

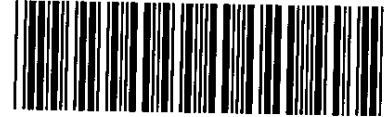
AM03

Notice of administrator's proposals



Companies House

SATURDAY



A18 *A868JDWI* #173
25/05/2019
COMPANIES HOUSE

1 Company details

Company number 0 5 1 5 0 6 3 1

Company name in full Dalbury Limited

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

2 Administrator's name

Full forename(s) Adrian Peter

Surname Berry

3 Administrator's address

Building name/number 1 City Square

Street Leeds

Post town West Yorkshire

County/Region

Postcode L S 1 2 A L

Country

4 Administrator's name ①

Full forename(s) Clare

Surname Boardman

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

5 Administrator's address ②

Building name/number 1 City Square

Street Leeds

Post town West Yorkshire


County/Region

Postcode L S 1 2 A L

Country

② 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	<input checked="" type="checkbox"/>  <input checked="" type="checkbox"/>	
Signature date	^d 2 ^d 4	^m 0 ^m 5	^y 2 ^y 0 ^y 1 ^y 9

Deloitte.

Dalbury Limited (In Administration) ("the Company")

Court Case No. 429 of 2019
The Business and Property Court in
Leeds, Company & Insolvency List (ChD)

Company Number: 05150631

Registered Office: c/o Deloitte LLP
Four Brindleyplace
Birmingham
B1 2HZ

JOINT ADMINISTRATORS' STATEMENT OF PROPOSALS PURSUANT TO PARAGRAPH 49 OF SCHEDULE B1 OF THE INSOLVENCY ACT 1986 (AS AMENDED) ("the Act")

Adrian Peter Berry and Clare Boardman ("the Joint Administrators") were appointed Joint Administrators of Dalbury Limited on 10 April 2019 by Clydesdale Bank Plc ("the Secured Creditor" / "the Bank"). The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability. All licensed Insolvency Practitioners of Deloitte LLP ("Deloitte") are licensed in the UK to act as Insolvency Practitioners.

For the purposes of paragraph 100(2) of Schedule B1 of the Act, the Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally.

24 May 2019

Deloitte.

Dalbury Limited (in administration)

Deloitte LLP
Four Brindleyplace
Birmingham
B1 2HZ
UK
Tel: +44 (0) 121 632 6000
Fax: +44 (0) 121 695 5678
www.deloitte.co.uk

This Statement of Joint Administrators' Proposals ("the Proposals" or "our Proposals") has been prepared pursuant to paragraph 49 of Schedule B1 of the Act, which requires that we, as the Joint Administrators, provide creditors with details of our Proposals to achieve the purpose of the administration. We do not think that the Company has sufficient property to enable a distribution to be made to unsecured creditors (other than by way of the Prescribed Part). As such we are not required to ask creditors to approve our Proposals unless requested to do so by creditors whose total debts amount to at least 10% of the total debts of the Company.

If you would like to ask us to hold a decision procedure to consider our Proposals please complete a Requisitioned Decisions using your unique log in details and the website at www.lps-docs.com this must be completed and return to us no later than **6 June 2019**. Please note that a deposit of £1,000 will be required towards the costs of initiating the decision procedure; such deposit may be refunded as an expense of these proceedings under Rule 15.19(4) Insolvency (England & Wales) Rules 2016 ("the Rules"), if so decided by creditors.

In the event that a request for a decision procedure is not received by us within the above deadline, our Proposals will be deemed approved **6 June 2019** and a notice to that effect will be filed at Companies House.

We have also included the following information in this report:

- background of the Company
- the circumstances giving rise to the appointment of the Joint Administrators;
- the progress of the administrations to date; and,
- the Joint Administrators' Proposals for achieving the objective of the administration (Appendix E).

Yours faithfully

For and on behalf of the Company










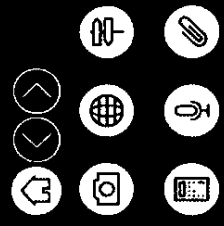
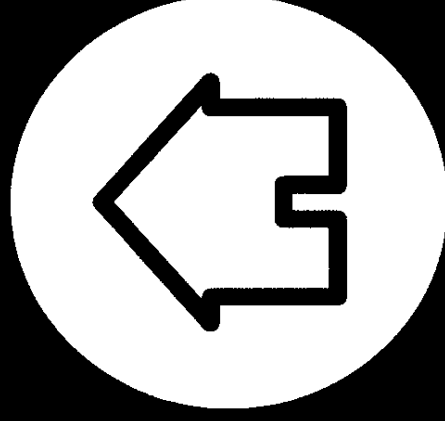
Joint Administrator

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 2 New Street Square, London EC4A 3BZ, United Kingdom.

Deloitte LLP is the United Kingdom member firm of Deloitte Touche Tohmatsu Limited ("DTTL"), a UK private company limited by guarantee, whose member firms are legally separate and independent entities. Please see www.deloitte.co.uk/about for a detailed description of the legal structure of DTTL and its member firms.

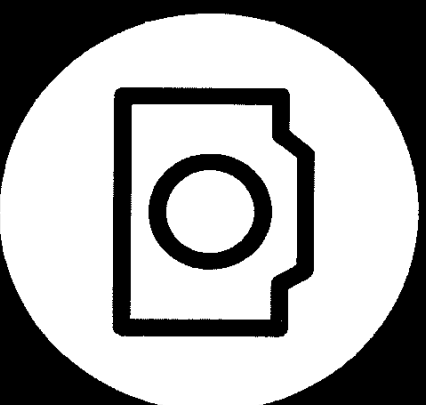
© 2019 Deloitte LLP. All rights reserved.

	Contents	2
	Key messages	3
	Background	5
	Post-appointment	8
	Remuneration and expenses	14
	Additional information	17
	Appendices	19





Key messages



Key messages

Joint Administrators of the Company

Adrian Peter Berry

Clare Boardman

Deloitte LLP

Four Brindleyplace

Birmingham

B1 2HZ

Contact details

Email: aabanks@deloitte.co.uk

Website: www.ips-docs.com

Login: DALB00D ~ Deloitte LLP

Tel: 0121 695 5827

Date Proposals delivered to creditors: 24 May 2019



Commentary

Purpose of the administration • The purpose of the administration will be to achieve a better result for the Company's creditors as a whole than a liquidation.

Joint Administrators' strategy • The Company will continue to trade to enable a realisation of the livestock and any recoveries from the terminated Joint Venture Agreement and property assets. Please refer to page 10 for further details.

Approval of the Proposals • As there is no prospect of any funds being returned to unsecured creditors (other than by way of the Prescribed Part), our Proposals will be deemed approved by creditors unless a decision procedure is requested under Rule 15.18. Please refer to page 1 for further details.

Estimated Timescale • On current information the duration of the administration is not likely to exceed 12 months following which it is anticipated that the Company will move to dissolution as detailed on page 13.

