

AM10 (Scot)

Notice of administrator's progress report



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number S C 1 6 2 1 6 2

Company name in full Dawson International Trading Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Blair Carnegie

Surname Nimmo

3 Administrator's address

Building name/number 130

Street St Vincent Street

Post town Glasgow

County/Region

Postcode G 2 2 H F

Country

4 Administrator's name ①

Full forename(s)

Surname

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

② Other administrator

Use this section to tell us about
another administrator.

AM10 (Scot)

Notice of administrator's progress report

6 Period of progress report

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

7 Progress report

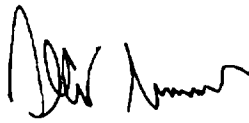
☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

^d
0

^d
4

^y
0

^y
2

^y
2

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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 Allison Kilgour

Company name Interpath Ltd

Address 5th Floor, 130 St Vincent Street

Glasgow

Post town G2 5HF

County/Region

Postcode

Country

DX

Telephone Tel +44 (0) 141 648 4300



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

Administrator's progress report for the period 15 August 2021 to 14 February 2022

Dawson International Trading Limited -
in Administration

1 March 2022

Notice to creditors

Please note that KPMG LLP sold its Restructuring practice in the UK to Interpath Ltd ('Interpath Advisory') on 4 May 2021. This will not have an impact on your day to day dealings of the administration of the Company and your case contacts remain the same.

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

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

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

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

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

Finally, I have provided answers to frequently asked questions and a glossary of insolvency terms on the following website, www.ia-insolv.com/case+INTERPATH+DC81391052.html. I 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

This progress report covers the period from 15 August 2021 to 14 February 2022.

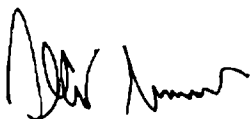
All of the Company's assets have now been realised and I am in the process of agreeing the final costs of the administration. I will also facilitate a final dividend to the unsecured creditors shortly. (Section 2 - Progress to date).

Preferential creditor claims have been paid in full (Section 3 - Dividend prospects and dividends paid).

Unsecured creditors will receive a nominal final dividend distribution (Section 3 - Dividend prospects and dividends paid).

The administration is currently due to end on 14 August 2022.

Please note: you should read this progress report in conjunction with my previous progress reports and proposals which were issued to the Company's creditors and can be found at www.ia-insolv.com/case+INTERPATH+DC81391052.html. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



Blair Nimmo
Administrator

2 Progress to date

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

2.1 Strategy and progress to date

Strategy

During the period I have settled costs in the Administration and have also written to HM Revenue & Customs seeking VAT clearance.

I have adjudicated on a final claim received and it is my intention to shortly facilitate a final unsecured dividend distribution.

2.2 Asset realisations

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

No assets have been realised in the period. I am not aware of any further assets I can seek to realise in the Administration

Investigations

We have continued to review the affairs of the Company to find out if there are any actions which can be taken against third parties to increase recoveries for creditors. Our investigations are now complete.

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.

Solicitors' fees

Legal costs of £1,744, incurred in the previous period for the application to the Court to extend the term of the Administration, were settled.

3 Dividend prospects and dividends paid

3.1 Secured creditors

The Company's pre-appointment trade debtors were subject to an invoice discounting facility with GE Capital Commercial Finance Limited ("GECF"). The facility was in credit at the date of the administration and GECF had no claim. GECF formally reassigned the remaining debtor balances to the Company, and they were subsequently sold to Sport in Scotland Limited.

3.2 Preferential creditors

The Preferential claims have been repaid in full in a previous period, with dividends totalling £85,637.76.

3.3 Unsecured creditors

The unsecured claims have been agreed at £101,568,396.

As of 14 February 2022, the amount distributed to unsecured creditors was £4,013,544.16 - equivalent to 3.95p in £.

It is my intention to shortly facilitate a nominal final dividend to the unsecured creditors.

The Group operated two defined benefit pension schemes, the Staff Scheme and the Works Scheme. The Schemes entered the Pension Protection Fund ("PPF") following an assessment period. The PPF's claims amount to £58.7 million for the Staff Scheme and £37.5 million for the Works Scheme. The quantum of the PPF's claim will dilute the overall level of dividend available to other unsecured creditors.

4 Administrator's remuneration and expenses

Time costs

From 15 August 2021 to 14 February 2022, I have incurred time costs of £9,479.30. These represent 21.30 hours at an average rate of £445.04 per hour.

