

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 2 4 1 3 9 2

Company name in full International Cable Management Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Geoffrey Isaac

Surname Jacobs

3 Administrator's address

Building name/number 319 St Vincent Street

Street

Post town Glasgow

County/Region

Postcode G 2 5 A S

Country

4 Administrator's name ①

Full forename(s) Blair Carnegie

Surname Nimmo

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 319 St Vincent Street

Street

Post town Glasgow

County/Region

Postcode G 2 5 A S

Country

② Other administrator

Use this section to tell us about
another administrator.

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6 Period of progress report

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

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X

Geoff Taylor

X

Signature date

^d 2	^d 1	^m 1	^m 2	^y 2	^y 0	^y 2	^y 1
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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 319 St Vincent Street

Glasgow

Post town G2 5AS

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

Joint
Administrators'
progress report
for the period
13 May 2021 to
12 November
2021

International Cable Management
Limited - in Administration

13 December 2021

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.

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

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

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

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

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following website, www.ia-insolv.com/case+INTERPATH+IJ51492847.html. We hope this is helpful to you.

Please also note that an important legal notice about this progress report is attached (Appendix 5).

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1 Executive summary

This progress report covers the period from 13 May 2021 to 12 November 2021.

The Company's principal asset is its trade debtors, which totalled c£326,000 at appointment. With the assistance of specialist recovery agents, we have secured recoveries from trade debtors totalling c£268,000 (Section 2 - Progress to date).

The Company's sole secured lender is HSBC UK Bank Plc (the 'Bank'). The Bank will receive a limited return under the terms of its floating charge (Section 3 - Dividend prospects and dividends paid).

Preferential creditors will be paid in full (Section 3. - Dividend prospects and dividends paid).

Unsecured creditors will receive a small dividend distribution under the terms of the Prescribed Part only (Section 3 - Dividend prospects and dividends paid).

The extension is due to end on 12 May 2022 (Section 5 – Future Strategy).

Please note: you should read this progress report in conjunction with our previous progress reports and proposals which were issued to the Company's creditors and can be found at www.ia-insolv.com/case+INTERPATH+IJ51492847.html. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



Geoffrey Jacobs
Joint Administrator

2 Progress to date

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

2.1 Strategy and progress to date

Strategy

During the period, we have focused on reconciling the preferential claims. We have also finalised the adjudication of the unsecured creditor claims.

2.2 Asset realisations

During the period no assets were realised, as noted in the attached receipts and payments account (Appendix 2).

We are not aware of any other assets that remain to be realised for the benefit of the administration estate.

Investigations

We have continued to review the affairs of the Company to ascertain if there are any actions which can be taken against third parties to increase recoveries for creditors.

We have complied with the relevant statutory requirements by submitting the online director conduct assessment to the Department for Business Energy and Industrial Strategy. The contents of our submission are confidential.

2.3 Costs

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

Summaries of the most significant payments made during the period are provided below.

Storage Costs

Storage costs in relation to the Company's books and records, in the amount of £1,326.49, have been settled.

Solicitors' fees

Legal costs of £1,489.00, incurred in relation to the application to Court to extend the term of the administration, were settled in the period.

3 Dividend prospects and dividends paid

3.1 Secured creditors

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

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

The Bank's lending is secured by way of a floating charge dated 23 April 2014, the validity of which has been confirmed by the Joint Administrators' legal agent.

During the period, we have made an interim distribution of £25,000 to the Bank under the terms of its floating charge, all of which relates to floating charge realisations.

It is our intention to make a final distribution to the bank in early course.

3.2 Preferential creditors

The preferential claims have been agreed at £18,457.60.

Preferential creditors have received a dividend of 100p in the £. The distribution has been facilitated out with the accounting period i.e after 12 November 2021.

3.3 Unsecured creditors

Based on current estimates, we anticipate that unsecured creditors will receive a nominal dividend in accordance with the Prescribed Part provisions. We hope to facilitate this distribution in early course.

4 Joint Administrators' remuneration and expenses

4.1 Joint Administrators' remuneration and expenses

As detailed in our previous progress reports, we have sought and obtained approval to draw remuneration totalling £203,087.45. You will note from the attached receipts and payments account that we have drawn £124,372.50 of the approved total to date; £16,780.00 of which has been drawn in the period.

In accordance with the terms of the relevant insolvency rules, we recently sought approval from the Bank for our time costs to facilitate the Prescribed Part distribution in the sum of £5,000 plus VAT. The requisite approval has been granted by the Bank. Please note that despite having creditor approval to draw remuneration of £203,087.45, our total fees, including those relevant to the Prescribed Part distribution, will be restricted to £171,372.50 (plus VAT).

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

Time costs

From 13 May 2021 to 12 November 2021, we have incurred time costs of £62,044.50. These represent 161.40 hours at an average rate of £384.41 per hour.

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

Administrators' Remuneration

During the period, we have drawn interim floating charge remuneration of £16,780, relating to the period 13 November 2020 to 12 May 2021.