Estimated Costs

- We propose to charge our fees by reference to our time costs.
- We have provided a Fees Estimate showing a breakdown of our anticipated time costs and actual costs to date at Appendix D.
- We anticipate that disbursements of approximately £2k plus VAT will be incurred over the duration of the appointment detailed at Appendix D1.
- We anticipate that third party costs in relation to legal fees will be in the region of £40k plus disbursements and VAT over the duration of the appointment, agent costs are currently being sought as detailed at page 16.

Estimated Outcomes

On current information, we anticipate the following outcome for each category of creditor:

- Secured creditor – we expect the Secured Creditor will be part paid by the Company in administration, we expect the remaining debt to be paid following the sale of property owned by John Laing, further details are on page 12.
- Preferential creditors – There will be no preferential claims in the administration.
- Unsecured creditors – It is likely that there will be a distribution for unsecured creditors via the Prescribed Part, further details are on page 12.

Proposals

- Our Proposals for managing the business and affairs of the Company can be found on page 11.



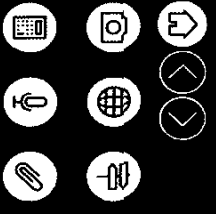
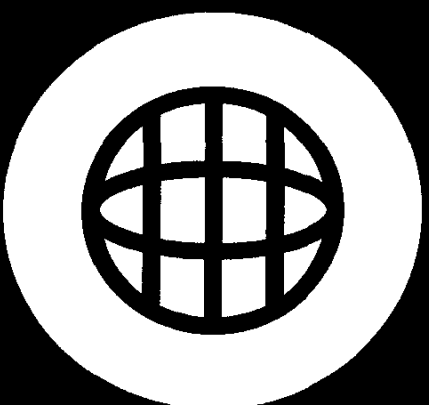
Background

Summary financials

6

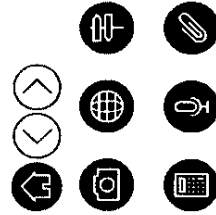
Joint Administrators' appointment

7



Background

Summary financials



Summary profit and loss account

£'000	Statutory Accounts for 12 months to 30-Jun-17	Statutory Accounts for 12 months to 30-Jun-16
Movement of P/L account	(395)	102

Summary balance sheet

£'000	Statutory Accounts as at 30-Jun-17	Statutory Accounts as at 30-Jun-16
Tangible assets	4,058	4,171
Fixed assets	4,058	4,171
Stock	672	678
Debtors	263	218
Cash at bank	0	0
Current Assets	934	896
Creditors due less than 1 year	(3,496)	(3,399)
Creditors due after 1 year	(1,712)	(1,697)
Total Liabilities	(5,208)	(5,097)
Net Assets	(216)	(30)

Company background and structure

The Company is a trading dairy farm, incorporated in 2004. The sole director and shareholder of the Company is John Laing.

Mr Laing also owns three farms (East Learmouth, Stickle Heaton and New Heaton) covering c.1,870 acres within close proximity to Cornhill-on-Tweed, Northumberland. Mr Laing operates these farms as a sole trader under the name of 'John Aaron Laing' ('JAL'). The Joint Administrators have been appointed receivers over the properties owned by JAL.

There is no registered Company Secretary.

Overview of financial information

Extracts from the audited Company accounts for the 12 months to June 2016 and June 2017 are shown opposite. This is the most recent financial information available.

Please note that this information has not been verified by the Joint Administrators or by Deloitte.

Profit and loss commentary

As the Company is defined as a small company for accounting purposes no profit or loss account needs to be filed. Accordingly, the limited information available shows the Company was loss making in 2017.

Balance sheet commentary

Tangible assets principally comprise property, agricultural machinery and vehicles. We are also investigating whether the Company has a beneficial interest in the farm at East Learmouth and we are working alongside our solicitors (Gateley LLP), Tax colleagues, and Mr Laing's accountant to determine what interest he might have.

Background

Joint Administrators' appointment

Circumstances giving rise to the appointment of the Joint Administrators

Reasons for failure & financial distress

The Company began experiencing a decline in trading performance in 2013 due to difficulties in the agricultural sector and lack of working capital in the business. It was apparent at this stage that the Company and JAL needed to sell assets to de-gear the position, reduce the level of borrowing and make debt serviceability more achievable.

Mr Laing also entered into a Joint Venture Agreement for the dairy business with a third party. The agreement has been terminated however the tenancy dispute needs to be resolved.

Steps taken to remedy/turnaround

Despite repeated requests from the Bank communication between the Bank and Mr Laing broke down in 2018.

Company funds were being diverted to the Director's personal account (which we are continuing to investigate) and facility payments (capital and interest) were not being made.

In January 2019 the Bank made demand on the Company's facilities. Mr Laing was provided with a final chance to co-operate and provide the Bank with financial information to support the current trading position and progress a refinance.

Mr Laing did not provide all of the requested information or receive an offer to refinance.

When decision to appoint was made

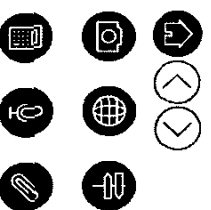
Once it became clear that the Company would be unable to pay its debts and the director stopped providing information to the Secured Creditor there was no option for the Secured Creditor other than to place the Company into administration.

The decision to formally place the Company into administration was made on 4 April 2019.

Involvement of Deloitte pre-appointment

The Secured Creditor approached Deloitte in January 2019 to advise them in relation to the Company's financial position, options available to them and to assist with communication with Mr Laing.

Accordingly, after the decision to appoint administrators was made on 4 April 2019, Adrian Berry and Clare Boardman of Deloitte were asked to take the pending appointment as Joint Administrators by the Secured Creditor.





Post-appointment

Purpose

9

Joint Administrators' strategy

10

Joint Administrators' Proposals

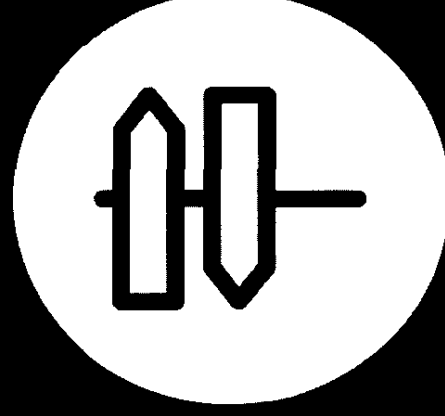
11

Outcome for creditors

12

Extensions & exit routes

13



Post-appointment

Purpose

Appointment of the Joint Administrators

Adrian Berry and Clare Boardman, of Deloitte were appointed Joint Administrators of the Company by the Secured Creditor on 10 April 2019, following the filing of a Notice of Appointment of Joint Administrator.

Purpose of the administration

The total liability owing to the Secured Creditor is c.£13.2m which is cross guaranteed between the Company and JAL.

Considering the Secured Creditor's liability there is unlikely to be any interest from third parties to purchase the business as a going concern.

