Rule 2 33

Form 2 17B

The Insolvency Act 1986

Statement of administrator's proposals

2.17B

Name of Company	Company Number
Cumbrian Holdings Limited	03275686

In the	Court case number
High Court of Justice, Chancery Division, Leeds District Registry (full name of court)	1799 of 2011

(a) Insert full name(s) and address(es) of administrator(s)

We (a) Robert James Hebenton and Toby Scott Underwood of PricewaterhouseCoopers LLP, 101 Barbirolli Square, Lower Mosley Street, Manchester M2 3PW, and Ian David Green of PricewaterhouseCoopers LLP, Benson House, 33 Wellington Street, Leeds LS1 4JP

attach a copy of our proposals in respect of the administration of the above company

* Delete as applicable

(b) Insert date

A copy of these proposals was sent to all known creditors on

(b) 26 January 2012

Signed ______________________
Joint Administrator

Dated 26|01|2012

Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form The contact information that you give will be visible to searchers of the public record

Donella Machen	
PricewaterhouseCoopers LLP, Benson House, Wellington Street, Leeds, LS1 4JP	
	Tel 0113 289 4864
DX Number	DX Number

WEDNESDAY

A128C1YG

A07 08/02/2012 #318

COMPANIES HOUSE

When you have completed and signed this form please send it to the Registrar of Companies at

Companies House, Crown Way, Cardiff, CF14 3UZ **DX 33050 Cardiff**

CSL Realisations 2011 Limited (formerly Cumbrian Seafoods Limited) in Administration

High Court of Justice, Chancery Division
Leeds District Registry
Case No. 1801 of 2011

Cumbrian Holdings Limited in Administration

High Court of Justice, Chancery Division
Leeds District Registry
Case No. 1799 of 2011

BL Realisations 2011 Limited (formerly Border Laird Limited) in Administration

High Court of Justice, Chancery Division
Leeds District Registry
Case No. 1800 of 2011

Joint Administrators' proposals for achieving the purpose of administration

24 January 2012

PwC
Benson House
33 Wellington Street
Leeds
LS1 4JP

Contact·	Donella Machen
Tel	0113 289 4864
Email	donella machen@uk.pwc com

Contents

Abbreviations used in this report

"the Companies"	CSL Realisations 2011 Limited, Cumbrian Holdings Limited and BL Realisations 2011 Limited
"Holdings"	Cumbrian Holdings Limited
"CSF"	CSF Realisations Limited (formerly Cumbrian Seafoods Limited)
"Border Laird"	BL Realisations 2011 Limited (formerly Border Laird Limited)
"the Administrators"	Robert James Hebenton, Ian David Green and Toby Scott Underwood
"PwC"	PricewaterhouseCoopers LLP
"IA86"	The Insolvency Act 1986
"Sch B1 IA86"	Schedule B1 to the Insolvency Act 1986
"IR86"	The Insolvency Rules 1986
"the Bank"	Barclays Bank Plc
"BSF"	Barclays Sales Finance

1. Purpose of this document

I wrote to all creditors on 14 December 2011 to explain that the Companies had entered into Administration and that the Administrators had been appointed on 5 December 2011

We were appointed as Administrators to manage the affairs, business and property of the Companies. We will act until such time as our proposals for achieving the purpose of administration have been agreed by creditors and implemented, following which the Administrations will be ended.

The purpose of administration is to achieve one of the following objectives -

(a) Primarily, rescuing the company as a going concern, or failing that
(b) 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 finally
(c) Realising property in order to make a distribution to one or more secured or preferential creditors

For the reasons detailed in this document, objective (b) is being pursued as it was not reasonably practical to rescue the Companies as a going concern.

This document and its appendices form the Administrators' statement of proposals for achieving the purpose of administration as required by Paragraph 49 Sch B1 IA86.

As detailed in Section 2, we have formed the view that the Companies have insufficient property to enable a distribution to be made to unsecured creditors. Accordingly, by virtue of Paragraph 52(1) Sch B1 IA86, a meeting of creditors is not being convened at this time. In accordance with Rule 2.33(5) of the Insolvency Rules 1986 ("IR86") our proposals will be deemed to have been approved by creditors unless a meeting of creditors is requisitioned in the prescribed manner by at least 10% in value of creditors within eight business days of the date on which these proposals are circulated. We will write to creditors again after the expiry of this period to confirm the deemed approval of the proposals, or alternatively confirm that a meeting is to be held.

If you have any concerns or questions regarding the background to this case or what is being proposed, please do not hesitate to contact my colleague, Donella Machen on 0113 289 4864

Signed . ..

Ian Green
Joint Administrator of CSL Realisations 2011 Limited, BL Realisations 2011 Limited and Cumbrian Holdings Limited

Robert James Hebenton, Ian David Green and Toby Scott Underwood have been appointed as joint administrators of CSL Realisations 2011 Limited, BL Realisations 2011 Limited and Cumbrian Holdings Limited to manage their affairs, business and property as their agents and act without personal liability All are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales

2. The Administrators' statement of proposals

a. Brief history of the Companies and summary of the Administrators' actions to date

Background

The Companies sourced, prepared and supplied fresh and frozen seafood to multiple retailers throughout the UK, together with customers in continental Europe Key CSF facilities were located in Seaham, County Durham and Whitehaven, Cumbria, with Border Laird having operated from Amble, Northumberland

The recent financial performance of the Companies is summarised below:

Cumbrian Seafoods Limited	FY10	FY11	H1 FY12
	£'000	£'000	£'000
Sales	152,064	160,448	78,873
Gross profit	16,425	18,541	5,782
Overheads	(11,356)	(10,695)	(6,075)
EBIT	3,015	5,248	(1,570)
Interest	(342)	(1,634)	(386)
Profit/(Loss) before tax	2,673	3,614	(1,956)

Border Laird Limited	FY10	FY11	H1 FY12
	£'000	£'000	£'000
Sales	14,242	13,212	7,177
Gross profit	2,116	1,564	933
Overheads	(1,275)	(1,035)	(652)
EBIT	703	404	220
Interest	(284)	(3)	(2)
Profit/(Loss) before tax	419	401	218

Holdings did not trade and the only funds it held was a cash balance with Lloyds TSB Bank Plc for £11,350

The circumstances giving rise to the Administrators' appointment

During 2011, CSF experienced trading issues with several key customers when a particular product (Basa) sourced from Asia, failed customer quality audits This subsequently led to the loss of several product lines across the various multiple retailers, putting pressure on the profitability and liquidity of the Companies due to the high fixed cost base of their operations This impact was in addition to deteriorating gross margins as a result of rising raw material costs

