

AM23

Notice of move from administration to dissolution



Companies House

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

1 Company details

Company number 0 4 6 4 5 6 9 2

Company name in full Dawnus International Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Court details

Court name High Court of Justice, Business and Property Court

Court number 0 0 3 3 3 6 2 0 1 9

3 Administrator's name

Full forename(s) Alistair

Surname Wardell

4 Administrator's address

Building name/number 6th Floor

Street 3 Callaghan Square

Post town Cardiff

County/Region

Postcode C F 1 0 5 B T

Country

AM23

Notice of move from administration to dissolution

5		Administrator's name ①	
Full forename(s)	Philip		① Other administrator Use this section to tell us about another administrator.
Surname	Stephenson		
6		Administrator's address ②	
Building name/number	30 Finsbury Square		② Other administrator Use this section to tell us about another administrator.
Street			
Post town	London		
County/Region			
Postcode	E C 2 A 1 A G		
Country			
7		Final progress report	
		<input checked="" type="checkbox"/> I have attached a copy of the final progress report	
8		Sign and date	
Administrator's signature	Signature 		
Signature date	d 1 d 8 m 1 m 1 y 2 y 0 y 2 y 2		

**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 **Kirsty L Dolmor**

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		
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Country

DX

Telephone **0161 953 6900**

**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,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

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

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



Dawnus International Limited - in administration

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

Joint administrators' final progress report

Prepared by: Alistair Wardell, joint administrator

Contact details: Should you wish to discuss any matters in this report, please email cmusupport@uk.gt.com or write to the above address

Guide to this report

Report sections

Definitions

1 **Executive summary**

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

2 **An overview of the administration**

Includes implementation of the joint administrators' proposals and details of any extensions to the administration

3 **Progress to conclusion**

Includes details on overall strategy and progress (realisation of assets)

4 **Investigations into the affairs of the Company**

Includes a summary of the outcome

5 **Creditors and dividends**

Includes creditor balances and information on dividends

6 **Joint administrators' remuneration and expenses**

Includes details of payments to the joint administrators (including details of fees and expenses incurred) and their associates

7 **Outcome of administration**

Includes summary details of the exit from administration, matters to be dealt with in the liquidation, details on the joint administrators' discharge from liability, and general information for readers (eg data protection)

Report appendices

A **Notice about this report**

Includes information about the preparation and purpose of the report, reliance on it and no liability

B **Statutory information**

Includes information required about the Company (eg name, address) and about the administration (eg proceedings, administrators, contact details)

C **Abstract of the joint administrators' receipts and payments**

D **Statement of Insolvency Practice 9 disclosure: Payments to the joint administrators and their associates**

Includes remuneration basis, work done, expenses of the joint administrators, sub-contracted out work, relationships requiring disclosure

Definitions

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

Act	The Insolvency Act 1986
Bank / HSBC	HSBC Bank Plc
Company / DIL	Dawnus International Limited
CVL	Creditors' Voluntary Liquidation
First Administration Date	22 May 2019 for DIL and 15 March 2019 for all other companies in the Group
First Administrations	The administrations of the Group which commenced on the First Administration Dates and automatically terminated following 12 months
Grant Thornton	Grant Thornton UK LLP
Group	Ashridge Construction Limited, Churchfield Homes Limited, Dawnus Construction Holdings Limited, Dawnus Developments Limited, Dawnus Group Limited, Dawnus International Limited, Dawnus Limited, Dawnus Southern Limited, Quantum Geotechnical Limited – all in Administration
HMRC	HM Revenue & Customs
Joint Administrators / we / us / our	Alistair Wardell and Philip Stephenson
LEC	Liberia Electricity Company
Period	The period from 21 May 2022 to 18 November 2022, being the period since the end of the previous progress report
Proposals	The Joint Administrators' proposals dated 17 May 2022
RPS	Redundancy Payments Service
Rules	the Insolvency (England and Wales) Rules 2016
Second Administration Date	21 May 2020
Second Administration	The current administration of DIL which commenced on the Second Administration Date
SIP	Statement of Insolvency Practice
SOA	Directors' Statement of Affairs
UK	United Kingdom
VAT	Value added tax