Accordingly, the purpose of the administration is to achieve a better result for creditors as a whole than would be obtained through an immediate liquidation of the Company.



Post-appointment Joint Administrators' strategy

How the affairs and business of the Company have been managed and financed since appointment, and the Joint Administrators' intended strategy if their Proposals are approved

Trading and asset sales

Immediately following our appointment, we concluded it would be in the best interests of creditors to continue to trade the Company. We have secured the services of a contract farmer to provide support and advice and instructed a vet to carry out an inspection of the herd to address any welfare issues.

There is an immediate requirement for capital expenditure on the milking parlour and supporting infrastructure to resolve issues.

To date, trading sales of £35k have been received and trading costs of £19.4k incurred. Please note, as the Company is continuing to trade, these figures do not reflect the final trading outcome, which is expected to generate a loss for the administration estate. This loss is forecast to increase as trading continues and combined with the capital expenditure required the decision has been taken to terminate the day operations and realise the herd immediately which will minimise losses.

A detailed trading account is provided on page 21.

Stock

As at 17 May 2019 the Company held 375 animals (a mixture of cows, heifers, calves etc) at New Heaton Farm.

There is a milk contract in place for the herd with Arla. To date £35k has been received from Arla in respect of the milk payment.

We are currently seeking a purchaser for the herd. Once the livestock sells trading will cease. We have received independent valuations of the herd from Harrison and Hetherington (a division of H&H Group Plc ("H&H")) and Border Livestock Exchange Ltd ("Border Livestock").

The Border Livestock valuation is supported by a fertility assessment and cross check of animals to passports. As we are in the process of selling the herd and as such we are not disclosing the valuations to creditors at this time.

Employees

Shortly after our appointment we were made aware that there is one employee at the Company. We have provided the employee with notification of our appointment and employee specialist support.

Freehold property

The Company owns 1 freehold property in Derby. We have instructed JH Walter Limited ("JH") to value the property and market it for sale.

Machinery

As at the date of appointment the Company owned tangible assets including agricultural machinery, vehicles and other items across its trading premises.

Border Livestock has been instructed to secure, value and seek purchasers for these assets. This process is ongoing as we continue to work through the Company's asset register and the books and records of the Company and JAL, which are incomplete.

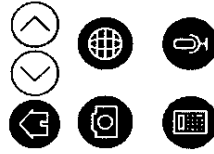
There is also a dispute with the former Joint Venture partner of the dairy herd and ownership of certain assets needs to be clarified.

Book debts

As detailed on page 6 the June 2017 accounts showed book debts of £263k. We understand that there are no longer any debts owed to the Company. There is however a potential claim in respect of the former Joint Venture partner which is being investigated.

Receipts and Payment account

A receipts and payments account, detailing asset realisations achieved and costs paid up to 24 May 2019 is provided at Appendix B.



Post-appointment Joint Administrators' Proposals

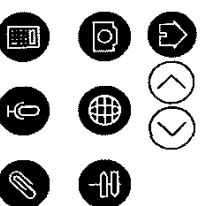
The Joint Administrators' Proposals

Our Proposals for the administration include:

- continuing to manage the affairs and any remaining assets of the Company and the settlement of all administration expenses; and
- assessing the affairs of the Company and reviewing and reporting on the conduct of its directors and, where required, providing assistance to any regulatory authorities with any investigation into the affairs of the Company or its management;
- agreement of the claims of any secured, preferential and unsecured creditors against the Company unless we conclude, in our reasonable opinion, that the Company will have no assets available for distribution; and
- distributing funds to any secured and preferential creditors and, where applicable, to unsecured creditors under the Prescribed Part as and when their claims are agreed and funds permit, and to make distributions to unsecured creditors, other than out of the Prescribed Part if the court gives permission following an appropriate application; and
- that, following the realisation of assets and resolution of all matters in the administration, and as quickly and efficiently as is reasonably practicable, we will implement the most appropriate exit route to formally conclude the administration; and
- that, if the Company is to be placed into Creditors' Voluntary Liquidation ("CVL"), we (or any person appointed as a replacement office holder) propose to be appointed Joint Liquidators and for the purposes of section 231 of the Act the Joint Liquidators will each be authorised to carry out all functions, duties and powers either jointly or severally.

We will seek specific approval from the appropriate body to fix the basis of and the ability to draw our remuneration and expenses, including pre administration costs and expenses, and to agree the time of our discharge on conclusion of the administration.

Please refer to Appendix E for further details.



Post-appointment

Outcome for creditors

Estimated outcome for creditors

Secured creditor

We understand that the Secured Creditor was owed c.£13.2m at the date of our appointment.

These amounts are secured by way of fixed and floating charges granted by the Company on 22 August 2011.

Based on currently available information, we expect there will be insufficient asset realisations to repay the Secured Creditor in full from the administration estate. However we expect they will be paid in full once the assets from JAL are realised.

We are liaising with the secured creditor regarding potential distributions from the Company. The remaining debt will be paid following the sale of the relevant properties held by John Laing.

Preferential creditors

Preferential claims consist of amounts owed to employees for arrears of wages/salaries, holiday pay, and pension contributions.

We estimate there will be no preferential claims received in the administration as the sole employee arrears have been paid as part of our trading account.

Unsecured creditors

To date limited information has been received in respect of the Company's financial affairs. However, initial information has identified 73 creditors are owed in the region of £152k.

A distribution is estimated to the unsecured creditors (via the prescribed part), further details are provided below.



Prescribed Part

The Prescribed Part is an amount set aside for unsecured creditors from asset realisations that would otherwise be paid to secured creditors under their floating charge, (referred to as the net property), as set out under section 176A of the Act. It applies only where the charge was created on or after 15 September 2003.

The Prescribed Part is calculated as a % of the net property and is subject to a statutory maximum of £600,000 per company.

Where the value of the Prescribed Part is so small as to make the costs of distributing it disproportionate, the court may, on our application, disapply it.

Based on current information, we anticipate the Company will have sufficient net property available to make a distribution.

After deduction of the costs for dealing with the Prescribed Part (which chiefly comprise our time costs for agreeing creditors' claims and making the distribution to them) this is likely, on present information, to equate to a distribution of less than 10p in the £ for unsecured creditors.