Administrators' expenses

During the period, we have not incurred any expenses.

Additional information

We have attached (Appendix 3) an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by Interpath for the period from 13 May 2021 to 12 November 2021. We have also attached our charging and expenses policy.

5 Future strategy

5.1 Future conduct of the administration

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

- Finalise the costs of the Administration;
- Obtain tax clearance from HM Revenue & Customs;
- Make a final distribution to the Bank;
- Facilitate the unsecured Prescribed Part distribution;
- Draw the Joint Administrators' final remuneration and reclaim the VAT thereon; and
- Attend to all ongoing statutory and compliance matters.

5.2 Future reporting

We intend to provide our final progress report by 12 May 2022.

However, if an extension request is necessary we will request this from the Court.

Appendix 1 Statutory information

Company name	International Cable Management Limited
Date of incorporation	19 December 2002
Company registration number	SC241392
Present registered office	319 St Vincent Street, Glasgow, G2 5AS
Administration appointment	The administration appointment granted in Aberdeen Sheriff Court, L40 of 2019
Appointor	Company
Date of appointment	13 May 2019
Joint Administrators' details	Geoff Jacobs and Blair Nimmo
Estimated values of the Net Property and Prescribed Part	<p>Estimated Net Property is £80,000; estimated Prescribed Part is c£14,000. The Prescribed Part is capped at the statutory maximum of £600,000.</p> <p>The Prescribed Part has been taken into account when determining the dividend prospects for unsecured creditors (Section 3).</p>
Prescribed Part distribution	<p>The Joint Administrators do not intend to apply to Court to obtain an order that the Prescribed Part shall not apply.</p> <p>Accordingly, the Joint Administrators intend to make a distribution to the unsecured creditors.</p>
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2).
Current administration expiry date	12 May 2022

Appendix 2

Joint Administrators' receipts and payments account

International Cable Management Limited - in Administration			
Abstract of receipts & payments			
Statement of affairs (£)		From 13/05/2021 To 12/11/2021 (£)	From 13/05/2019 To 12/11/2021 (£)
ASSET REALISATIONS			
3,000.00	Plant & machinery	NIL	2,997.00
4,000.00	Furniture & equipment	NIL	4,000.00
25,000.00	Stock	NIL	25,000.00
195,000.00	Book debts	NIL	267,582.10
	Goodwill	NIL	1.00
	Intellectual property	NIL	1.00
	Customer orders	NIL	4,027.00
		NIL	303,608.10
OTHER REALISATIONS			
	Bank interest, gross	NIL	836.02
		NIL	836.02
COST OF REALISATIONS			
	Statement of affairs work	NIL	(150.00)
	Consultants fee	NIL	(900.00)
	Administrators' fees	(16,780.00)	(124,372.50)
	Administrators' expenses	NIL	(1,684.42)
	Agents'/Valuers' fees	NIL	(21,916.50)
	Legal fees	(1,489.00)	(5,800.00)
	Storage costs	(1,326.49)	(3,835.89)
	Statutory advertising	NIL	(73.00)
	Other property expenses	NIL	(15.00)
	Insurance of assets	NIL	(506.24)
	Bank charges	(30.00)	(100.70)
		(19,625.49)	(159,354.25)
PREFERENTIAL CREDITORS			
(20,100.00)	Employees' wage arrears & holiday pay	NIL	NIL
		NIL	NIL
FLOATING CHARGE CREDITORS			
(84,582.00)	HSBC UK Bank Plc	(25,000.00)	(25,000.00)
		(25,000.00)	(25,000.00)
UNSECURED CREDITORS			

International Cable Management Limited - in Administration

Abstract of receipts & payments

Statement of affairs (£)		From 13/05/2021 To 12/11/2021 (£)	From 13/05/2019 To 12/11/2021 (£)
(602,717.00)	Trade & expense	NIL	NIL
(80,500.00)	Employees	NIL	NIL
(35,000.00)	Pre-paid creditors	NIL	NIL
(15,000.00)	HMRC - Provision	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(50,000.00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
(660,899.00)		(44,625.49)	120,089.87
	REPRESENTED BY		
	Floating ch. VAT rec'able		32,337.79
	Floating charge current		116,178.57
	Floating ch. VAT payable		(8,010.40)
	Floating ch. VAT control		(20,416.09)
			120,089.87

Appendix 3 Joint Administrators' charging and expenses policy

Joint Administrators' charging policy

The time charged to the administration is by reference to the time properly given by us and our staff in attending to matters arising in the administration. This includes work undertaken in respect of in-house Interpath Advisory tax, VAT and employee specialists. Where applicable, 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.

Our policy is to delegate tasks in the administration to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

A copy of "A Creditors' Guide to Administrators' Remuneration Scotland" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available at:

https://www.icas.com/__data/assets/pdf_file/0020/573221/SIP-9-Scot-April-2021.pdf

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
Director	620
Senior Manager	560
Manager	467
Senior Administrator	325
Administrator	236
Support	147

The charge-out rates used by us might periodically rise (for example to cover annual inflationary cost increases) over the period of the administration. In our next statutory report, we will inform creditors of any material amendments to these rates.