A detailed analysis of the time spent is provided at Appendix 3.

Administrator's Remuneration

During the period I have not drawn any remuneration.

Administrator's expenses

During the period, I have not incurred any expenses.

Additional information

I 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 Interpath for the period from 15 August 2021 to 14 February 2022. I have also attached my charging and expenses policy.

4.1 Future conduct of the administration

I 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:

- Obtaining VAT clearance from HM Revenue & Customs;
- Facilitating a final unsecured dividend distribution;
- Settling final storage costs in relation to the Company's books and records;
- Attending to all other statutory and administrative matters.

4.2 Future reporting

I intend to provide our final progress report by 14 August 2022.

However, if an extension request is necessary, I will provide a further progress report to accompany the request.

Appendix 1 Statutory information

Company information

Company name	Dawson International Trading Limited
Date of incorporation	12 September 1995
Company registration number	SC162162
Present registered office	Interpath Ltd, 5th Floor, 130 St Vincent Street, Glasgow, G2 5HF

Administration information

Administration appointment	The administration appointment granted in Court of Session, Edinburgh
Appointor	Directors
Date of appointment	15 August 2012
Administrator's details	Blair Nimmo
Previous Joint Administrator	Gary Steven Fraser
Functions	The functions of the Administrator are being exercised by him in accordance with Paragraph 100(2)
Current administration expiry date	14 August 2022

Appendix 2

Administrator's receipts and payments account

Dawson International Trading Limited - in Administration

Trading accounts

Statement of Affairs (£)	From 15/08/2021 To 14/02/2022 (£)	From 15/08/2012 To 14/02/2022 (£)
POST-APPOINTMENT SALES		
Sales	NIL	1,665,671.50
Post - Early Settlement Discount	NIL	(2,758.28)
	NIL	1,662,913.22
PURCHASES		
Yarn	NIL	(657,637.24)
Other disposable materials	NIL	(8,597.98)
Exporting Costs	NIL	(50.00)
Petty cash	NIL	(1,093.25)
	NIL	(667,378.47)
OTHER DIRECT COSTS		
Direct labour	NIL	(665,258.01)
	NIL	(665,258.01)
TRADING EXPENSES		
Designer agent fees	NIL	(3,575.01)
IT expenses	NIL	(7,568.04)
Rates	NIL	(5,158.36)
Water rates	NIL	(3,077.24)
Heat & light	NIL	(28,751.30)
Telephone/Telex/Fax	NIL	(3,650.91)
Carriage	NIL	(24,790.49)
Professional fees	NIL	(3,672.00)
Bank charges & interest	NIL	(23,307.79)
Repairs and maintenance	NIL	(5,031.07)
Sundry expenses	NIL	(8,370.31)
Commission on sales	NIL	(116,429.12)
Vehicle running costs	NIL	(1,716.78)
Advertising	NIL	(588.06)
Stationery & postage	NIL	(765.35)
	NIL	(236,451.83)
Trading surplus/(deficit)	NIL	93,824.91

Dawson International Trading Limited - in Administration**Abstract of receipts & payments**

Statement of affairs (£)		From 15/08/2021 To 14/02/2022 (£)	From 15/08/2012 To 14/02/2022 (£)
ASSET REALISATIONS			
441,000.00	Plant & machinery	NIL	404,430.00
123,000.00	Stock	NIL	1,050,300.00
566,000.00	Stock - work in progress	NIL	NIL
1,678,000.00	Book debts	NIL	NIL
	Pre-appointment book debts	NIL	2,093,503.89
	Goodwill	NIL	400,000.00
912,000.00	Cash at bank	NIL	1,048,338.24
	Cash in Hand	NIL	626.61
		NIL	4,997,198.74
OTHER REALISATIONS			
	Bank interest, gross INCLUDING FINAL	NIL	152,138.41
	VAT refund	NIL	79,584.58
	Sundry refunds	100.00	5,544.54
	Suspense	(100.00)	NIL
	Trading surplus/(deficit)	NIL	93,824.91
	Bank charges	NIL	(3,721.70)
	Other refunds	NIL	3,794.91
105,000.00	Loans and advances	NIL	NIL
579,000.00	Other property	NIL	NIL
	Intercompany dividends	NIL	162,152.08
		NIL	493,317.73
COST OF REALISATIONS			
	Specific bonds	NIL	(1,200.00)
	Administrators' fees	NIL	(726,767.15)
	Irrecoverable VAT	(285.00)	(4,427.76)
	Agents'/Valuers' fees	NIL	(4,500.00)
	Legal fees	(1,744.00)	(132,565.76)
	Environmental issue legal fees	NIL	(221,067.11)
	Environmental issue employee costs	NIL	(54,627.00)
	Environmental issue expenses	NIL	(102,039.58)
	Consignation Fee	NIL	(35.00)
	Telephone/Telex/Fax	NIL	(59.88)
	Stationery & postage	NIL	(208.75)