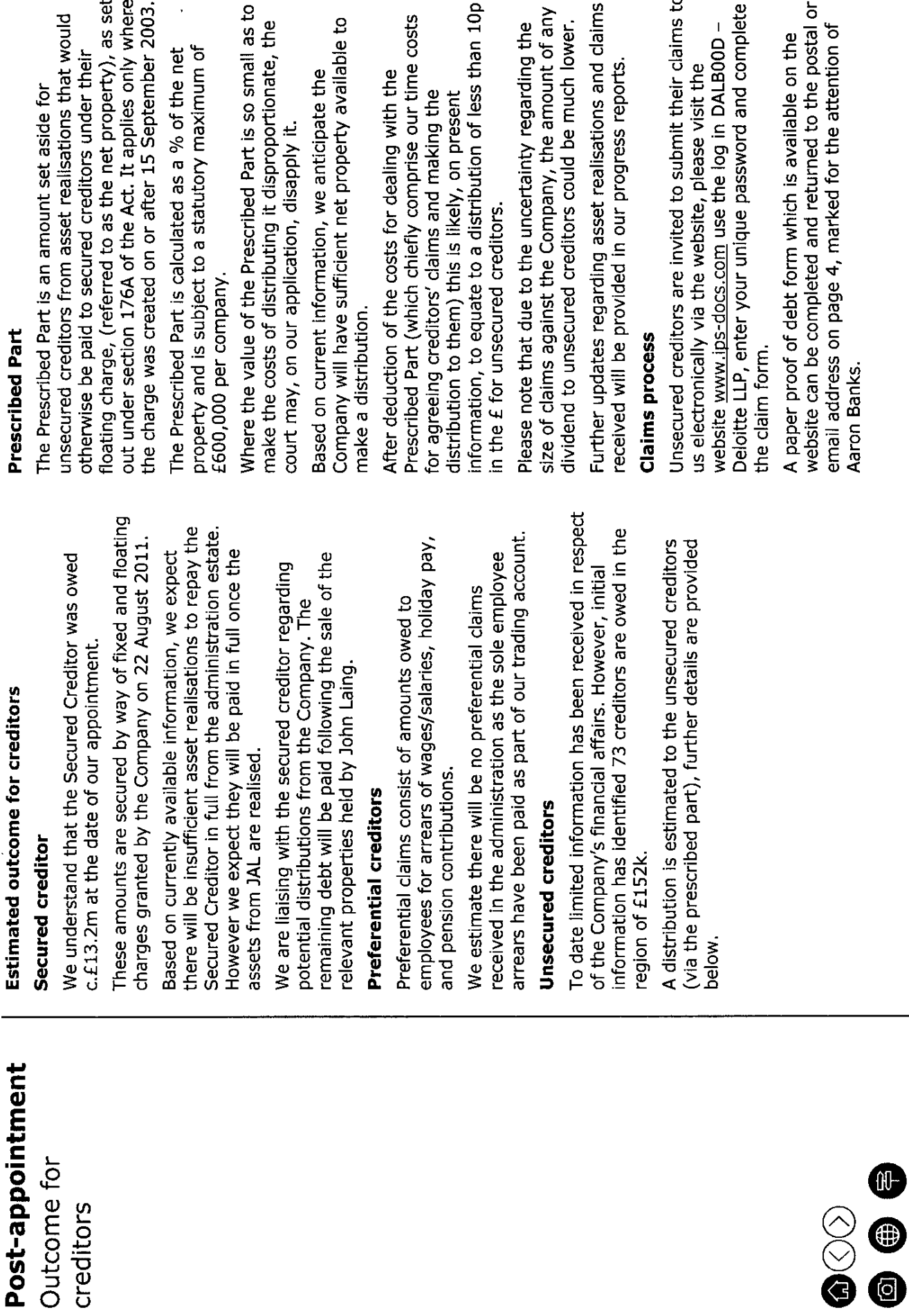
Please note that due to the uncertainty regarding the size of claims against the Company, the amount of any dividend to unsecured creditors could be much lower.

Further updates regarding asset realisations and claims received will be provided in our progress reports.

Claims process

Unsecured creditors are invited to submit their claims to us electronically via the website, please visit the website www.ips-docs.com use the log in DALB00D – Deloitte LLP, enter your unique password and complete the claim form.

A paper proof of debt form which is available on the website can be completed and returned to the postal or email address on page 4, marked for the attention of Aaron Banks.



Post-appointment Extensions & exit routes

Exit routes

In accordance with the provisions of the Act, all administrations automatically come to an end after one year, unless an extension is granted by the court or with consent of the creditors.

There are several possible exit routes from administration. Based on current information, we consider the following exit routes may be appropriate:

- *Returned to the control of the Directors* – This is generally where a Sale of Business or third party funding is received to enable the debts and expenses to be paid in full.
- *Dissolution* – If there is no further property which might permit a distribution to the Company's creditors, we may file notice to that effect with the Registrar of Companies and the Company will be dissolved three months later.
- *Compulsory Liquidation ("WUC")* – where there is a possibility, but no certainty, of recoveries being made or matters such as property to disclaim or further enquiry, it may be appropriate to ask the court to end the administration and to make an order to wind up the Company.
- *Creditors' Voluntary Liquidation ("CVL")* - Where a distribution to unsecured creditors will be made, other than by virtue of the Prescribed Part, we may file a notice to that effect with the Registrar of Companies. The administration will cease on the date that notice is registered and the Company will be wound up.

Please note that if the Company is placed into CVL, the Joint Administrators (or any person appointed as a replacement office holder) propose to be appointed as Joint Liquidators. The creditors may nominate a different person to be liquidators provided the nomination is made before the Proposals are deemed by 4 June 2019.

- Any creditors' committee appointed in the administration will become a liquidation committee.

- For the purposes of section 231 of the Act the liquidators will each be authorised to carry out all functions, duties and powers either jointly or severally.

The most likely exit route will be dissolution.

Discharge of Joint Administrators' liability

Pursuant to paragraph 98 of Schedule B1 of the Act, the Joint Administrators' discharge of liability in respect of their actions as administrators takes effect at the specific time appointed by either the court, the creditors (either via the creditors' committee or by decision of the creditors) or, in specific circumstances, by the secured (and preferential) creditors.

In this case, we will request approval from the Secured Creditor for us to be discharged from liability as at the date the Registrar of Companies registers the Joint Administrators' final progress report.

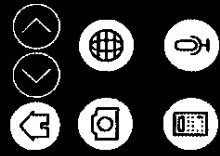
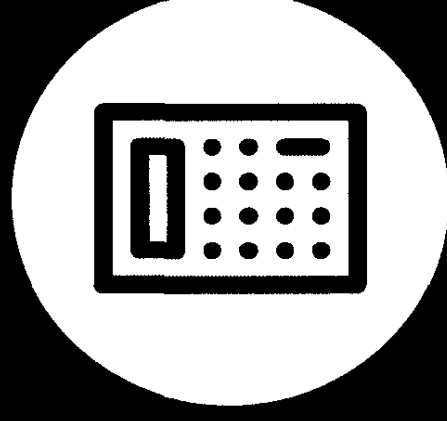




Remuneration and expenses

Creditors' Guide to Administrators' Remuneration

15



Remuneration and expenses

Creditors' Guide to Administrators' Remuneration

A Creditors' Guide to Administrators' Remuneration" is appended to SIP 9 and is provided on the administration website and also available for download at www.lips-docs.com. You will need your creditor ID to view the documents. If you do not have this please contact us.

Should you require a paper copy, please send your request in writing to the Joint Administrators at the address on page 4 and this will be provided to you at no cost.

