 7RX	893.19
CM03	Michael Page International Recruitment Ltd	Michael Page International Recruitment Ltd, The Switch 1-7, The Grove, Slough, SL1 1QP	8,673.00
CM04	Microsoft	Microsoft Ireland Operations Ltd, One Microsoft Place, South County Business Park Leopardstown, Dublin 18, D18 P521	1,485.46
CM05	Ming Accessories Limited	Room 701, Multifield Centre, 426 Shanghai Street, Mongkok, Kowloon, Hong Kong	5,810.75
CM06	M P L Contact Ltd	31-32 Carlton Business Centre, Carlton, Nottingham, Nottingham, NG4 3AA	9,033.93
CM07	Joseph Middleton (Secured Creditor)		3,145,000.00
CN00	National Insurance Fund	Insolvency Service, Redundancy Payments, PO Box 16685, Birmingham, B2 2LX	0.00
CN01	Net Digitizing UK Ltd	Soverign House (Ground Floor), 153 High Street, Brentwood, CM14 4RR	49.32
CN02	Nottingham City Council	Loxley House, Station Street, Nottingham, NG2 3NG	(368.70)
CN03	Nottingham Sameday Direct Couriers	NSDC - 178A High Road , Chilwell, Nottingham, NG9 5BB	150.00
CO00	Opayo	Elavon Digital Europe Limited, Q16, Benton Lane, Newcastle Upon Tyne, NE12 8BX	504.94
CO01	OwnBackup	Englewood Cliffs, NJ 07632, United States	3,169.50
CP00	Perfect Motion	89 Ella Road, West Bridgford, NOTTINGHAM, Nottingham, NG2 5GZ	650.00
CP01	Plan.com	Ioma House, Hope Street, Douglas, Isle Of Man, IM1 1AP	900.64
CP02	Prestige Leisure	Suite G1, Hartsbourne House, Delta Gain, Carpenders Park, WD19 5EF	88.09
CP03	Prima Solutions Ltd	Dock 2/205, The Dock, 75 Exploration Drive, Leicester, LE4 5NU	53,382.63
CP04	Printpond	91 Western Road, Brighton, BN1 2NW	131.87
CP05	Prominent Europe Ltd	Unit 8, Wheatcroft Business Park, Landmere Lane, Edwalton, Nottingham, NG12 4DG	1,802.97
CP06	PDM Clothing Consultancy	Flat 4, 131 Castle Road, Scarborough, North Yorkshire, YO11 1HX	2,515.17
CP07	Pembroke Investment Managers LLP (Secured)	3 Cadogan Gate, London, SW1X 0AS	305,000.00
CR00	Royal Grammar School Worcester	RGS Worcester, Upper Tything, Worcester, Worcestershire, WR1 1HP	7,172.00
CR01	Royal Mail	Royal Mail, Royal Mail House, Stone Hill Road, Farnworth, BL4 9XX	2,806.57
CR02	Rugby League Jamaica Limited	Lot 27, 36 Raphael Drive, El Prado Verde, Spanish Town, St. Catherine, Jamaica	10,000.00
CS00	Sage (UK) Ltd	North Park Avenue, Newcastle Upon Tyne, Northumberland, NE13 9AA	475.54
CS01	Salesforce	110 Bishopsgate, London, Middlesex, EC2N 4AY	9,304.63
CS02	Samsung C&T UK Ltd	950 Great West Road, Brentford, Middlesex, TW8 9ES	1,433,929.39
CS03	ShopkeepEasy	22 Station Road, Harpenden, Hertfordshire, AL5 4SE	506.10
CS04	Six EZ Ltd	2 Willoughby Road, West Bridgeford, Nottingham, NG2 6EZ	14,423.36

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Key	Name	Address	£
CS05	Sterling Advisory Limited	Lockington House, Millhouse Business Centre, Station Road, Castle Donington, DE74 2NJ	21,876.00
CS06	Stuart Barnden		851.30
CS07	Sibco	1903-1910, NO.998 JINTIANDI INTERNATIONAL BUILDING, RENMIN RD, SHANGHAI, CHINA	0.00
CT00	Team Global Ltd	Units 1-4 Britannia Industrial Estate, Poyle Road, Colnbrook, SL3 0BH	729.34
CT01	Teddington Hockey Club	Attn. Paul Day, 11 Gloxinia Walk, Hampton, Middlesex, TW12 3RF	457.00
CT02	Tejay Sportswear Limited	Mortimer Road, Leicestershire, LE19 2GA	(346.34)
CT03	The Bottle Factory Limited	Unit R1, Northfleet Industrial Estate, Lower Road, Northfleet, DA11 9SN	241.20
CT04	Thorpe-Robinson Ltd	120-124 Towngate, Leyland, Lancashire, PR25 2LQ	1,200.00
CT05	Toll Global	Floats Rd, Roundthorn Industrial Estate, Wythenshawe, Manchester, M23 9NJ	1,514.70
CT06	Tormead School	27 Cranley Road, Guildford, Surrey, GU1 2JD, United Kingdom	12,673.30
CT07	Total Motion Ltd	Southpoint House, Harcourt Way, Meridian Business Park, Leicester, LE19 1WP	43.20
CT08	TShirt & Sons Ltd	11 Washington Road, West Wilts Trading Estate, Westbury, BA13 4JP	14,587.76
CU00	UAB Haltex (UK) Ltd	Audeju g. 1, LT-62175, Alytus, UAB	9,136.42
CU01	Under Armour Europe B.V.	Stadionplein 10, Amsterdam, 1076 CM, The Netherlands	23,429.02
CU02	University of Cambridge Sport Service	University Sports Centre, Philippa Fawcett Drive, Cambridge, CB3 0AS	4,932.25
CU03	University of Gloucestershire	The Park, Cheltenham, GL50 2RH	5,595.88
CU04	Uppingham School	20-24 High St West, Uppingham, Rutland, LE15 9QE	(72.00)
CU05	U P S Ltd	U P S House, Forest Road, Feltham, TW13 7DY	954.99
CV00	Verlingue	Virginia House, 35-51 Station Road, Egham, Surrey, TW20 9LB	7,472.66
CV01	Vigilant Enterprises	P.O. Box 2385, Mohabat Khan Town, 9KM Daska Road, Sialkot, Pakistan	1,388.83
CW00	Water Plus	PO Box 12460, Harlow, CM20 9PJ	1,709.23
CW01	White Label Sourcing Ltd	White Label Sourcing Ltd, 1 Dornie Court, Thornliebank Industrial Estate, Thornliebank, G46 8AU	10,696.00
CW02	Wider Plan Ltd	11-16 Chestnut Court, Jill Lane Sambourne, Redditch, B96 6EW	28.24
CW03	Winterbottom's Schoolwear Ltd	Suite 8, Atlantic House, Fletcher WayParkhouse, Carlisle, CA3 0LJ	1,975.56
CW04	Withers & Rogers	2 London Bridge, London, SE1 9RA	4,320.00
CW05	Worldpay	Worldpay, The Walbrook Building, 25 Walbrook, London, EC4N 8AF	1,007.86
CW06	Wuxi Xiarong International Trade Co LTD	Yungxiyuan Village, Luoshe Town, Wuxi City, China	5,507.76

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Key	Name	Address	£
CW07	Martin Wakefield (Secured Creditor)		250,000.00
CX00	Xero (UK) Ltd	5th Floor 100 Avebury Boulevard, Milton Keynes, MK9 1FH	39.60
113 Entries Totalling			5,782,924.03



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