The directors sought advice from their auditors, KPMG, with respect to cash flow management following this loss of business, which equated to approximately £11m per annum At this point, it became apparent that the Companies would have an additional funding requirement by mid November 2011 in excess of its bank facilities

Upon notification of the trading issues experienced by the Companies and forecast cash requirement, the Bank requested an independent business review to be performed by PwC PwC were engaged on 27 September 2011 to review the medium term cash flow forecasts of the Companies and to assess the level of security and exposure faced by the Bank

KPMG was engaged by the Companies to commence an accelerated disposal process ("AMA") commencing on 6 October 2011 An extensive period of marketing was undertaken during which time over 35 parties were contacted By mid November, no acceptable offers had been received and therefore in parallel to KPMG's ongoing process, PwC were instructed by the Companies and the Bank to commence contingency planning and assess whether a pre-packaged sale could be achieved

2. The Administrators' statement of proposals

At this point, the Companies were significantly in excess of current banking facilities and in the absence of a sale of the Companies or a third party cash injection, formal insolvency appeared inevitable PwC re-contacted key parties identified during KPMG's AMA process to establish their level of appetite for acquiring the business and assets of the Companies (rather than the shares) Only one party, Findus Group Limited ("Findus") submitted an offer in this scenario Negotiations with Findus commenced and an offer was subsequently accepted, which would achieve a better return to creditors than they would otherwise face in a liquidation and break-up scenario

Immediately upon our appointment, we completed the going concern sale of the businesses and assets of the Companies to Young's Seafoods Limited, which forms part of Findus, and Ocean Pure Limited, a subsidiary of Lion Capital, who are the owners of Findus.

The manner in which the Company's affairs and business have been managed and financed

On 5 December 2011, the business and assets (excluding the freehold properties and debts) of the Companies were sold to Young's Seafoods Limited and Ocean Pure Limited on a going concern basis In accordance with the requirements of Statement of Insolvency Practice No 16 ("SIP16"), details of the transaction were provided in our letter to creditors dated 14 December 2011 and are also included at Appendix E

The consideration payable for the plant and equipment of the Companies was payable in cash at completion and is split as follows

	£'000
Cumbrian Seafoods Limited	950
Border Laird Limited	50

The Companies' stock, other than delisted stock, is being sold at cost and sale proceeds in this respect are likely to total £4m - £5m A payment of £2 5m was made on account by Young's Seafoods Ltd upon completion The total value and allocation of stock sale proceeds between the Companies cannot be confirmed at present, as this is subject to ongoing Retention of Title claims ("RoT") from suppliers and obsolescence However, based on a simple pro rata split of stock valuations at the date of appointment, the allocation between CSF and Border Laird would be £4 2m and £0 8m respectively (subject to change). Further clarification of this split will be given following the resolution of RoT claims in the next progress report to creditors

Alternative strategies

It was not considered appropriate to trade the Companies in administration The businesses would have required significant cash funding to enable any trading in administration and facilities to fund this were not available Further, when accounting for the additional costs associated with trading the businesses in administration, a substantial trading loss would be expected, with no likelihood of achieving a higher level of realisations than had already been offered under the accelerated disposal process pre-appointment.

In a liquidation and break up scenario, there would have been a material reduction in asset valuations, particularly the stock, and substantial preferential and unsecured claims resulting from employee redundancies

Business and asset values

The principal assets of the Companies include freehold properties, leasehold properties, plant and machinery, stock and book debts The stock and plant and machinery were independently valued by the Bank's agents for both Companies Valuation figures for the plant and machinery on an ex situ and in situ basis are detailed below

	Ex situ £'000	In situ £'000
Cumbrian Seafoods Limited	2,025	4,025
Border Laird Limited	107	186

2. The Administrators' statement of proposals

Stock inventory and valuation reports for CSF were also prepared by the Bank's agents prior to appointment These reports indicated that the stock valuations on a forced sale basis would be approximately 40% of total gross inventories, taking into account factors such as ROT claims, the Companies' inability to complete work in progress and the reduction in value due to a forced sale situation. The smaller stock quantities held at Border Laird would be subject to similar factors reducing value in a forced sale

On the date of appointment, gross stock inventories totalled c £6 95m Consequently, on a forced sale basis, stock would have had a value of c £2 78m

Whilst the consideration for plant and machinery is less than the values potentially achievable in a break up basis (ex-situ), the realisations generated through the sale of stock, at cost, will be significantly more than in a liquidation scenario Overall, the sale of the business and assets has generated greater realisations than in a forced sale situation. The position can be summarised as follows·

	Ex situ (liq'n) £'000	Offer (low) £'000	Offer (high) £'000
Plant and machinery	2,132	1,000	1,000
Stock	2,780	4,000	5,000
Total	**4,912**	**5,000**	**6,000**

Employees

The Companies employed 578 staff, 382 at Seaham, 117 at Whitehaven and 79 at Amble Upon completion of the sale of the businesses, all employees transferred under the TUPE regulations to the purchaser.

As detailed earlier, immediately following the Administrators' appointment the business and assets of the Companies were sold to the purchaser The total sale consideration achieved for the Companies' business and assets was £1m. This was allocated against the following asset categories within the sale agreement:

Asset	£
Customer List	1
Business Intellectual Property	1
Equipment	999,994
Goodwill	1
Information Technology	1
Work in Progress	1
Books and Records	1
Total	**1,000,000**
Stock*	**4-5,000,000**

** stock is being sold at cost*

Further information relating to this sale can be found in the Statement of Insolvency Practice No 16 analysis attached to this report at Appendix E

Stock Agreement

On completion, Young's Seafoods Limited bought all stock to which the Companies had right and title, with stock subject to RoT specifically excluded Stock was split into three categories, initial stock, additional stock and obsolete stock.

Consideration of £5m for the initial stock was to be paid in instalments: £2 5m was paid immediately on completion and the balance of any stock processed up to an additional £2 5m to be paid by 31 January 2012.