Basis of Administrators' remuneration

Pursuant to Rule 18.16 of the Insolvency Rules 2016 ("the Rules"), the basis of the Joint Administrators' remuneration may be fixed:

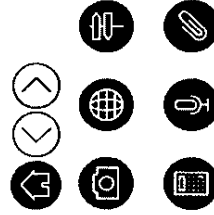
- as a percentage of the value of the property with which the Joint Administrators have to deal;
- by reference to time properly given by the insolvency practitioners and their staff in attending to matters arising in the administration;
- as a set amount;
- or, any combination of the above.

There will be no funds available to the unsecured creditors (other than by way of the Prescribed Part). Therefore, in accordance with Rule 18.18(4) of the Rules and in the absence of a creditors' committee, we will seek to fix the basis of our by reference to our time costs incurred in attending to matters arising in the administration with the consent of the Secured Creditor.



Remuneration and expenses

Creditors' Guide to Administrators' Remuneration



Fees Estimate

A Fees Estimate is provided at Appendix D in which we have tried to provide you with as accurate an estimate as we can of our likely time costs for the duration of our appointment. We have based this estimate on experience in other similar matters and the cost of work done to date and estimate that our time costs will be circa £280k.

Joint Administrators' Expenses

Details of our anticipate disbursements are on page 24.

Expenses - Professional costs

- Legal costs - we have instructed Gateley Plc, a firm of lawyers with the appropriate expertise and experience in dealing with these types of administrations, to advise on the following legal matters:
 - Validity of Appointment review
 - Review of charges and security held over any property owned by the Company
 - Preparation of sales contracts
 - General ad-hoc advice
 - They estimate their fee will be c.£40k plus expenses and VAT.

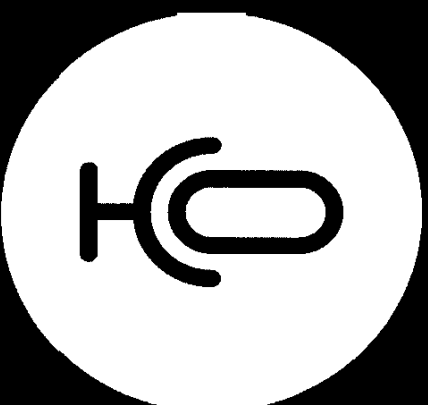
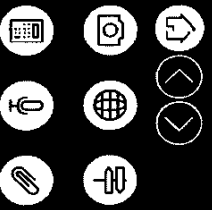
- Agent's Costs – we have instructed the following agents to assist us in the following matters:
 - JH have been instructed to assist with the following:
 - Valuations of the property.
 - Sale and marketing of the property.
 - We are liaising with them regarding their costs of sale.
 - Border Livestock have been instructed to assist with the following:
 - Valuations of the machinery;
 - Sale and marketing of the non property assets;
 - We have requested a fee quote for supporting in connection with the sale of the herd and realisations of the agricultural machinery.
 - H&H were instructed to view and value the herd. They have been paid £840 plus VAT for this.
- All professional costs are reviewed by us and analysed in detail before payment is approved or made.
- Please note estimated cost amounts are in respect of the Company only.



Additional information

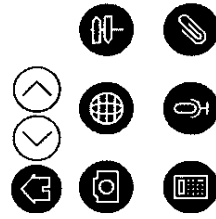
Investigations

18



Additional information

Case specific matters and Investigations



EU Regulations

As stated in the administration appointment documents, Council Regulation (EU) No 2015/848 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

Third party assets

Should you believe that you own or have a claim regarding items that may have been present at the Company's premises at the date of our appointment please contact us as soon as possible.

Investigations

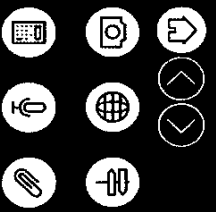
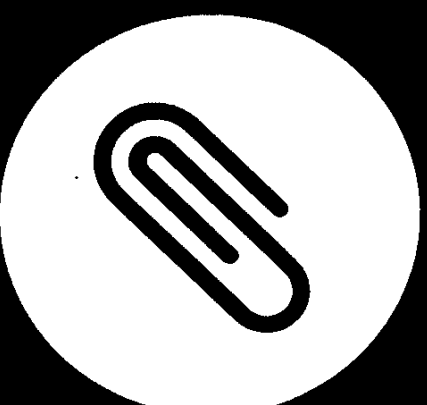
As part of our duties, we are obliged shortly after our appointment to review all of the information available to us and conduct an initial assessment of whether there are any matters that might lead to a recovery for the benefit of creditors. This initial assessment includes enquiries into any potential claims that may be brought against parties either connected to or who have had past dealings with the Company.

In addition, we are required to consider the conduct of the directors and any person we consider to have acted as a shadow or de facto director in relation to their management of the affairs of the Company and the causes of failure and we will submit a confidential report to the Insolvency Service, a division of the Department for Business, Innovation and Skills. Creditors who wish to draw any matters to our attention should contact us using the contact details given on page 4 as soon as possible.



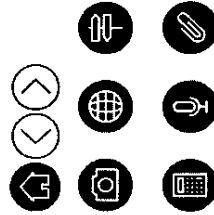
Appendices

Appendix A	20
Appendix B	21
Appendix C	22
Appendix D	23
Appendix E	25
Appendix F	26
Important notice	



Appendices

Appendix A



Website

In order to facilitate communication, all statutory reports, documents and notices will be posted on to a website which has been set up specifically for the Company. The web address is www.ips-docs.com.

All documents will be retained on the website which will remain live until two months after the conclusion of the proceedings. Please contact Aaron Banks using any of the contact details given below if you would like to be provided, free of charge, with a hard copy of documents posted, either now or in the future, to the website:

Phone: 0121 695 5827

Email: aabanks@deloitte.co.uk

Postal address: c/o Deloitte LLP, Four Brindleyplace, Birmingham, B1 2HZ

Please note that, other than notice of intended dividend, no further notice will be given to you when documents are uploaded to the website. It is thus important that you review the website regularly to check for updates, such as notices of decision procedures or our six monthly reports on progress.

Appendices

Appendix B

Joint Administrators' receipts and payments account 10 April 2019 to 24 May 2019

	Notes	To date
Receipts		
Funding	A	25,000
Trading surplus	B	15,720
Sundry refund		2,368
Bank interest gross	A	4
Total receipts		43,091
Payments		
Bank charges		4
Statutory advertising		87
Agents' fees		840
Irrecoverable VAT	C	923
Total payments		1,854
Balance		41,237
Made up of:		
Bank Account IB	A	39,543
VAT (Payable)/Receivable	C	1,668
Trade creditors	D	25
Balance in hand		41,237

Joint Administrators' trading account 10 April 2019 to 24 May 2019

£	Notes	To date
Receipts		
Milk sales		35,110
Total receipts		35,110
Payments		
Cost of sales	E	6,219
Labour		9,401
Equipment hire		1,120
Vet fees		2,621
PAYE services		30
Total payments		19,391
Trading surplus/(deficit)		15,720

Notes to the receipts and payments account

A – Funding of £25K has been provided by the Secured Creditor to assist trading.

