

**2.17B**

The Insolvency Act 1986

**Statement of administrator's proposals**

Name of Company
Darlington FC Limited

Company number
05074229

In the High Court of Justice Leeds District Registry (full name of court)
---

Court case number
581 of 2009

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

I (a)  
Dave Clark  
Of Brackenbury Clark & Co Ltd  
Second Floor  
43 St Pauls Street  
Leeds  
LS1 2JG

\*Delete as  
applicable

attach a copy of my proposals in respect of the administration of the above company.

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

(b) 1 June 2009

Signed

  
Administrator

Dated

1/06/09

**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 researchers of the public record

Dave Clark  
Brackenbury Clark & Co Ltd  
Second Floor  
43 St Pauls Street  
Leeds  
LS1 2JG

DX Number

01132 438617  
DX Exchange

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**

WEDNESDAY



\*PCQ6KB6Y\*

PC1

01/07/2009

657

COMPANIES HOUSE

**DARLINGTON FC LIMITED  
- IN ADMINISTRATION**

Report to creditors pursuant  
to Paragraph 49 of  
Schedule B1 of the  
Insolvency Act 1986 ("the Report")

This Report contains 33 pages

## **Notice: about this Report**

This Report has been prepared by David Nicholas Clark, the Administrator of Darlington FC Limited, solely to comply with his statutory duty under Paragraph 49 of Schedule B1 of the Insolvency Act 1986 to lay before creditors a statement of his proposals for achieving the purposes of the Administration and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

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

Any estimated outcome for creditors included in this Report is illustrative only and cannot be relied upon as guidance to the actual outcome for creditors.

Any person who chooses to rely on this Report for any purpose or in any context other than under Paragraph 49 of Schedule B1 of the Insolvency Act 1986 does so at his own risk. To the fullest extent permitted by law, the Administrator does not assume any responsibility and will not accept any liability in respect of this Report.

The Administrator acts as agent for Darlington FC Limited and contracts without personal liability. The appointment of the Administrator is personal and, to the fullest extent permitted by law, Brackenbury Clark & Co Ltd does not assume any responsibility and will not accept any liability to any person in respect of this Report or the conduct of the Administration.

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## **1. GLOSSARY**

the Administration	The Administrator, further to a Notice of Appointment, filed in the High Court of Justice, Chancery Division, Leeds District Registry, in respect of Darlington FC Limited, dated 25 February 2009 by the Directors of Darlington FC Limited Court Administration Number 581 of 2009.
Administrator	David Nicholas Clark of Brackenbury Clark & Co Ltd, Second Floor, 43 St Pauls Street, Leeds LS1 2JG;
the Company / the Club	Darlington FC Limited;
CVA	Company Voluntary Arrangement;
Football League	The Football League Limited;
Football League Share	the Club's shareholding in the share capital of the Football League;
FA	The Football Association Limited;
DFC	Darlington Football Club;
PFA	The Professional Footballers' Association;
HMRC	Her Majesty's Revenue & Customs;
Football Regulations	The current articles, rules, regulations and policies of the Football League and the Football Association.

The references in this report to sections, paragraphs or rules are to the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency (Amendment) Rules 2003 respectively.

## **2. INTRODUCTION**

- 2.1 David Nicholas Clark of Brackenbury Clark & Co Ltd, Second Floor, 43 St Pauls Street, Leeds, LS1 2JG was appointed as Administrator of the Company on 25 February 2009.
- 2.2 The Administrator is authorised to act as an insolvency practitioner by the Department of Business, Enterprise and Regulatory Reform (**DBERR**).
- 2.3 In accordance with Paragraph 49 of Schedule B1 Insolvency Act 1986, the Administrator now sets out his proposals for achieving the purposes of the Administration and for the conduct of the Administration (see section 8 of this Report).
- 2.4 The Report also includes certain information required to be provided to creditors in accordance with Rule 2.33 of the Insolvency (Amendment) Rules 2003.
- 2.5 The appropriate statutory information is set out at Appendix 1.
- 2.6 EC Regulations will apply to this Administration and the proceedings will be main proceedings as defined in Article 3 of the EC Regulations. Therefore the Administration will be conducted according to UK insolvency legislation and is not governed by the insolvency law of any other European Union member.
- 2.7 In accordance with paragraphs 49 (4) and (5) of Schedule B1 to the Act, a statement of the Administrator's Proposals was due to be sent to Creditors by 22 April 2009, this being the end of the period of 8 weeks beginning with the day on which the Company entered administration. However, the Court extended this deadline to 4pm on 20 May 2009 on 29 April 2009 pursuant to Paragraph 49 (8) and Paragraph 107 of Schedule B1 to the Act. The court further extended this period by court order. The new deadline for a statement of the Administrators Proposals is 4pm on 17 June 2009.