Once stock consumption by Ocean Pure Limited reached £3 5m an additional £1m was to be paid to the Administrators within seven days Following this, stock consumed would be paid for at the rate of £1 for every £1 processed within three business days following the week of use

2. The Administrators' statement of proposals

If consumption of £3 5m was not achieved by the 'Long Stop Date' of 31 January 2012, an additional £2 5m would be paid by Ocean Pure Limited to the Administrators immediately Additional stock consumed will then be paid at 85p in the pound between £5m - £6m, 70p in the pound between £6m - £7m and 50p in the pound for any excess over £7m

Both additional stock and obsolete stock will be paid for as consumed by Ocean Pure Limited on the fifth business day following the week of use. To date, £3,551,377 worth of stock has been consumed However, £802,635 is subject to valid RoT This therefore equates to a true usage figure of £2,748,742.

Retention of Title Claims

RoT claims are continuing to be progressed in order to attribute the total value and allocation of stock sale proceeds between the Companies

Ocean Pure Limited have been instructed to contact suppliers and achieve agreement within five business days of being notified of a valid claim by the Administrators. Ocean Pure Limited cannot agree a claim until they have express notification from the Administrators.

In the event that Ocean Pure Limited sells any stock subject to RoT before being notified of a valid claim they are required to pay the Companies (acting by the Administrators) within five days of such sale where a valid RoT claim has been identified

If any creditor still wishes to submit an RoT claim, please contact Donella Machen on 0113 289 4864 within the next seven days, to ensure this is dealt with promptly

Property

CSF owns properties at Amble, Whitehaven and Maryport, which were excluded from the sale of business and assets Holdings also holds leases over properties at Amble and Seaham A licence to occupy premises at Amble, Seaham and Whitehaven was given to Ocean Pure Limited The Maryport property remains unoccupied

Prior to our appointment, CSF had entered into an option agreement to sell the property at Maryport to a developer, subject to obtaining planning permission The option has recently expired, however, we understand that the developer wishes to reinstate the option to purchase the freehold at Maryport, subject to planning permission approval.

The duration of the Administration will be contingent on the sale of the three properties if and when vacated by Ocean Pure Limited, in particular the conclusion of the sale of the Maryport site to the purchaser will be dependent on planning consents being obtained, which may be a lengthy process

Book Debts

The Companies held a Confidential Invoice Discounting ("CID") facility with BSF and at the date of appointment the outstanding ledger was £5,888,000. The Administrators are monitoring the collection of the outstanding ledger balances by Ocean Pure Limited on behalf of BSF and are reviewing where material adjustments are to be made

Debtor collections have been received directly into BSF's CID facility and total £255,017 for BL and £3,121,166 for CSL to date. These balances do not include intercompany balances between the Companies

Pre-Administration costs

As explained in Appendix C, PwC were engaged by the Companies and the Bank on 14 November 2011, to undertake contingency planning in the event that a solvent sale was not achievable During the period from 14 November 2011 to appointment, we incurred time costs totalling £264,516 in relation to this engagement and placing the Companies into Administration Specifically time was spent by the Administrators and their staff on the following matters

2. The Administrators' statement of proposals

- Review of prior AMA process, discussions with proposed purchaser and planning for the sale of business;
- Discussions with lawyers and advisors regarding legal issues, the sale of the business and placing the Companies into Administration
- Statutory planning work in relation to the Administration appointments, including internal compliance and risk procedures, and
- Discussions with the Bank and the Companies' directors regarding the appointments.

It was necessary for time to be spent on these matters in order that the Companies could be placed into Administration in an orderly manner and the businesses could be sold quickly, thus preserving the value of the Companies' assets for the benefit of creditors

Fees of £198,322 have been discharged by the Bank at a rate agreed with the Bank, in accordance with the engagement letter dated 14 November 2011. The balance of time costs outstanding will be written off

Objective of the Administration

The sale achieved consists of the sale of the business and certain assets rather than the sale of the Companies and its share capital, therefore it is not reasonably practical to pursue objective (a), being the rescue of a company as a going concern

Consequently, the statutory purpose being pursued is objective (b), to achieve 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)

It anticipated that the purpose of the Administrations will be achieved, as we expect the sale of the businesses and assets will realise higher values in administration than would have been anticipated in winding up.

Dividend prospects

Achieving a sale of the Companies business and assets as a going concern has maximised the realisations available for creditors as a whole

At present there is a low probability of a dividend to unsecured creditors

Secured Creditors

At the date of our appointment, the Companies had outstanding lending of approximately £10.3m due to the Bank which is secured by fixed and floating charges over the Companies' assets secured by way of cross guarantees, debentures and fixed charges over properties, plant and equipment and book debts

To date, the secured creditor has received £2,565,000 following the sale of the business. However, it is currently considered the secured creditor will suffer a shortfall

As discussed above, BSF had received £255,017 and £3,121,166, under its CID facility for BL and CSL respectively

Preferential Creditors

Preferential claims principally represent amounts due for any arrears of wages, subject to statutory limits, and unpaid holiday pay.

There are no preferential creditors as all employees were transferred to the purchaser.

2. The Administrators' statement of proposals

Unsecured Creditors

In the absence of substantial realisations from freehold properties over and above the current valuations, it is unlikely there will be a return for unsecured creditors

Prescribed Part

The Prescribed Part (Section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003) applies where there are floating charge realisations, net of costs, to be set aside for unsecured creditors This equates to·

- 50% of net property up to £10,000
- 20% of net property in excess of £10,000
- Subject to a maximum amount of £600,000

However, the Prescribed Part does not apply to the Companies as charges were created and registered at Companies House prior to the Prescribed Part order coming into force on 15 September 2003.

Ending the Administration

We currently envisage that once the objective of the Administrations has been achieved the Administrations may end in one of the manners set out in Section 2 (b)(v) overleaf depending on the circumstances at the time.