1 Executive summary

- This final progress report for the Company's administration covers the entirety of the Second Administration and should be read in conjunction with all previous progress reports
- Our proposals were deemed approved on 6 June 2022 in accordance with rule 3.38(4) of the Rules
- The key work done in the Period since the previous progress report to 20 May 2022 has been:
 - continued formal reporting to the secured creditors
 - finalising the statutory matters required ahead of the expiry of the administration.
- The administration is currently due to end on 21 December 2022. We are sending Form AM23 to the Registrar of Companies with a copy of this final progress report on the administration. Upon registration of Form AM23 by the Registrar of Companies the administration ceases and the Company will be dissolved three months later.



Alistair Wardell
Joint Administrator
18 November 2022

2 An overview of the administration

2.1 Implementation of the Proposals

The Proposals were deemed approved on 6 June 2022 in accordance with rule 3.38(4) of the Rules.

The duty of the Joint Administrators is to act in the best interests of the creditors as a whole in order to achieve the purpose of the administration, which was to achieve one of the three objectives set out in the Insolvency legislation:

- Rescuing the Company as a going concern; or
- 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

The Joint Administrators have pursued the objective of achieving a better result for the Group's creditors as a whole than would be likely if each company was wound up.

As previously reported, the Group was closely linked in terms of their activities, security structure and inter-company positions, therefore placing the entire Group into administration assisted with the sale of contracts and certain assets, collection of debtors and identifying and locating plant and machinery assets. Whilst the Company has made no realisations, the administration has assisted with the achievement of the statutory objective on a Group basis.

3 Progress to conclusion

3.1 Progress from last report

During the Period, steps have been taken to conclude the administration which includes but is not limited to seeking tax clearance from HMRC, settling any outstanding expenses and complying with any closure compliance obligations.

3.2 Realisation of assets

We attach as Appendix C an account of our receipts and payments for the Period and a cumulative account for the period since the second appointment.

As previously reported, we have explored various strategies to recover the debt due from LEC including seeking local legal advice and engaging the former directors of DIL to assist us.

Due to lack of funds in DIL to pursue this complex debt, lack of other potential funding and the perceived jurisdictional risks associated with payments to LEC, no recovery will be made in DIL and therefore steps have been taken to close the administration.

4 Investigations into the affairs of the Company

4.1 Investigations

We undertook an investigation into the Company's affairs to establish whether there were any potential asset recoveries, or conduct matters that required further investigation, taking into account the creditors' interest, potential recoveries, the funds likely to be available to fund an investigation and the costs involved.

Based on the outcome of our investigations into the affairs of the Company, there are no matters identified that need to be reported to the creditors.

5 Creditors and dividends

5.1 Secured creditors

HSBC

HSBC was granted a fixed and floating charge debenture over the Company's assets on 1 August 2017. At the date of administration, the balance due secured by this debenture was c£5 million.

This debenture is cross-guaranteed by the Group. Since the First Administrations, Group distributions totalling £2.05 million have been made to HSBC under its security, however, no amounts have been paid to HSBC by the Company.

Group realisations remain ongoing, however, it is anticipated that there will be a shortfall to HSBC.

Welsh Government

Welsh Government was granted a fixed and floating charge debenture over the Company's assets on 27 March 2018. At the date of administration, the balance due secured by this debenture was c£490,000.

This debenture is cross-guaranteed by the Group. Since the First Administrations, Group distributions totalling £1.04 million have been made to Welsh Government under its security, however, no amounts have been paid to Welsh Government by the Company.

Group realisations remain ongoing, however, it is anticipated that there will be a shortfall to the Welsh Government.

5.2 Preferential creditors

There were no employees as at the date of administration, therefore there are no preferential creditors in this matter.

5.3 Unsecured creditors

Prescribed part

In accordance with section 176A of the Act, 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 property and 20% of all further amounts, up to a maximum prescribed part of £600,000.

The SOA dated 21 April 2019 for the First Administrations, details unsecured creditors totaling £5.24 million. To date we have received unsecured claims of £4.77 million.