## **3. BACKGROUND AND EVENTS LEADING UP TO THE APPOINTMENT OF THE ADMINISTRATOR**

- 3.1 The information provided in paragraphs 3.1 to 3.9 is based upon Company records and information provided by the directors of the Club, the accuracy of which the Administrator is unable to substantiate. The Administrator cannot therefore be held personally liable for errors or misstatement of fact contained therein.

- 3.2 Darlington Football Club are based in the town of Darlington and currently play their football in Football League Two. The Club's nickname is "the Quakers", in reference to the religious movement that had a historic influence over the town.
- 3.3 The Club was founded at Darlington Grammar School in 1883 and turned professional in 1908 when it joined the North Eastern League.
- 3.4 The Club has a recent history of financial difficulties. In 1982 the Club faced a financial crisis but survived due to the fund raising efforts of the town, and in 1986 gained their highest ever Football League position of 13<sup>th</sup> in the Third Division (now known as League One) since the introduction of the current four-division structure in 1958. The Club also experienced two Wembley appearances in play-off finals in 1996 and 2000, losing on both occasions.
- 3.5 The 1999/2000 season saw the Club's first season under the control of new chairman George Reynolds. During the summer of 2002 the Club made approaches to sign Paul Gascoigne and Faustino Asprilla but neither materialised. The Club then relocated from its ground at Feethams to its brand new 25,500 seater stadium on the outskirts of Darlington which was named after the chairman: the Reynolds Arena. A promising new start was anticipated for the Club but on 23 December 2003, the Club entered into administration.
- 3.6 The Club exited administration in September 2004 after the Sterling Consortium took control of the Club with Stewart Davies taking over as chairman. The Company was incorporated on 16 March 2004 and acquired the football club in September 2004 by purchasing the business and assets of the Club from the former owner, Darlington Football Club Limited (The) (company number: 00176086). The Club then appointed Dave Penny as manager following the sacking of Dave Hodgson in October 2006 and plans were put in place for a new training ground and leisure complex. These plans were never implemented.
- 3.7 In December 2008, the Club appointed Raj Singh as vice-chairman with George Houghton retaining the majority shareholding.
- 3.8 The Club entered administration for the second time on 25 February 2009 and have just finished the season in a respectable twelfth position in League Two despite an automatic 10 point deduction on entering administration. The main reasons cited for the Club's financial problems were the economic climate, poor crowd attendance and problems with obtaining planning permission from the Council for surrounding development land. In addition, the Club had inflated player salaries and had a stadium that had a capacity far in excess of what the Club was able to utilise.
- 3.9 Upon administration a number of redundancies were made and deferrals agreed with all players and staff who were retained for March and April. A second round of redundancies were made on 5 May 2009 and deferrals agreed for June. The players and staff are to be congratulated for their efforts, determination and agreement to the deferrals, without which the Club would not have been able to survive.

- 3.10 Dave Penny resigned as first team manager on 30 April 2009, just before the final game of the season. Colin Todd was appointed as his replacement by DFC 2009 on 20 May 2009.

#### **4. PURPOSE, INITIAL STRATEGY AND PROGRESS OF THE ADMINISTRATION**

##### **4.1 Purpose of the Administration**

- 4.1.1 In accordance with Paragraph 3(1) of Schedule B1 of the Insolvency Act 1986 the Administrator of the Company must perform his functions with the objective of:

- a) rescuing the Company as a going concern; or
- b) achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up; or
- c) realising assets in order to make a distribution to one or more secured or preferential creditors.

- 4.1.2 The first object of rescuing the Company (as a separate legal entity) as a going concern as set out in Paragraph 3(1)(a) is not possible due to the high level of liabilities incurred by the Company. Upon his appointment the Administrator was satisfied that the incumbent director had made every effort over the past few months to obtain additional funding to trade the Club but that this had proved unsuccessful and therefore the option set out in Paragraph 3(1)(a) was unobtainable and therefore could not be pursued any further.