Pursuant to Paragraph 76 Sch B1 IA86, our appointment comes to an automatic end after one year unless the Court agrees to extend it for a specific period. Alternatively, the Companies' creditors can consent to a six month extension to our term in office We currently anticipate that an extension will be required

2. The Administrators' statement of proposals

b. Proposals for achieving the purpose of the Administrations

The Administrators make the following proposals for achieving the purpose of the Administrations

i) The Administrators will continue to manage and finance the Companies' business, affairs and property from asset realisations in such manner as they consider expedient with a view to achieving a better result for the Companies' creditors as a whole than would be likely if the Companies were wound up (without first being in Administration)

ii) The Administrators may investigate and, if appropriate, pursue any claims that the Companies may have under the Companies Act 2006 or IA86 or otherwise In addition, the Administrators shall do all such other things and generally exercise all their powers as Administrators as they in their discretion consider desirable in order to achieve the purpose of the Administrations or to protect and preserve the assets of the Companies or to maximise their realisations or for any other purpose incidental to these proposals

iii) In the event that the Administrators think that funds will become available for unsecured creditors, the Administrators may at their discretion establish in principle the claims of unsecured creditors for adjudication by a subsequent liquidator or the Administrators, and that the costs of so doing be met as a cost of the Administrations as part of the Administrators' remuneration

iv) If the Administrators think that funds will become available for unsecured creditors, the Administrators may at their discretion make an application to court for permission to make distributions to unsecured creditors under Paragraph 65(3) Sch B1 IA86

v) If the Administrators believe that it is considered advantageous to extend the Administrations beyond the statutory period of one year, the Administrators shall either apply to Court or seek the consent of the appropriate classes of creditors for an extension.

vi) As it is currently expected that there will be insufficient funds to enable a distribution to unsecured non-preferential creditors, the Administrators do not propose to form a creditors' committee

vii) The Administrators may use any or a combination of "exit route" strategies in order to bring the Administrations to an end, but in this particular instance the Administrators are likely to wish to pursue the following options as being the most cost effective and practical in the present circumstances -

(a) If there are insufficient funds with which to make a distribution to unsecured non-preferential creditors, once all of the assets have been realised and the Administrators have concluded all work within the Administrations, the Administrators will file a notice under Paragraph 84(1) Sch B1 IA86 with the Registrar of Companies, following registration of which the Companies will be dissolved three months later, or

(b) If it transpires that there are sufficient funds with which to make a distribution to unsecured creditors, once asset disposals are complete, the Administrators will place the Company or Companies into creditors' voluntary liquidation. In these circumstances, it is proposed that Robert Hebenton and Ian Green be appointed as Joint Liquidators and any act required or authorised to be done by the Joint Liquidators may be done by either or both of them In accordance with Paragraph 83(7) Sch B1 IA86 and Rule 2 117A(2)(b) IR86, creditors may nominate alternative liquidators, provided that the nomination is made before the proposals are approved, or

(c) Once asset disposals are complete, the Administrators will apply to the Court to allow the Administrators to distribute surplus funds, if any, to unsecured non-preferential creditors. If such permission is given, the Administrations will be brought to an end by notice to the Registrar, following registration of which the Companies will be dissolved three months later. If permission is not granted the Administrators will place the Company or Companies into creditors' voluntary liquidation or otherwise act in accordance with any order of the court.

viii) The Administrators shall be discharged from liability pursuant to Paragraph 98(1) Sch B1 IA86 in respect of any action of theirs as Administrators at a time resolved by the secured creditor, or if a distribution has been or may be made to the preferential creditors, at a time resolved by the secured and preferential creditors or in any case at a time determined by the court

2. The Administrators' statement of proposals

ix) It is proposed that the unpaid pre-Administration costs detailed at Appendix A are approved for payment as expenses of the Administrations In the circumstances of this case it will be for the secured creditor to approve the payment of the unpaid pre-Administration costs as expenses of the Administrations.

x) It is proposed that the Administrators' fees be fixed under Rule 2.106 of the Insolvency Rules 1986 at the by reference to the time properly given by the Administrators and the various grades of their staff according to their firm's usual charge out rates for work of this nature and that disbursements for services provided by the Administrators' own firm (defined as Category 2 disbursements in Statement of Insolvency Practice No.9) be charged in accordance with the Administrators' firm's policy

xi) The Administrators also propose that the Companies' books and records be destroyed one year after dissolution

2. The Administrators' statement of proposals

c. Statement of affairs

Statements of affairs of the Companies were delivered to us on 21 January 2012. The statement was signed by Julian Wood for CSL and BL, and David Wood for Holdings. Statements of concurrence have been provided by the other directors

We make the following comments on the statement of affairs: -

- In accordance with the standard format of the statement of affairs, no provision has been made for the costs of realising the Companies' assets or the costs of the Administrations
- We have not carried out anything in the nature of an audit on the information
- Given the commercial sensitivity, it is inappropriate for us to comment on the potential realisable values attributed by the directors to the Companies' assets, in respect of the properties.
- Bank exposure has been included by management in the preferential creditors section There are no preferential creditors as the employees transferred via TUPE to Ocean Pure Limited on completion
- The property improvements disclosed in the statement of affairs are unlikely to generate asset realisations.

The statement of affairs is copied in summary form at Appendix A and, as is required by statute, includes details of the names, addresses and debts of creditors (including details of any security held).

A schedule of the creditors' names, addresses and debts, including details of any security held, is provided at Appendix A. This information is being provided in accordance with statutory requirements.

c. Statutory and other information

Company:	**CSL Realisations 2011 Limited**	**Cumbrian Holdings Limited**	**BL Realisations 2011 Limited**
Court details for the Administration:	High Court of Justice, Chancery Division, Leeds District Registry 1801 of 2011	High Court of Justice, Chancery Division, Leeds District Registry 1799 of 2011	High Court of Justice, Chancery Division, Leeds District Registry 1800 of 2011
Full name:	CSL Realisations 2011 Limited (formerly Cumbrian Seafoods Limited)	Cumbrian Holdings Limited	BL Realisations 2011 Limited (formerly Border Laird Limited)
Trading name:	Cumbrian Seafoods Limited	Cumbrian Holdings Limited	Border Laird Limited
Registered number:	04104794	03275686	04767072
Registered address:	PricewaterhouseCoopers LLP, Benson House, 33 Wellington Street, Leeds, LS1 4JP	PricewaterhouseCoopers LLP, Benson House, 33 Wellington Street, Leeds, LS1 4JP	PricewaterhouseCoopers LLP, Benson House, 33 Wellington Street, Leeds, LS1 4JP
Company directors:	Julian Wood, Graham Edwin Anderson, Donald Calvert Cann, David Alexander Gilthorpe, Rhona Quin-Mcleod, Ivor Jeremy Rowlands, Peter Vassallo, Frank Brian Green, Nathan Hill, Graham Lewis Jelfs, Michael Paul Redhead, Huw David Thomas, Herluf Thun-Rasmussen, Robert Wilson	David Alexander Gilthorpe, Peter Vassallo, Michael Vassallo, Richard George Portergill, Howard Sims	David Alexander Gilthorpe, Peter Vassallo, Graham Edwin Anderson
Company secretary:	Peter Vassallo	Peter Vassallo	Peter Vassallo
Shareholdings held by the directors and secretary:	Nil	Peter Vassallo – 686,233 ordinary shares, David A. Gilthorpe – 41,334 ordinary shares, Julian Wood – 10,000 ordinary shares, Graham E Anderson – 5,333 ordinary shares	Nil
Date of the Administration appointment:	5 December 2011	5 December 2011	5 December 2011