Dawson International Trading Limited - in Administration

Abstract of receipts & payments

Statement of affairs (£)		From 15/08/2021 To 14/02/2022 (£)	From 15/08/2012 To 14/02/2022 (£)
	Heat & light	NIL	(2,006.90)
	Storage costs	NIL	(2,783.03)
	Statutory advertising	NIL	(555.04)
	Other property expenses	NIL	(1,714.80)
	Insurance of assets	NIL	(6,337.20)
	Bank charges	NIL	(3,282.29)
	Unclaimed dividends	NIL	(8,006.77)
	Pringle site costs	NIL	(2,102.00)
		(2,029.00)	(1,274,286.02)
	PREFERENTIAL CREDITORS		
(95,600.00)	Employees' wage arrears	NIL	(85,637.76)
(80,000.00)	Employees' holiday pay	NIL	NIL
(4,000.00)	Conts. to pension schemes	NIL	NIL
		NIL	(85,637.76)
	UNSECURED CREDITORS		
(518,000.00)	Trade creditors and accruals	NIL	(4,005,487.39)
(329,000.00)	Other liabilities	NIL	(13,730.54)
(222,000.00)	Sales agents	NIL	NIL
(4,136,000.00)	Inter-co Dawson International PLC	NIL	NIL
(152,000.00)	PAYE and National Insurance	NIL	NIL
(329,000.00)	Environmental	NIL	NIL
(117,700,000.00)	Pension schemes	NIL	NIL
		NIL	(4,019,217.93)
(119,161,600.00)		(2,029.00)	111,374.76
	REPRESENTED BY		
	Floating ch. VAT rec'able		36,631.03
	Floating charge current		111,374.77
	Floating ch. VAT control		(36,631.04)
			111,374.76

Appendix 3 Administrator's charging and expenses policy

Administrator's charging policy

The time charged to the administration is by reference to the time properly given by me and my staff in attending to matters arising in the administration. This includes work undertaken in respect of in-house Interpath Advisory tax, VAT and employee specialists. This also includes work undertaken by KPMG Pensions specialists up to 1 March 2020 who, until this date were part of the same firm as the office holders and their staff.

My 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 myself.

A copy of "A Creditors' Guide to 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/technical-library/scotland/technical-guidance/fees/more/29160/page/1/administration-a-guide-for-creditors-on-insolvency-practitioner-fees-scotland/?utm_source=Association%20of%20Business%20Recovery%20Professionals&utm_medium=email&utm_campaign=12943265_Technical%20Alert%20%28X%20January%202022%29%20-%20Scotland%20updated%20creditor%20guides&dm_i=133C,7PF35,60LAAZ,VENP5,1

If you are unable to access this guide and would like a copy, please contact Allison Kilgour on 0141 648 4287.

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.

Partner	690	725
Director	620	675
Senior Manager	560	590
Manager	467	495
Senior Administrator	325	345
Administrator	236	245
Support	147	345

You will note from the above table that my rates have been subject to change.

Policy for the recovery of expenses

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

Expenses: These are any payments which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements which are payments first met by the office holder, and then reimbursed to the office holder from the estate.

Category 1 expenses: These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. 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 expenses: These are payments to associates or which have an element of shared costs. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Associates: are defined in the insolvency legislation but also extends to parties where a reasonable and informed third party might consider there would be an association between the third party and the office holder or their firm.

Category 2 expenses charged by Interpath Advisory 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 Interpath passengers an additional 5p per mile per passenger will also be charged where appropriate.

I have not incurred any expenses during the period.

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

The Category 2 expenses have not been approved.

Creditors' right to challenge our remuneration and expenses

If you wish to challenge the basis of my remuneration, the remuneration approved, or the expenses 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 11 April 2022 or within 14 days of receiving this progress report.

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

The full text of the relevant rules can be provided on request by writing to Allison Kilgour at Interpath Advisory, 5th Floor, 130 St Vincent Street, Glasgow G2 5HF, United Kingdom.