Due to the unusual circumstances resulting in the requirement of a Second Administration, the directors did not feel they were in a position to provide an accurate SOA for the Second Administration.

There are insufficient assets in the Company to enable a distribution to the unsecured creditors from the prescribed part.

Dividends

There will be no dividend payable to this class of creditor.

6 Joint Administrators' remuneration and expenses

6.1 Overview

Our remuneration basis has not been fixed.

We have incurred time costs and expenses in the Period amounting to £8,652 and £2,108, bringing the cumulative totals at Period end to £61,622 and £10,671 of which £0 and £9,890 has been paid.

Our time costs will be written off in full due to insufficient asset realisations.

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

7 Outcome of the administration

7.1 Exit from administration

Our Proposals were deemed approved on 6 June 2022 in accordance with rule 3.38(4) of the Rules.

The Proposals empowered the Joint Administrators to conclude the administration by filing the necessary paperwork with the Registrar of Companies and dissolving the Company.

We are sending Form AM23 to the Registrar of Companies with a copy of this final progress report on the administration. Upon registration of Form AM23 by the Registrar of Companies the administration ceases and the Company will be dissolved three months later.

7.2 Discharge from liability

As we were appointed by the Court, we had to apply to Court to obtain our discharge from liability.

It was resolved by the Court on 15 November 2022 that the Joint Administrators be discharged from liability in accordance with paragraph 98 of schedule B1 to the Act 28 days after the final progress report is issued to creditors.

7.3 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. 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.

7.4 Contact from third parties

Please be aware fraudsters have been known to masquerade as the legitimate Joint Administrators. Fraudsters will contact creditors asking for an upfront fee or tax to release an investment or pay a dividend / to enable release of money payable to the creditor. An administrator would never ask for such a payment nor instruct a third party to make such a request.

A Notice about this report

This report has been prepared solely to comply with the Joint Administrators' statutory duty to report to creditors under the Rules 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 Rules 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 of the Company and contract without personal liability. The appointment of the Joint Administrators are personal to them and to the fullest extent permitted by law, Grant Thornton 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 progress report in conjunction with the Joint Administrators' previous progress reports and proposals issued to the Company's creditors, which can be found on the Grant Thornton Insolvency Act portal. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT. For definitions of abbreviations please refer to the 'Definitions' table at the start of this progress report.

B Statutory information

Company Information

Company name	Dawnus International Limited
Date of incorporation	23 January 2003
Company registration number	04645692
Former trading address	Unit 7 Dyffryn Court Riverside Business Park Swansea Vale Swansea SA7 0AP

Present registered office	11th Floor Landmark St Peter's Square 1 Oxford St Manchester M1 4PB
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Administration information

Administration appointment	The administration appointment in the High Court of Justice, Business and Property Court, 003336 of 2019
Appointor	order of the court
Date of appointment	21 May 2020
Joint Administrators' names	Alistair Wardell Philip Stephenson
Joint Administrators' addresses	6th Floor, 3 Callaghan Square, Cardiff, CF10 5BT 30 Finsbury Square, London, EC2A 1AG
Purpose of the administration	Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up
Prescribed Part distribution	Due to there being insufficient assets in the Company to enable a distribution to the unsecured creditors, the prescribed part does not apply
Functions	In accordance with paragraph 100(2) of Schedule B1 to the Act, the functions of the Administrators are to be exercised by any or all of them
Administration expiry date	21 December 2022

**Dawnus International Limited
(In Administration)**

C

Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 21/05/2022 To 18/11/2022 £	From 21/05/2020 To 18/11/2022 £
ASSET REALISATIONS		
Admin/Receivers Surplus	NIL	9,890.63
	NIL	9,890.63
COST OF REALISATIONS		
Bank Charges	NIL	0.40
VAT Irrecoverable	2,077.29	2,077.29
Legal Fees (1)	NIL	7,812.94
	(2,077.29)	(9,890.63)
	<u>(2,077.29)</u>	<u>0.00</u>

Note:

Statement of Insolvency Practice 7 states that the headings used in the Receipts and Payments Account should follow those used in any prior SOA or estimated outcome statement. The SOA was provided by the Company's directors at the commencement of the First Administration and provided estimated to realise values for the categories of assets to be realised. The receipts above represent funds passed into the current administration from the First Administration, and as such, a meaningful comparison to the SOA by category cannot be made.