2. The Administrators' statement of proposals

Administrators' names and addresses:	Robert James Hebenton and Toby Scott Underwood of PricewaterhouseCoopers LLP, 101 Barbirolli Square, Lower Mosley Street, Manchester M2 3PW, and Ian David Green of PricewaterhouseCoopers LLP, Benson House, 33 Wellington Street, Leeds LS1 4JP.
Appointor's / applicant's name and address:	The directors of the Company, Foxcover 7 Admiralty Way, Foxcover Industrial Estate, Seaham, County Durham SR7 7DN
Objective being pursued by the Administrators:	(b) 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)
Division of the Administrators' responsibilities:	In relation to paragraph 100(2) Sch B1 IA86, during the period for which the Administration is in force, any function to be exercised by the persons appointed to act as Administrators may be done by any or all of the persons appointed or any of the persons for the time being holding that office.
Proposed end of the Administration:	Dissolution
Estimated dividend for unsecured creditors:	Not yet known
Estimated values of the prescribed part and the company's net property:	Not applicable.
Whether and why the Administrators intend to apply to court under Section 176A(5) IA86:	Not applicable.
The European Regulation on Insolvency Proceedings (Council Regulation(EC) No. 1346/2000 of 29 May 2000):	The European Regulation on Insolvency Proceedings applies to this Administration and the proceedings are main proceedings
Any other information which the Administrators think necessary to enable creditors to decide whether or not to vote for adoption of the proposals:	Not applicable

3. Receipts and payments account

CSL Realisations 2011 Limited – In Administration

Receipts	Directors' statement of affairs (£)	Total for period 5 December 2011 to 23 January 2012 (£)
Assets subject to fixed charge		
Debtors*	3,990,000 00	-
Leasehold property	2,300,000 00	-
Freehold property	1,000,000 00	-
Equipment	-	999,994 00
Assets subject to floating charge.		
Rent	-	148,540 75
Insurance	-	15,577 85
Stock	3,907,840 00	2,500,000 00
Stock in RoT	292,160 00	-
Prepayments	133,000 00	-
Rent	-	36,194 45
Cash in hand	-	336 73
Interest	-	40 98
Customer list	-	1 00
Business Intelectual Property	-	1 00
Goodwill	-	1 00
Information Technology	-	1 00
Work in Progress	-	1 00
Book and Records	-	1 00
	11,623,000.00	3,700,690.76
Payments		
Insurance	-	44,545 91
Legal Fees	-	140,298 47
Duress Payments	-	212,977 64
Rent	-	148,540 75
PAYE & NIC **	-	26,354 48
Agents' Fees	-	6,600 00
Agents' Disbursements	-	587 50
Pension deductions	-	256 70
Employee Expenses	-	168 51
Bank charges	-	105 00
	-	580,434 96
Net balance	11,623,000.00	3,120,255.80
Distributions		
Stock Facility Trust Account		1,280,583 30
Barclays Mercantile Business Finance Limited		1,284,488 88
Net VAT payable	-	(19,148.48)
Balance in hand	11,623,000 00	536,035.14

The sale of business proceeds are in the process of being apportioned between BL and CSF

*Book debt receipts are not represented on the R&P as these have been remitted directly to BSF under its CID facility However, realisations to date total £3,121,166

**PAYE & NIC totalled £31,337 54 which was split £4,983 06 for BL and £26,354 48 for CSF As appointment was on 5 December 2011, it was agreed per the sales agreement that the Administrators would pay the wages and deductions for the weekly payrolled staff for the first week

3. Receipts and payments account

BL Realisations 2011 Limited – In Administration

Receipts	Directors' statement of affairs (£)	Total for period 5 December 2011 to 23 January 2012 (£)
Assets subject to fixed charge:		
Debtors*	624,089 00	-
Bank Balance	108,397 00	-
Freehold property	50,000 00	-
Petty Cash	873 00	-
Assets subject to floating charge:		
Stock	800,000 00	-
Prepayments	28,915 00	-
Cash in hand	-	873 70
	1,612,274.00	**873.70**
Payments		
Rent	-	1,662 47
Employee Expenses	-	203 79
	-	**1,866.26**
Net balance	**1,612,274.00**	**(992 56)**
Net VAT payable	-	**(9.67)**
Balance in hand	**1,612,274.00**	**(1,002.23)**

*Book debt receipts are not represented on the R&P as these have been remitted directly to BSF under its CID facility However, realisations to date total £255,017

Appendix A Pre-Administration costs

The following are costs incurred prior to the appointment of Administrators but with a view to the Companies entering Administration

	Unpaid amount (£)	Paid amount (£)	Payment made by
Fees charged by the Administrators	66,194*	198,322	Barclays Bank plc
Expenses incurred by the Administrators	-	-	-
Fees charged by other persons qualified to act as an insolvency practitioner	-	-	-
Expenses charged by other persons qualified to act as an insolvency practitioner	-	-	-
Total	**66,194**	198,322	-

*The Administrators do not propose to seek recovery of this amount

Appendix B Copy of the statement of affairs

Rule 2 29

Form 2 14B

Statement of affairs

Name of Company	Company Number
Cumbrian Seafoods Limited	04104794

In the	Court case number
High Court of Justice, Chancery Division, Leeds District Registry (full name of court)	1801 of 2011

(a) Insert name and address of registered office of the company

Statement as to the affairs of (a) Cumbrian Seafoods Limited, of Foxcover 7, Admiralty Way, Foxcover Industrial Estate, Seaham, County Durham, SR7 7DN

on the (b) 5 December 2011, the date that the company entered administration

(b) Insert date

Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named company as at (b) 5 December 2011, the date that the company entered administration