Narrative of work carried out for the period 15 August 2021 to 14 February 2022

The key areas of work have been:

Statutory and compliance	posting information on a dedicated web page; preparing statutory receipts and payments accounts; dealing with all closure related formalities; ensuring compliance with all statutory obligations within the relevant timescales.
Strategy documents, Checklist and reviews	reviewing and authorising junior staff correspondence and other work; dealing with queries arising during the appointment; complying with internal filing and information recording practices, including documenting strategy decisions.
Cashiering	preparing and processing vouchers for the payment of post-appointment invoices; creating remittances and sending payments to settle post-appointment invoices; reconciling post-appointment bank accounts to internal systems; ensuring compliance with appropriate risk management procedures in respect of receipts and payments.
Tax	reviewing the Company's duty position to ensure compliance with duty requirements; dealing with post appointment tax compliance.
General	reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9; dealing with the ongoing storage of the Company books and records.
Employees	dealing with queries from employees regarding various matters relating to the administration and their employment.
Creditors and claims	updating the list of unsecured creditors; responding to enquiries from creditors regarding the administration and submission of their claims; reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records; agreeing unsecured claims; drafting our progress report.

Time costs

SIP 9 – Time costs analysis (15/08/2021 to 14/02/2022)							
	Hours					Time Cost (£)	Average Hourly Rate (£)
	Partner / Director	Manager	Administrator	Support	Total		
Administration & planning							
Cashiering							
General (Cashiering)				0.50	0.50	170.50	341.00
Reconciliations (& IPS accounting reviews)		0.10		0.90	1.00	363.50	363.50
General							
Books and records				1.40	1.40	455.00	325.00
Statutory and compliance							
Appointment and related formalities	0.50			0.90	1.40	612.50	437.50
Checklist & reviews		0.90		4.40	5.30	2,049.00	386.60
Closure and related formalities	4.70			2.30	7.00	3,901.70	557.39
Tax							
Post appointment corporation tax		0.60			0.60	336.00	560.00
Post appointment VAT		0.30		0.50	0.80	343.50	429.38
Creditors							
Creditors and claims							
Agreement of unsecured claims				0.80	0.80	276.00	345.00
General correspondence				0.70	0.70	241.50	345.00
Statutory reports	0.50			0.40	0.90	440.00	488.89
Employees							
Correspondence		0.30			0.30	148.50	495.00
Investigation							
Investigations							
Mail redirection				0.60	0.60	141.60	236.00
Total in period	5.70	2.20		13.40	0.00	21.30	9,479.30
							445.04

Brought forward time (appointment date to SIP 9 period start date) 3,452.95 1,073,688.30

SIP 9 period time (SIP 9 period start date to SIP 9 period end date) 21.30 9,479.30

SIP 9 – Time costs analysis (15/08/2021 to 14/02/2022)

	Hours				Time Cost (£)	Average Hourly Rate (£)
	Partner / Director	Manager	Administrator	Support	Total	
Carry forward time (appointment date to SIP 9 period end date)				3,474.25	1,083,167.60	

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

Company	Dawson International Trading Limited - in Administration
Group	The Company together with; DITL and subsidiaries
DIHL	Dawson International Holdings (UK) Limited
Administrator/I/my/me	Blair Nimmo
Interpath/Interpath Advisory	Interpath Ltd
KPMG	KPMG LLP
Staff Scheme	Dawson International Staff Retirement Benefit Plan
Works Scheme	Dawson International Retirement Benefit Scheme
PPF	Pension Protection Fund
GECF	GE Capital Commercial Finance Limited

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

Appendix 5 Notice: About this report

This report has been prepared by Blair Nimmo, the Administrator of Dawson International Trading Limited – in Administration (the ‘Company’), solely to comply with his statutory duty to report to creditors under the Insolvency (Scotland) Rules 1986 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

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

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

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

Blair Carnegie Nimmo is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants of Scotland.

I am bound by the Insolvency Code of Ethics.

The Officeholder is the Data Controller of personal data as defined by the Data Protection Act 2018. Personal data will be kept secure and processed only for matters relating to the appointment. For further information, please see the Privacy policy at – www.interpathadvisory.com/privacy-insolvency.

The Administrator acts as agents for the Company and contract without personal liability. The appointments of the Administrator is personal to him and, to the fullest extent permitted by law, Interpath Ltd 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.

www.interpathadvisory.com

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