All funds are held in an interest bearing account. The associated corporation tax on interest received will be accounted for to HM Revenue & Customs.

B – A trading account has been prepared to reflect the trading sales and payments made to date. An overall net loss trading position is expected.

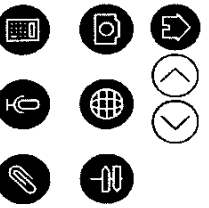
C – All sums are shown net of VAT, which is recoverable and will be accounted for to HM Revenue & Customs in due course. £923 of VAT is irrecoverable as it relates to invoices raised prior to our appointment, for which we can not claim the VAT.

D – The receipts and payment account is prepared on a cash basis, the trade creditor balance reflects invoices logged and sent for payment, but the actual payment has not yet been made.

E – Within costs of sales is a ransom payment made to a creditor for a critical supply.

Note: There may appear to be rounding errors as all entries in the receipts and payments account have been presented for reporting purposes to the nearest whole number.

No statement of affairs has been received, details of the assets available to realise are on page 10.



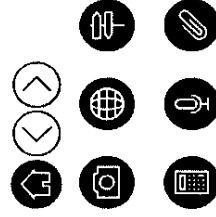
Appendices Appendix C

Fees Estimate

For purposes of the Fees Estimate, the average rate per hour shown for each work activity is based on a blended rate calculated as a factor of the estimated time that each grade of staff will spend on that activity and their specific charge - out rate.

Time Costs to date

These are shown as the average rate per hour for each activity based on the actual time spent by each grade of staff at their specific charge - out rate.



Joint Administrators' Fees Estimate

Our Fees Estimate detailing the work that we anticipate will need to be undertaken on this case for the duration of the appointment together with estimates of the likely cost and amount of time that each part of that work will take to complete, is provided on the next page.

The work anticipated to be undertaken has been categorised by activity which we hope is self explanatory. Please also refer to our Post Appointment Strategy on page 10 where we have talked in more detail about specific tasks on this case.

We have also separately identified and grouped those work activities that are primarily administrative in nature (including tasks required for statutory, regulatory or compliance purposes) from activities which can be seen to directly add value to the case, such as asset realisation or dealing with claims.

Time costs incurred to date

As indicated at page 16, we intend to invite the Secured Creditor to fix our fees in relation to the work required by the Joint Administrators during the administration on a time costs basis.

An analysis showing our time costs for this work to 24 May 2019 and the average hourly charge for each category of work undertaken is also provided in the Fees Estimate on the next page.

Please note that all partners and technical staff (including cashiers) assigned to the case record their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment is not recorded or recovered. The appropriate staff will be assigned to work on each aspect of the case based upon their seniority and experience, and having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

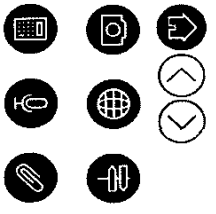
Time is charged in six minute increments.

Appendices

Appendix D

Fees Estimate for the duration of the administration and actual costs incurred to 24 May 2019

Activity	Anticipated Time and Costs per Fees Estimate				Actual Time and Costs for Report Period			
	Anticipated hours	Avg Rate £/h	Anticipated fees (£)		Hours incurred in period	Avg Rate £/h	Time costs incurred in period (£)	
Administrative activities	Cashiering	30.0	590	17,700	5.2	450	2,339	
	Case suspension	35.6	587	20,896	3.5	579	2,028	
	Case reviews	8.4	483	4,056	-	-	-	
	Case closure matters	8.5	522	4,435	-	-	-	
	Compliance & IPS diary	12.0	642	7,704	2.6	403	1,048	
Statutory & compliance	Insurance	11.5	599	6,890	6.7	485	3,116	
	General reporting	61.6	533	32,840	26.8	686	18,398	
	Regulatory & other legislation	3.0	510	1,530	3.0	485	1,395	
	Court applications	10.5	742	7,788	-	-	-	
	Appointment matters	7.2	465	3,348	7.1	371	2,635	
Initial actions	Securing assets	7.2	697	5,018	-	-	-	
	Notifications	22.2	524	11,628	6.9	465	3,209	
	CDDA reporting	11.5	610	7,015	1.1	350	385	
Investigations	Investigations	11.5	680	7,825	-	-	-	
	Total of above categories	240.7	576	138,673	62.9	549	34,552	
Taxation	Tax	18.7	707	13,227	3.2	965	3,098	
	VAT	17.5	419	7,333	4.6	387	1,793	
	Book debts	3.0	643	1,930	-	-	-	
	Other assets	5.0	773	3,865	-	-	-	
Asset realisations	Property	12.5	595	7,440	3.2	616	1,973	
	Day 1 control of trading	38.5	740	28,505	9.6	500	4,800	
	Ongoing trading	73.0	572	41,750	37.4	752	28,110	
	Monitoring trading	38.0	607	23,060	60.5	523	31,638	
Trading	Closure of trade	7.0	624	4,370	21.3	750	15,975	
	Consultation	-	-	-	-	-	-	
	Correspondence	0.4	465	186	-	-	-	
Employees	Pensions	0.5	465	233	-	-	-	
	Creditors	16.5	464	7,650	8.0	350	2,800	
	Shareholders	0.1	465	47	-	-	-	
Correspondence	Secured creditors	2.8	773	2,166	-	-	-	
	Total fees estimate	474.2	591	280,433	210.7	592	124,737	
Distribution*	Prescribed Part	19.5	442	8,625	-	-	-	



Appendices

Appendix D1

Disbursements

Disbursements

These are costs and expenses initially paid by us and for which we will seek reimbursement as and when funds permit.

We estimate that the following disbursements are likely to be incurred in relation to the administration.

Category 1 disbursements

These are payments made by us direct to third parties and for which no approval is required.

Our estimate of Category 1 disbursements is given below, all figures are shown excluding VAT.

Category 1 disbursements

£ (net)	Incurred in report period	Future Estimate	Total Estimate
Travel	-	200	200
Accommodation	300	400	700
Subsistence	38	200	238
Telephone	-	20	20
Postage/Couriers	-	100	100
Specific Penalty Bond	-	230	230
Total disbursements	337	1,150	1,487

Category 2 disbursements

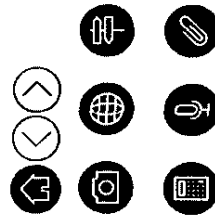
These are costs and expenses which are not generally made to a third party, for example, reimbursement to staff engaged on the case for their mileage costs. These may also include shared or allocated costs. Specific approval is required before these costs and expenses can be drawn from the administration estate.

Our estimate of Category 2 disbursements is given below, all figures are shown exclusive of VAT.

Category 2 disbursements

£ (net)	Incurred in report period	Future Estimate	Total Estimate
Mileage	190	400	590
Total disbursements	190	400	590

Mileage is calculated by reference to the mileage properly incurred by the Joint Administrators and their staff, at the prevailing standard mileage rate used by Deloitte at the time when the mileage is incurred (currently up to 45p per mile).