Full name JULIAN WOOD

Signed Julian Wood

Dated 11 January 2012

A – Summary of Assets

Assets

Assets subject to fixed charge:	Book Value £	Estimated to Realise £
LAND AND BUILDING IMPROVEMENT (SEAHAM)	5 293 293	NIL
LAND AND BUILDING IMPROVEMENT (WHITEHAVEN)	1 277 760	100,000
LAND AND BUILDING IMPROVEMENT (MARYPORT)	885 000	2,200,000
PLANT PROPERTY AND EQUIPMENT (SEAHAM)	5 897 589	950 000
PLANT PROPERTY AND EQUIPMENT (WHITEHAVEN)	235 599	50 000
DEBTORS	5 620 788	3 990 000
Assets subject to floating charge		
PREPAYMENTS	1 077 613	133 000
VAT INPUTS RECLAIM	1 094 781	NIL
DEFERRED TAXATION	698 034	NIL
STOCKS	6 662 879	3 907 840
STOCKS ON LOC		292 160
Uncharged assets.		
Estimated total assets available for preferential creditors	28,733,336	11,623,000

Signature John Wood Date 11 January 2012

A1 – Summary of Liabilities

	£	Estimated to realise £
Estimated total assets available for preferential creditors (carried from page A)		11 623 000
Liabilities		
Preferential creditors -	9 907 840	
Estimated deficiency/surplus as regards preferential creditors		1 715 16
Estimated prescribed part of net property where applicable (to carry forward)	–	
Estimated total assets available for floating charge holders		1 715 160
Debts secured by floating charges	–	
Estimated deficiency/surplus of assets after floating charges		1 715 160
Estimated prescribed part of net property where applicable (brought down)	–	
Total assets available to unsecured creditors		1 715 160
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	15 583 574	
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)		(13 868 413)
Shortfall to floating charge holders (brought down)	–	
Estimated deficiency/surplus as regards creditors		(13 868 413)
Issued and called up capital	1	
Estimated total deficiency/surplus as regards members		(13 868 414)

Signature Richard Wood Date 11 January 2012

COMPANY CREDITORS

Note: You must include all creditors and identify all creditors under hire-purchase, chattel leasing or conditional sale agreements *and* customers claiming amounts paid in advance of the supply of goods or services *and* creditors claiming retention of title over property in the company's possession

Name of creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
	SEE ATTACHED PURCHASE LEDGER AND ADDRESS LIST	12,438,832	SOME CREDITORS HAVE ROT CLAIMS - ADMINISTATOR IS AWARE		
RICHARD BOSTOCK MARK SHAW	THE TRUSTEES OF THE 2004/2005 REGENT CAPITAL FOXCOVER 1 SYNDICATE	8,693			
JOHN RANICZ-SZCZERBO PAUL HARDY	C/O ABERDEEN HOUSE, SOUTH ROAD HAYWARDS HEATH, WEST SUSSEX RH16 4NG				
CHANCERY NOMINEES (FOXCOVER 1) LIMITED	CHANCERY PAVILION, BOYCOTT AVENUE, OLDBROOK,	1,549,968	THIS IS AN ACCOUNTING ACCRUAL WE ARE AT YEAR 3		
CHANCERY NOMINEES (FOXCOVER 2) LIMITED	MILTON KEYNES, BUCKINGHAMSHIRE MK6 2TA		IN A 5 YEAR RENT FREE PERIOD		
SEAFISH	18 LOGIE MILL, EDINBURGH EH7 4HS	245,446			
DURHAM CC	COUNTY HALL, DURHAM DH1 5UQ	120,325			
COPELAND CC	THE COPELAND CENTRE, CATHERINE ST WHITEHAVEN CUMBRIA CA28 7SJ	8374			

14,371,638

Signature [signature] Date 11 January 2012

COMPANY SHAREHOLDERS

Name of Shareholder	Address (with postcode)	No of shares held	Nominal Value	Details of Shares held
CUMBRIAN HOLDINGS LTD	CUMBRIAN HOLDINGS LIMITED, FOXCOVER UNIT 7/6, ADMIRALITY WAY, SEAHAM CO DURHAM SR7 7DN	1	£1	ORDINARY
	TOTALS	1	£1	

Signature John Wood

Date 11 January 2012

Rule 2 29 Form 2 14B

Statement of affairs

Name of Company	Company Number
Border Laird Limited	04767072

In the	Court case number
High Court of Justice, Chancery Division, Leeds District Registry (full name of court)	1800 of 2011

(a) Insert name and address of registered office of the company

Statement as to the affairs of (a) Border Laird Limited, of Foxcover 7, Admiralty Way, Foxcover Industrial Estate, Seaham, County Durham, SR7 7DN

on the (b) 5 December 2011, the date that the company entered administration

(b) Insert date

Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named company as at (b) 5 December 2011, the date that the company entered administration

Full name DAVID ALEXANDER GILTHORPE

Signed [signature]

Dated 11 JANUARY 2012

A – Summary of Assets

Assets

Assets subject to fixed charge.	Book Value £	Estimated to Realise £
LAND BUILDINGS & IMPROVEMENTS	182,745	50,000
PLANT AND EQUIPMENT	289,883	NIL
DEBTORS	1,600,124	624,089
BANK BALANCE	108 397	108 397
PETTY CASH	1,000	873
Intangible asset (goodwill)	5	-
Assets subject to floating charge		
PREPAYMENTS	52,440	28915
DEFERRED TAX	19 053	NIL .
STOCKS	314 711	800,000
VAT RECLAIM	46 753	NIL
Uncharged assets		
Estimated total assets available for preferential creditors	3,215,111	1,612,274

Signature [signature] Date 11 JANUARY 2012

A1 – Summary of Liabilities

		Estimated to realise £
Estimated total assets available for preferential creditors (carried from page A)	£	1,612,274
Liabilities Preferential creditors -	£ 322,000	
Estimated deficiency/surplus as regards preferential creditors	£	1,290,274
Estimated prescribed part of net property where applicable (to carry forward)	£ NIL	
Estimated total assets available for floating charge holders	£	1,290,274
Debts secured by floating charges	£ NIL	
Estimated deficiency/surplus of assets after floating charges	£	1,290,274
Estimated prescribed part of net property where applicable (brought down)	£ NIL	
Total assets available to unsecured creditors	£	1,290,274
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	£ 1121 344	
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)	£	168,930
Shortfall to floating charge holders (brought down)	£	
Estimated deficiency/surplus as regards creditors	£	168,930
Issued and called up capital	£ £ 100	
Estimated total deficiency/surplus as regards members	£	168,830

Signature [signature] Date 11 JANUARY 2012

COMPANY SHAREHOLDERS

Name of Shareholder	Address (with postcode)	No of shares held	Nominal Value	Details of Shares held
CUMBRIAN HOLDINGS LTD	FOXCOVER 7/8, ADMIRALTY WAY, SEAHAM CO DURHAM SR7 7DN	100	£100	£1 ordinary shares
	TOTALS	100	£100	