- 4.1.3 Therefore the objective of this Administration is that set out in Paragraph 3(1)(b) which is achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up.

##### **4.2 Initial Administration Strategy**

- 4.2.1 Following the appointment of the Administrator, a review of the Company's business was immediately undertaken.

The Administrator identified that:-

- 4.2.2 The major value in the Club derived from its ability to compete in the Football League and various knockout competitions. To do so the Club must hold a share in each of the Football League and the Football Association. The shares can only be transferred to a new company pursuant to the Football Regulations via either a CVA or Scheme of Arrangement or in exceptional circumstances which will be detailed later in this Report;

- 4.2.3 No player sales could be concluded until the transfer window opened at the end of 2008/09 season, and given the limited squad of players currently at the



Club and value within that squad based on independent advice the potential revenue is restricted. A complete sale of the playing squad would not realise any sums for creditors as the Football League would not release funds from a complete sale followed by a shut down scenario. In any event, any proceeds from player sales would have to have been used according to the Football Leagues Rules and Regulations, firstly to pay off sums due under the Football League's transfer account, and then to cover any shortfall in trading costs and expenses of the Administration.

- 4.2.4 Other tangible assets appeared to be minimal when compared to ongoing trading costs. Such assets principally comprised furniture, fixtures and fittings in offices / banqueting suites and stocks of merchandise. Such assets were insufficient to secure funding for continued trading.

#### **4.3 Progress of the Administration**

- 4.3.1 On appointment of the Administrator a number of employees were made redundant. In addition, wage deferrals for March and April were agreed with all the remaining staff, including the playing staff. These deferrals have been a critical factor in the Administrator's ability to continue trading.
- 4.3.2 In addition, George Houghton made available the sum of £200,000 to the Administrator to assist the Club in the completion of its fixtures for the remainder of the 2008/09 season and to assist in the running of the Club up until a purchaser was found. The sum of £175,000 has been received to date.
- 4.3.4 In order to assist with the running costs of the Administration, and in the interests of reducing the wage bill, the Administrator saw it necessary on 5 May 2009 to make further staff redundancies with immediate effect, including that of the Assistant Coach.
- 4.3.5 The funds generated from all the above have enabled the Administrator to pay the general trading expenses of the Administration, and enabled the Club to complete its fixtures for the 2008/09 season and to trade during the off-season period whilst a buyer for the Club was sought.
- 4.3.6 The Administrator has provided reports to the Football League on regular occasions and anticipates a meeting shortly to discuss their insolvency policy and to update the Football League on the progress made in rescuing the Club.

### **5. SALE OF BUSINESS AND ASSETS**

#### **5.1 Sale of the business and assets**

- 5.1.1 The Club was fully advertised for sale upon the appointment of the Administrator via press statements which were provided to the local and national press on a regular basis in order to attract as much publicity of the sale process as possible. In addition to the media attention, a number of meetings were arranged with local businessmen and conference calls were

held with potential purchasers as far away as America and Greece. In total, 10 confidentiality agreements were signed and the signatories were allowed access to detailed discussions and the due diligence pack.

- 5.1.2 Any interested parties were initially requested to provide proof of funds for at least £2,000,000. This figure was based on the amount required to pay a reasonable return to creditors and to pay off all football creditors in full and to be able to fund the losses of the Club into next season.
- 5.1.3 An initial deadline was set for 20 April 2009 at which point one formal offer was received for the Club. The offer was conditional upon a sale of the stadium and other property being agreed with the proprietor. No such sale was agreed and the offer for the Club was therefore rescinded. The deadline for offers was subsequently extended until 15 May 2009 in order to extract any other interested parties. In the meantime, an "All Stars" game was arranged on 3 May 2009 to raise funds to trade the Club in the off-season. Over 3,000 attended the game.
- 5.1.4 A number of interested parties raised late interest but were either unable to prove funds or did not make a formal unconditional offer for the Club.
- 5.1.5 Following the passing of the deadline for offers on 15 May 2009, there were no remaining bids for the Club. However, Darlington Football Club 2009 Limited (**DFC 2009**) requested negotiations with the Administrator and following a series of conference calls and discussions, an offer was made for the assets of the Club and the Administrator on 22 May 2009, granted DFC 2009 "preferred bidder" status.
- 5.1.6 On 22 May 2009 the Administrator entered into a sale and purchase agreement with DFC 2009 for the transfer of the business and assets of the Company (the **Agreement**), conditional upon the successful transfer of the Football League Share. The price agreed under the Agreement was the sum of £50,000 (the **Price**) plus the provision of a facility. In addition, the Price included the assumption of liabilities and contracts as defined under the Agreement and the release of a debenture in favour of Philip Scott and Graham Sizer dated 3 December 2009 over the assets of the Company on completion. The debenture is to be released by DFC 2009 over the Company with any amount outstanding under the debenture ranking as an unsecured creditor for dividend purposes as against the Company.