Appendices

Appendix E

Joint Administrators' Proposals

Our Proposals will be deemed approved on 4 June 2019 unless a creditors' decision procedure is requisitioned in accordance with Rules 15.18 and 15.19 of the Rules 2016.

We will still need to obtain specific approval for the resolutions given below from the secured creditor:

1. Approval that the basis of the Joint Administrators' remuneration shall be fixed by reference to the time properly given by the Joint Administrators and their staff in attending to matters arising in the administration, plus VAT.
2. Approval that the Joint Administrators' category 1 disbursements and expenses and category 2 disbursements in respect of mileage (as detailed on page 24 be approved and the Joint Administrators be authorised to draw both category 1 and category 2 expenses, (plus VAT where applicable) from the administration estate.
3. Approval that the Joint Administrators be discharged from liability per paragraph 98 of Schedule B1 of the Act immediately upon the registration of the Joint Administrators' final progress report by the Registrar of Companies.

A creditors' committee will not be formed unless we are requested to hold a decision procedure for purposes of forming a creditor's committee; please refer to page 1 of the Proposals for details of the procedure in this regard.

Please note that if you wish to form a creditors' committee, you will also be expected to confirm your willingness to serve or be represented on the creditors' committee, including dealing with any business placed before the creditors' committee throughout the period of the administrators' and in any follow on liquidation should a creditors' committee be formed.



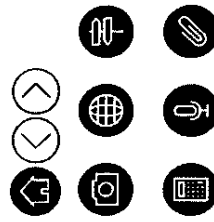
D Fox	17 Ryecroft Crescent	Wooler						
David King Electronics Ltd	Meadow View Farm	Stratford Upon Avon						CV37 0PL
Dean Wilson	Ridgeland House	165 Dyke Road	Brighton					BN3 1TL
DGT Consultants	6 Netherby Street	Longtown	Cumbria					CA6 5SA
DLL Financial	De Lage Landen Leasing Ltd	PO Box 430	Watford					WD18 8EZ
Dmi Mechanical Engineers Ltd	Pinnaclehill Ind Est	Kelso						Roxburghshire TD5 8DW
EDF	90 Whitfield Street	London	W1T 4EZ					
Edwin Thompson	28 St John's Street	Keswick	Cumbria					CA12 5AF
Else Solicitors	Else Solicitors LLP, First Avenue	Burton upon Trent	Staffordshire					DE14 2WE
Eon Energy	Newstead Court	Little Oak Drive	Annesley					Nottinghamshire NG15 0DR
Evolution Farming	Thornhill Hall Farm	Hall Lane	Dewsbury					West Yorkshire WF12 0QL
Forman Contracting Ltd	Top Farm	Boylestone	Ashbourne					Derbyshire DE6 5AD
Frontier Agriculture	Witham St Hughs	Lincoln	Lincolnshire					LN6 9TN
G & D Durglinson	Burnstock	Carlisle	Cumbria					CA6 4QG
G Marshall (Tractors) Ltd	Unit 7, Charlesfield Industrial Estate	St Boswells	Midrose					Roxburghshire TD6 OHH
G R Pkett Ltd	Poplar Farm	Ilkeston	Derbyshire					DE7 8SU
G Williams Seeds	Beaufort House	Armelia Court	Swanton Close					Retford, Nottinghamshire DN22 7HU
Gadsby Brian								
GCG & SL Robinson	Gauldage Farm	Longnor	Buxton					Derbyshire SK17 0OZ
Geldards LLP	Geldards LLP, Durfries House	Durfries Place	Cardiff					CF10 3ZF
Genus Breeding	Alpha Building	London Road	Nantwich					Cheshire CW5 7JW
Glendale Engineering	Berwick Road Ind. Estate	Wooler	Northumberland					NE7 1 6AH
Glendale Farm Services	Millfield	Wooler						Northumberland NE7 1 6HS
Gov. uk - Environment Agency	PO Box 544	Rotherham	S60 1BY					
GreenThumb	St Asaph Business Park	frond William Morgan	Saint Asaph					Denbighshire LL17 0JD
Habro	Turiff	Aberdeenshire	AB53 4FA					
Holequest	Holequest Limited, Winston Road	Galashiels	TD1 2DA					
Holstein	Speir House	Stafford Park 1	Telford					Shropshire TF3 3BD
Hubbards Seeds Limited	St James House	Gains Lane	Devizes					Wiltshire SN10 1FB
Ian O'Rourke & Co Ltd	115 Boarding School Yard	90 Margate	Berwick-upon-Tweed					Northumberland TD15 1BN
Igneous Stone Surfaces	2, Station Yard	Edinburgh Road	Jedburgh					TD8 6EE
Inchcape	First floor, Unit 3140 Park Square	Solihull Parkway	Birmingham Business Park					Birmingham B37 7YN

J D Marshall	Garden Centre	1 Langham Place	Ashwell Road	Oakham	LE15 7DQ
J G Paxton	Abbey Road	Pity Me	Durham		DH1 5DQ
J McLeish					
Jacksons Law	17 Falcon Court	Preston Farm Industrial Estate	Stockton on Tees	TS18 3TU	
JCB Finance Ltd	The Mill	Rocester	Staffordshire		ST14 5JW
JM Tuning Ltd	Units 11-13, Terraced Factories	Bassington Lane	Bassington Trade Park	Cramlington	NE23 8AD
John Deere Financial	John Deere Ltd, Harby Road	Langar	Nottinghamshire	NG13 9HT	
JS45					
K W Purvis Ltd	The Courtyard	2 Peth Stables	Walkergate	Alnwick	NE66 1NB
Kelso & Lothian Harvesters	Kelso & Lothian Harvesters, Houndrudge	Kelso	TD5 7QN		
Kite Consulting	The Dairy Lodge	Dunston Business Village	Dunston	Staffordshire	ST18 9AB
L C Longtown Ltd	Unit 3c, Longtown Ind Estate	Longtown	Carlisle	Cumbria	CA6 5TJ
Laing J	1 Kingsway	London	WC2B 6AN		
Leematt Limited	12 Park Avenue	Conisbrough	Doncaster	South Yorkshire	DN12 2EI
Limagrain	Rothwell	Market Rasen	Lincolnshire		LN7 6DT
LKL Services Ltd	Agriculture House/ Unit C	Old Sarum Park	Wiltshire		SP4 6EB
Lloyd Ltd	Hunters Hall	Kelso			TD5 8BQ
Lloyd Motors Kelso	Pinnaclehill Ind Est	Kelso			TD5 8DW
Louise Garner	Reedsford Farm	Mindrum			TD12 4QQ
Lowick Northfields Farms	Northfield	Lowick	Berwick upon Tweed		TD15 2TR
M H Southern & Co Ltd	Church Bank Sawmills	Jarrow	Tyne & Wear	NE32 3EB	
Mars Benson	The Mill	Station Road	Wigton	Cumbria	CA7 9BA
Merchiston School	294 Colinton Road	Edinburgh	EH13 0PU		
Messrs Scott & Co	12 Drumsheugh Gardens	Edinburgh	EH3 7QG		
MKM Building Supplies Ltd	Stonefery Road	Hull	East Yorkshire	HU8 8DE	
Mole Country Stores	Cock Lane	Piercebridge	Country Durham		DL2 3TJ
Mole Valley Feed Solutions	Exmoor House	Lime Way	Pathfields Business Park	South Molton	EX36 3LH
National Milk Records Ltd	Fox Talbot House	Greenways Business Park	Bellingher Close	Chippenham	SN15 1BN
National Westminster Bank Plc	134 Aldersgate St		Barbican	London	EC1A 4JA
Northumbrian Water 31132729002	Northumbria House	Abbey Road	Durham	DH1 5FJ	
NWG Business 31133232009	Northumbria House	Abbey Road	Pity Me	Durham	DH1 5FJ
NWG Business 31133232011	Northumbria House	Abbey Road	Pity Me	Durham	DH1 5FJ
Oliviers Transport	Hassington Road	Eccles	Kelso	Roxburghshire	TD5 7QS
P Atkinson	No 1 High Cottages	Wooperton	Alnwick		NE66 4XS