Signature [signature]

Date 11-1-12

Rule 2 29

Form 2 14B

Statement of affairs

Name of Company	Company Number
Cumbrian Holdings Limited	03275686

In the	Court case number
High Court of Justice, Chancery Division, Leeds District Registry (full name of court)	1799 of 2011

(a) Insert name and address of registered office of the company

Statement as to the affairs of (a) Cumbrian Holdings Limited, of Foxcover 7, Admiralty Way, Foxcover Industrial Estate, Seaham, County Durham, SR7 7DN

on the (b) 5 December 2011, the date that the company entered administration

(b) Insert date

Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named company as at (b) 5 December 2011, the date that the company entered administration

Full name DAVID ALEXANDER GILTHORPE

Signed [signature]

Dated 11 - 1 - 12

A – Summary of Assets

Assets	Book Value £	Estimated to Realise £
Assets subject to fixed charge:		
Assets subject to floating charge		
Bank balances	11,350	11,350
Uncharged assets.		
Estimated total assets available for preferential creditors	11,350	11,350

Signature [signature] Date 11 - 1 - 2012

A1 – Summary of Liabilities

		Estimated to realise £
Estimated total assets available for preferential creditors (carried from page A)	£	11,350
Liabilities Preferential creditors.-	£	
Estimated deficiency/surplus as regards preferential creditors	£	
Estimated prescribed part of net property where applicable (to carry forward)	£	
Estimated total assets available for floating charge holders	£	
Debts secured by floating charges	£	
Estimated deficiency/surplus of assets after floating charges	£	
Estimated prescribed part of net property where applicable (brought down)	£	
Total assets available to unsecured creditors	£	
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	£	
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)	£	
Shortfall to floating charge holders (brought down)	£	
Estimated deficiency/surplus as regards creditors	£	
Issued and called up capital	£ £ 846,233	
Estimated total deficiency/surplus as regards members	£	~~11,350~~

Deficit 834,883

Signature [signature] Date 11-1-2012

COMPANY SHAREHOLDERS

Name of Shareholder	Address (with postcode)	No of shares held	Nominal Value	Details of Shares held
Regent Trust Company Ltd as trustee of the Peter Scarsella Settlement	Le Motte Chambers, St Helier, Jersey Channel Islands JE1 1PB	686,233	686,233	Ordinary Shares of £1 each
Cumbrian Nominees Ltd	Webbe House 26-28 Market Street Altrincham Cheshire WA14 1PF	103,333	103,333	" "
David Alexander Gilthorpe	Lady Park Farm Cottage Lady Park Gateshead NE11 0HJ	21,334	21,334	" " "
Rowanmoor Trustees for DA Gilthorpe SIPP	Rowanmoor House, 46-50 Castle Street, Salisbury SP1 3TS	20,000	20,000	" " "
Rowanmoor Trustees for J Wood SIPP	Rowanmoor House, 46-50 Castle Street, Salisbury SP1 3TS	10,000	10,000	" " "
Hornbuckle Mitchell for G Anderson SIPP	Cotton Court, Middlewich Lane, Holmes Chapel Crewe, Cheshire CW4 7ET	5,333	5,333	" " "
	TOTALS	846,233	846,233	

Signature [signature] Date 11 January 2012

Appendix C

Information regarding the sale of part of the business and assets of Cumbrian Seafoods Limited and Border Laird Limited on 5 December 2011 as required by Statement of Insolvency Practice No.16.

1 Background	The Companies source, prepare and supply fresh and frozen seafood to multiple retailers throughout the UK, together with customers in continental Europe. Key Cumbrian Seafood Limited ("CSF") facilities are located in Seaham, County Durham and Whitehaven, Cumbria, with Border Laird Limited ("BL") operating from Amble, Northumberland. During 2011, CSF experienced trading issues with several key customers when a particular product (Basa) sourced from Asia failed customer audits This subsequently led to the loss of several product lines across the various multiple retailers, putting pressure on the profitability and liquidity of the Companies due to the high fixed cost base of their operations This impact was in addition to deteriorating gross margins as a result of rising raw material costs The loss of business equated to approximately £11m per annum and it became apparent that the Company would experience an additional funding requirement by mid November 2011 of at least £2m By 1 December, the directors concluded that the Companies could not pay creditors as they fell due and subsequently took the decision to file a Notice of Intention to appoint administrators to the Companies. Administrators were appointed on 5 December 2011. It was not considered appropriate to trade the Companies in administration The businesses would require significant cash funding to enable any trading in administration and facilities to fund this were not available Further, when accounting for the additional costs associated with trading the businesses in administration, a substantial trading loss would be expected, with no likelihood of achieving a higher level of realisations than had already been offered under the accelerated disposal process carried out pre appointment.
2 The source of the administrators' initial introduction	PricewaterhouseCoopers LLP ("PwC") was originally introduced to the Companies (and their holding Company, Cumbrian Holdings Ltd) by their secured creditor, Barclays Bank Plc ("the Bank"), in August 2008. PwC were engaged to perform an independent business review due to deterioration in the Companies' performance

	PwC were then asked to perform an additional independent business review in September 2011 to review the short term cash flow forecasts of the Companies and to assess the level of security and exposure faced by the Bank An additional phase of work was agreed on 14 November 2011 when PwC were engaged by the Companies and the Bank to undertake contingency planning in the event that a solvent sale was not achievable
3 The extent of the administrators' involvement prior to the appointment	As indicated above, PwC were engaged to undertake an independent business review in August 2008 and both Companies were the subject of this review process Following submission of the review to the Bank on 30 September 2008, further supplementary reviews were undertaken by PwC between December 2008 to February 2009, and June to October 2009 These phases assessed the implementation of recovery plans by the Companies following the original review PwC were re-engaged in September 2011 to review the short term cash flow forecasts of the Companies and to assess the level of security and exposure faced by the Bank. An additional phase of work was agreed on 14 November 2011 with PwC engaged by the Companies and the Bank to undertake contingency planning in parallel to the sale process being undertaken by KPMG (see point 4). At all times our main contractual relationship was with the Bank as lender to the Companies
4 Marketing activities conducted by the Company and / or administrators	KPMG were engaged by the Companies to commence an accelerated disposal process ("AMA") on 6 October 2011. An extensive marketing process was undertaken during which time over 35 parties were contacted with several parties visiting the Companies, receiving an information memorandum and accessing a data room This solvent sale process was exhausted by late November with no acceptable offers being received In parallel, during the latter stages of the AMA process, PwC spoke to a number of the previously interested parties to establish their level of interest in acquiring the business and assets of the Companies (rather than the shares). Only one party submitted an offer for substantially all the business and assets.
5 Valuations obtained of the business or the underlying assets	**Plant and equipment assets valued:** Plant and machinery (CSF) £2 02m - £4m Plant and machinery (BL) £107k - £186k **Bases:** forced sale ex situ and going concern in situ **Date(s) obtained:** October 2011 **Name(s) of qualified, independent professional agent(s):** Eddisons