Policy for the recovery of expenses

Where funds permit the officeholders 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 Advisory passengers an additional 5p per mile per passenger will also be charged where appropriate.

We have not incurred any expenses during the period.

We 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 our 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 7 January 2022.

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, 319 St Vincent Street, Glasgow G2 5AS, United Kingdom.

Narrative of work carried out for the period 13 May 2021 to 12 November 2021

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.
Reports to secured creditors	providing written and oral updates to representatives of the bank regarding the progress of the administration and case strategy.
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	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; drawing remuneration in accordance with the basis and amount which has been approved including expenses as determined by the secured and preferential creditors; dealing with the ongoing storage of the Company books and records.
Asset realisations	liaising with appointed specialist debtor recovery agents regarding debtor recoveries.
Employees	dealing with queries from employees regarding various matters relating to the administration and their employment; managing claims from employees.
Pensions	liaising with the trustees of the defined benefit pension scheme, the Pensions Regulator and the Pensions Protection Fund concerning the changes caused to the pension scheme as a result of our appointment.
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 preferential and unsecured claims; arranging distributions to the secured and preferential creditor; drafting our progress report.

Time costs

SIP 9 – Time costs analysis (13/05/2021 to 12/11/2021)						
	Hours				Time Cost (£)	Average Hourly Rate (£)
	Partner / Director	Manager	Administrator	Support		
Administration & planning						
Cashiering						
Fund management		0.20			112.00	560.00
General (Cashiering)	0.50			2.50	1,121.90	373.97
Reconciliations (& IPS accounting reviews)		0.50		2.20	995.00	368.52
General						
Books and records				0.20	47.20	236.00
Fees and WIP		2.60		2.20	2,171.00	452.29
Statutory and compliance						
Appointment and related formalities				0.05	11.80	236.00
Budgets & Estimated outcome statements		1.00			560.00	560.00
Checklist & reviews	0.70	2.30		7.80	4,297.10	397.88
Closure and related formalities		0.80		16.90	5,940.50	335.62
Reports to debenture holders	2.50	2.50			3,125.00	625.00
Strategy documents		0.70		1.30	698.80	349.40
Tax						
Post appointment corporation tax		0.60		2.20	1,051.00	375.36
Post appointment VAT		0.20			112.00	560.00
Creditors						
Creditors and claims						
Agreement of claims				1.70	552.50	325.00
Agreement of preferential claims		8.70			4,090.80	470.21
Agreement of unsecured claims	0.60	20.60		15.10	14,385.10	396.28

SIP 9 – Time costs analysis (13/05/2021 to 12/11/2021)

	Hours				Time Cost (£)	Average Hourly Rate (£)
	Partner / Director	Manager	Administrator	Support		
General correspondence		0.20	23.80		24.00	6,262.80
Payment of dividends		3.30	1.60		4.90	2,228.50
Secured creditors		5.20			5.20	2,912.00
Statutory reports	3.25	3.20	13.50		19.95	7,834.60
Employees						
Agreeing employee claims		0.30	1.80		2.10	592.80
Correspondence		3.60			3.60	1,681.20
Pension funds		0.10			0.10	56.00
Pensions reviews		0.30			0.30	140.10
Investigation						
Investigations						
Mail redirection			3.30		3.30	778.80
Realisation of assets						
Asset Realisation						
Debtors		0.20			0.20	112.00
Leasehold property			0.50		0.50	118.00
Other assets		0.10			0.10	56.00
Total in period	7.55	57.20	96.65	0.00	161.40	62,044.50

Brought forward time (appointment date to SIP 9 period start date)	518.07	205,135.25
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	161.40	62,044.50
Carry forward time (appointment date to SIP 9 period end date)	679.47	267,179.75

All staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

All time shown in the above analysis is charged in units of six minutes.

Appendix 4 Glossary

Bank/Secured creditor	HSBC Bank Plc
Company	International Cable Management Limited - in Administration
Joint Administrators/we/our/us	Geoff Jacobs and Blair Nimmo
Interpath/Interpath Advisory	Interpath Ltd
KPMG	KPMG LLP

Any references in this progress report to sections, paragraphs or rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018 respectively.

Appendix 5 Notice: About this report

This report has been prepared by Geoff Jacobs and Blair Nimmo, the Joint Administrators of International Cable Management Limited – in Administration (the ‘Company’), solely to comply with their statutory duty to report to creditors under the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

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

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

Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018 does so at its own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

Geoffrey Isaac Jacobs and Blair Carnegie Nimmo are authorised to act as insolvency practitioners by the Institute of Chartered Accountants of Scotland.

We are bound by the Insolvency Code of Ethics.

The Officeholders are Data Controllers 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 our Privacy policy at – www.interpathadvisory.com/privacy-insolvency.

The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, 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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