Pallinsburn Estate	Pallinsburn	Cornhill-On-Tweed	TD12 4SG	Lancashire	BL1 0RB
Parker Electrical (Environmen)	T/A Peel Purpss	62 Woodhey Road	Ransbottom, Bury	Lancashire	BL1 0RB
Paul D Adams	Monashree Farm	Drakenyre	Duns	Derbyshire	TD11 3RL
Pearsons of Duns	The Cheeklaw Centre	Station Road	Duns	Derbyshire	TD11 3EL
Peter Barton Farming Ltd	New Heaton Farm	Cornhill on Tweed	Northumberland	Derbyshire	TD12 4XH
R & T Lintng	Deem House	Audby Lane	Wetherby	West Yorkshire	LS22 7FD
R G Foreman	8 Castle Street	Northam	Bewick upon Tweed	Derby	TD15 2LQ
Rea Valley Tractors	Astracres Industrial Park	Draycott in the Clay	Sudbury	Derby	DE6 5GX
Redpath Tyres	Industrial Estate	Duns	Bewickshire	Derby	TD11 3HS
Redpath Tyres	Industrial Estate	Duns	Bewickshire	Derby	TD11 3HS
Richard Amos Ltd	2 Golden Square	Duns	Bewickshire	Derby	TD11 3AW
Richard Lamington	Lamington Trailers, Great Fen Road	Boston	Lincolnshire	Derby	PE21 7PB
Richard Nelson LLP	Priory Court	1 Derby Road	Nottingham	Derby	NG9 2TA
Rickerby Ltd	Currock Road	Carlisle	Cumbria	Derby	CA2 4AU
Rickerbys	Rickerbys, Currock Road	Carlisle	CA2 4AU	Derby	CA2 4AU
Ripon	Dallantres Lane	Ripon	North Yorkshire	Derby	HG4 1TT
SAC Consulting	Kings Building	West Mains Road	Edinburgh	Derby	EH9 3JG
Sasa	SASA, Roddinglaw Road	Edinburgh	EH12 9FJ	Derby	EH9 3JG
Savills	Unex House	132-134 Hills Road	Cambridge	Derby	CB2 8PA
Scottish Power	320, St Vincent Street	Glasgow	G2 5AD	Derby	CB2 8PA
Simpsons Matt Ltd	Tweed Valley Mailings	Tweedside Trading Estate	Bewick upon Tweed	Derby	TD15 2UZ
Splinter Joinery	Dunedin Villa	33 Duns Road	Coldstream	Derby	TD12 4DW
SSE	Inverahmond House	200 Dunkeld Road	Perth	Derby	PH1 3AQ
Steven Kirk	9 Churchburn Drive	Morpeth	Northumberland	Derby	NE61 2BZ
T C Smith	9 Church Street	Bewick upon Tweed	Northumberland	Derby	TD15 1EF
T M Lough	Whittle Farm	Felton	Morpeth	Derby	NE65 9LN
Tey Farm Systems Ltd	Great Tey Business Centre	Warrens Farm	Great Tey	Derby	CO6 1JG
Thomas Sherriff	Old Bongate Mill	Bongate	Jedburgh	Derby	TD8 6DU
Tiltside Plumbing & Heating Ltd	Crookham Dairy	19 Crookham Village	CORNHILL-ON-TWEED	Derby	NORTHUMBERLAND
Turbo Active Ltd	Evolution	Wynyard Business Park	TS22 5TB	Derby	TD12 4SX
Tynegrain Ltd	Tyne Dock	South Shields	Tyne & Wear	Derby	NE34 9PL
United Olseeds Marketing Ltd	St James House	Gains Lane	Devizes	Derby	SN10 1FB
W D Horsburgh	18 Lennel Mount	Coldstream	Bewickshire	Derby	TD12 4NS
W F Marsh	Elms Farm	Dalbury Lees	Ashbourne	Derby	DE6 5BL
Warrens Group Limited	Eden Hall	Harstefey	Bishop Auckland	Derby	DL13 3QG
Woodcock Contracting	The Hagg Farm	Cornhill on Tweed	Morpeth	Derby	TD12 4QB
Wox Agri	71 Station Road	Stannington	Morpeth	Derby	NE61 6NQ
Yara UK	Harvest House	Europarc	Gimsey	North East Lincolnshire	DN37 9TZ

Appendices

Important notice



Important Notice

This document has been prepared by the Joint Administrators solely to comply with their statutory duty under paragraph 49 of Schedule B1 of the Act to lay before creditors a statement of their Proposals for achieving the purpose 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 document 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 document 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 document for any purpose or in any context other than under paragraph 49 of Schedule B1 of the Act does so at their 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 these Proposals.

The Joint Administrators act as agents of 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, Deloitte LLP does not assume any responsibility and will not accept any liability to any person in respect of this document or the conduct of the administration.

All licensed Insolvency Practitioners of Deloitte LLP are licensed in the UK to act as Insolvency Practitioners.

Deloitte.

...

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 1 New Street Square, London EC4A 3HQ, United Kingdom.

Deloitte LLP is the United Kingdom affiliate of Deloitte NWE LLP, a member firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"). DTTL and each of its member firms are legally separate and independent entities. DTTL and Deloitte NWE LLP do not provide services to clients. Please see www.deloitte.com/about to learn more about our global network of member firms.

© 2019 Deloitte LLP. All rights reserved.

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	Aaron Banks
Company name	Deloitte LLP
Address	1 City Square Leeds
Post town	West Yorkshire
County/Region	
Postcode	L S 1 2 A L
Country	
DX	
Telephone	+44 121 632 6000

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 and dated 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