	Stock assets valued (CSL only): Stock £3 43m - £3 8m **Bases:** forced sale ex situ, based on a gross inventory of £8 644m **Date(s) obtained:** October 2011 **Name(s) of qualified, independent professional agent(s):** Atlantic Risk Management Services and GoIndustry DoveBid
6 Alternative course(s) of action considered by the administrator and the possible financial outcome(s) of the alternative course(s) of action, including why it was not appropriate to trade the business and offer it for sale as a going concern during the administration	**Company Voluntary Arrangement or Scheme of Arrangement:** Due to the Companies' inability to generate sufficient cash flows to meet the required levels of payments, neither of these options would have been feasible as no viable source of additional funding was available. **Liquidation:** It was concluded that liquidation would have resulted in - no prospect of a going concern sale; - a material reduction in realisations due to the sale of assets on a piecemeal basis, particularly in respect of the stock; - substantial preferential claims from employees due to redundancy Consequently, there would have been a lower return to creditors as the closed value of the businesses would have been materially lower than the values achieved through the going concern sale This would have resulted in a greater deficit to the overall creditor body In liquidation, there would be no prospect of any return to unsecured creditors by virtue of the prescribed part or otherwise. In any event, the prescribed part does not apply to the Companies as the Bank's floating charges pre-date the Enterprise Act, which came into force on 15 September 2003 **Trading administration:** A trading administration would result in higher professional costs and significant trading losses In addition, the disruption to the businesses of a trading administration may have an adverse impact on realisations The Companies delivered to customers and purchased from a large number of suppliers on a "just in time" basis, with very limited stocks of finished goods. Seeking to trade in insolvency would have risked ransom payments from key suppliers. There would also be a period of disruption to customers whilst trading

	terms were agreed, jeopardising future customer orders and risking significant counter claims for failure to fulfil existing customer orders. **Pre-packaged sale via administration:** This resulted in reduced disruption to the businesses combined with lower costs, therefore maximising the realisations available for creditors. The going concern sale helped protect the employment of 578 employees and did not crystallise any preferential or unsecured claims in respect of the employees. Subject to certain contingent future realisations, particularly in relation to the sale of properties held by the Companies, there is a remote prospect of a nominal dividend to unsecured creditors. However, this currently remains unlikely (see point 13). Under any other form of asset realisation, there would definitely have been no prospect of a dividend to unsecured creditors.
7. Details of requests made to potential funders to fund working capital requirements	The Companies had no material unencumbered assets available to offer up as security for additional funding. The directors and shareholders were asked if they were able to provide additional funding or security to the Companies to facilitate additional borrowings but this was not a viable option. The Bank was unwilling to fund the additional cost of a trading administration as the likely distributions would be lower compared to a pre-packaged administration.
8. Whether efforts were made to consult major creditors	In advance of completing the sale we were able to speak with the following major creditor of each company: Barclays Bank plc We did not contact the Company's key suppliers prior to the transaction because to do so would potentially destabilise the business and jeopardise the sale process.

9. The date of the transaction

5 December 2011

10 Details of the assets involved and the nature of the transaction

Cumbrian Seafoods Limited:

- Plant and equipment
- Stock

Border Laird Limited:

- Plant and equipment
- Stock

Apportionment of the Consideration:

Asset	£
Customer List	1
Business Intellectual Property	1
Equipment	999,994
Goodwill	1
Information Technology	1
Work in Progress	1
Books and Records	1
Total	**1,000,000**
Stock*	**4-5,000,000**

* stock is being sold at cost

Assets excluded: freehold properties, debts

Any other relevant information as to the nature of the transaction: a licence to occupy premises was given to the purchaser

11 The consideration for the transaction, terms of payment, and any condition of the contract that could materially affect the consideration

Amount of consideration:

Equipment. £1m
Stock: £1 for £1 value of the stock on completion up to £5m Thereafter the purchaser will pay for stock on a ratcheted basis.

Summary of break up value vs sale value:

	Ex situ (liq'n)	Sale (low)	Sale (high)
	£'000	**£'000**	**£'000**
Equipment	2,132	1,000	1,000
Stock	*2,780	4,000	5,000
Total	**4,912**	**5,000**	**6,000**

*based on stock levels at appointment

Terms of payment:

Equipment cash on completion
Stock: £2.5m - cash on completion; balance of up to £2 5m to be paid no later than 31 January 2012; any additional stock over £5m to be paid on deferred terms

	Terms that could materially affect the consideration: Stock valuation is subject to amendment for retention of title claims and obsolescence
12 If the sale is part of a wider transaction, a description of the other aspects of the transaction	N/A
13 Outcome for creditors	**Secured creditors:** Amounts due to secured creditors as at the date of the administrators' appointment totalled c.£10 3m The Companies' indebtedness to the secured creditor is secured by way cross guarantees, debentures and fixed charges over properties, plant and equipment and book debts It is currently considered that the secured creditor will suffer a shortfall **Preferential creditors:** There are no preferential creditors as all employees were transferred to the purchaser. **Unsecured creditors:** In the absence of substantial realisations from freehold properties over and above the valuations, it is unlikely there will be a return for unsecured creditors
14 The identity of the purchaser(s)	**Name(s):** Young's Seafoods Limited (stock) and Ocean Pure Limited (other assets)
15 Any connection between the purchaser(s) and the directors, shareholders or secured creditors of the Company	No known connections
16 *(If the purchaser is a connected party)* Whether the purchaser(s) was [were] independently advised	N/A
17 The names of any directors, or former directors, of the Company who are involved in the management or ownership of the purchaser, or of any other entity into which any of the assets were / will be transferred	N/A
18 Whether any directors had given guarantees for amounts due from the Company to a prior financier, and whether that financier is financing the new business	N/A
19 Any options, buy-back arrangements or similar conditions attached to the contract of sale	N/A