D Payments to the Joint Administrators and their associates

SIP9 disclosure

This appendix has been prepared in accordance with the requirements of the Act, the Rules and SIP9. In summary, it covers:

- pre-appointment costs
- fee basis
- work done by the Joint Administrators and their team during 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 DIL entered administration but with a view to it doing so. To the extent they remain unpaid when DIL 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.

Neither the Joint Administrators, by way of Grant Thornton being engaged, or any other qualified insolvency practitioner incurred any pre-administration costs in relation to the Second Administration of DIL.

In the period leading up to First Administrations, Grant Thornton incurred costs in undertaking certain tasks prior to placing DIL into administration. We will not be seeking approval of these costs as an expense of the administration under Rule 3.52 and, therefore, there will be no pre-appointment fees paid to Grant Thornton.

Eversheds was instructed by Grant Thornton to assist with the drafting of the pre-appointment documentation. Its costs incurred in respect of this matter were £14,484 including disbursements. We obtained the relevant approvals during the First Administrations to settle these costs so any unpaid amounts will be payable under paragraph 99 of Schedule B1 to the Insolvency Act 1986. Eversheds received a part payment of £7,813 during the First Administrations but due to no further realisations, the unpaid amounts will not be paid by the Company.

Post-appointment costs

Fee basis of the Joint Administrators

As at the date of this report the fee basis has not been set and we will not be seeking approval to draw time costs. All time costs will be written off.

During the Period time costs were incurred totalling £8,652 represented by 23 hrs at an average of £371/hr (as shown in the 'Work done' section below. This brings cumulative recorded time costs at the Period end to £61,622, of which no amounts have been paid and the time costs will be written off. A description of the work done in the Period is provided in the respective section below.

Work done by the Joint Administrators and their team during the Period

We are required to detail costs of actual work done in the Period, including any expenses incurred in connection with it, against any fees estimate provided. Our fees estimate was included within our Proposals to dated 17 May 2022. We are also required to provide narrative explanation of the work done. The following tables (narrative followed by numerical) set out this information for the Joint Administrators' fees incurred together with a numerical fees estimate variance analysis.

Please note that the level of fees eventually paid may be less depending on the value of asset recoveries or successful claims, for example. Details of expenses incurred in connection with work done are provided in the Expenses' section below.

Area of work	Work done	Why the work was necessary	Financial benefit to creditors	Fees (time costs) incurred		
Creditors				3 hrs	£1,703	£501/hr
Secured	<ul style="list-style-type: none">Continued formal reporting to the secured creditors	<ul style="list-style-type: none">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 was necessary for administrative purposes and/or complying with statutory requirements			

Commercial in confidence

and it had no direct financial benefit to the estate

Administration				20 hrs	£6,949	£348/hr
Case management	<ul style="list-style-type: none"> Completion of file reviews, checklists and other administrative tasks Monitoring compliance with internal and regulatory requirements 	<ul style="list-style-type: none"> To comply with insolvency law and regulations 	<ul style="list-style-type: none"> This work was necessary for administrative purposes and/or complying with statutory requirements and it had no direct financial benefit to the estate 			
Reports to creditors, notices & decisions	<ul style="list-style-type: none"> Prepared, drafted and circulated progress report to creditors Drafting of final report 	<ul style="list-style-type: none"> To comply with insolvency law and regulations 	<ul style="list-style-type: none"> This work was necessary for administrative purposes and/or complying with statutory requirements and it had no direct financial benefit to the estate 			
Treasury, billing & funding	<ul style="list-style-type: none"> Bank reconciliation 	<ul style="list-style-type: none"> Manage and maintain estate bank account 	<ul style="list-style-type: none"> This work was necessary for administrative purposes and/or complying with statutory requirements and it had no direct financial benefit to the estate 			
Tax	<ul style="list-style-type: none"> Obtained tax clearance and saved to file 	<ul style="list-style-type: none"> To comply with tax law and regulations 	<ul style="list-style-type: none"> This work was necessary for administrative purposes and/or complying with statutory requirements and it had no direct financial benefit to the estate 			
Closure	<ul style="list-style-type: none"> Internal discussions regarding the closure 	<ul style="list-style-type: none"> To be able to start the closure process 	<ul style="list-style-type: none"> This work was necessary for administrative purposes and/or complying with statutory requirements and it had no direct financial benefit to the estate 			
Total time costs charged in the Period				23 hrs	£8,652	£371/hr

Detailed SIP9 time cost analysis for the Period

Period from 21/05/2022 to 18/11/2022

Area of work	Partner Hrs	£	Manager Hrs	£	Executive Hrs	£	Administrator Hrs	£	Hrs	Period total £	£/hr	Cumulative total as at period end		
Realisation of assets:												36.20	14,808.00	409.06
Debtors	-	-	-	-	-	-	-	-	-	-	-	36.20	14,808.00	409.06
Investigations:												0.10	24.50	245.00
Claims	-	-	-	-	-	-	-	-	-	-	-	0.10	24.50	245.00
Creditors:									3.40	1,703.00	500.88	20.35	7,318.75	359.64
Secured	-	-	3.40	1,703.00	-	-	-	-	3.40	1,703.00	500.88	18.85	6,863.75	364.12
Unsecured	-	-	-	-	-	-	-	-	-	-	-	1.50	455.00	303.33
Administration:									19.95	6,949.42	348.34	131.10	39,470.92	301.07
Appointment formalities	-	-	-	-	-	-	-	-	-	-	-	7.30	1,726.00	236.44
Case management	-	-	6.80	2,951.00	0.60	147.00	1.40	240.57	8.80	3,338.57	379.38	35.50	12,075.32	340.15
Reports to creditors, notices & decisions	-	-	2.65	1,053.00	2.35	575.75	1.80	152.60	6.80	1,781.35	261.96	64.95	18,450.60	284.07
Shareholder / debtor / director communications												0.70	220.50	315.00
Treasury, billing & funding	-	-	0.20	76.00	0.20	44.00	0.45	81.00	0.85	201.00	236.47	11.00	2,826.50	256.95
Tax	-	-	0.20	114.50	2.60	1,174.50	-	-	2.80	1,289.00	460.36	10.95	3,832.50	350.00
Closure	-	-	0.70	339.50	-	-	-	-	0.70	339.50	485.00	0.70	339.50	485.00
Total	-	-	13.95	6,237.00	5.75	1,941.25	3.75	492.17	23.35	8,652.42	370.55	187.75	61,622.17	328.21

Notes:

- Partner includes partners and directors

- Manager includes associate directors and managers

- Executive includes assistant manager and executives

- Total time costs paid to date: £0

- Please note that the actual time incurred in the Period may slightly differ to that reported in the table above. This is due to lags between time being recorded on our internal system by staff and then being posted to the case. We do not expect any differences to be material.

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 'Work done' 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			
Insolvency Practitioners' Bond	0	750	0
Postage	31	31	0
Legal Fees			
Eversheds Sutherland (International) LLP	0	7,813	7,813
VAT Irrecoverable	2,077	2,077	2,077
Total expenses	2,108	10,671	9,890

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.

There are no shared or allocated costs at this stage. For associates, please see the next section – Payments to associates.

Payments to associates

Where we have enlisted the services of others we have sought to obtain the best value and service.

To the extent that services have been enlisted from Grant Thornton's specialist teams, for example tax, pensions, digital forensics, or any others, the narrative for and cost of their work is included in the work done narrative and SIP9 time costs analysis details in the Work done by the Joint Administrators and their team during the Period section above.

We confirm that in the Period, we have not enlisted any other 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

We confirm that, in the Period, we have not sub-contracted any work that could otherwise have been carried out by us or our team.

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.