## 5.2 The Football League Share

- 5.2.1 The Company's right to compete in the Football League and remain as a member of the Football Association depends upon it holding a share in each of the Football League and the Football Association. When a football club enters into an insolvency procedure the Football League and the Football Association have the right to require the club in question to transfer its share to another club or organisation. Under the Football League's Articles of Association it is a condition of continued membership of the Football League that all creditors classified by the Football League as Football Creditors are paid in full and the

Football League's insolvency policy is complied with in full. The Football Association also require compliance with the Football League's insolvency policy.

- 5.2.2 I am advised that a CVA for the Company as an exit route from administration is the preferred mechanism pursuant to which the Company's business can be transferred to any new company because of the requirements for transfer of the Club's Football League Share. The main asset of the Club is its shareholding in the Football League. Under the rules of the Football League the Football League Share can only be transferred via a sale to a "Newco" which has been approved via a CVA or, as we understand it, in exceptional circumstances and the decision as to whether exceptional circumstances exist is at the sole discretion of the board of the Football League.
- 5.2.3 The Football League has suspended the Company's share in the Football League generally subject to the possibility of a transfer of the Company's share to a "Newco", which may be subject to conditions dependant upon whether the CVA I am proposing is approved. The Agreement entered into with DFC 2009 was therefore drafted so that completion of the sale is conditional upon the Football League's approval of the transfer of the Football League Share.
- 5.2.4 If the CVA is accepted, and approval is given from the Football League for the transfer of the Football League Share to DFC 2009, the Agreement that the Administrator has reached with DFC 2009 will be completed. If the CVA is rejected by creditors or the Football League reject DFC 2009's request for the transfer of the Football League Share, then the Agreement will be likely to be rescinded by DFC 2009 and the Club will be subject to a 15 to 20 point deduction at the start of the 2009/10 season.
- 5.2.5 If the CVA is accepted by the requisite majority of creditors and no appeal is made within 28 days of the CVA being lodged at court then the Football League share will transfer to DFC 2009 without any further points deduction. If the CVA is not accepted by the requisite majority of creditors then, as we understand it, the Football League's insolvency policy nonetheless potentially allows for the transfer and subsequent registration of the Football League Share through the Football League exceptional circumstances route ("**the Football League Exceptional Circumstances Route**"). If such exceptional circumstances apply, conditions may be imposed by the Football League whereby the Club is likely to suffer a 15 to 20 points deduction at the start of the 2009/10 season.
- 5.2.6 If DFC 2009 are unable to register the Football League Share in their name the Company will not be able to continue its participation in the Football League and the Football Association.
- 5.2.7 All Football Creditors if any (as such are determined by the Football League) will be dealt with by DFC 2009 to the satisfaction of the Football League upon the Football League Share being transferred to DFC 2009. It is the intention of DFC 2009 to assume responsibility for Football Creditors. It should be

emphasised that such payment to the Football Creditors will be made outside the terms of the CVA and payment will be made directly to Football Creditors by DFC 2009. It is not intended therefore that any provision of the CVA shall disturb the statutory order of priority of payments to creditors as set out in the Insolvency Act 1986 by ranking Football Creditors ahead of preferential creditors or other unsecured creditors.

- 5.2.8 On the basis that a CVA will definitely provide for the saving of a football club in Darlington it will provide a minimal dividend for creditors but is to be compared to a zero return under a liquidation and will also retain jobs for the current employees of the Club and will allow for continued trading with suppliers. As a consequence, the Administrator recommends the attached CVA.

## **6. FUTURE CONDUCT OF THE ADMINISTRATION**

### **6.1 Conclusion of the Administration**

- 6.1.1 The Administrator's strategy is dependent on the outcome of the proposed CVA meeting. If the CVA is accepted and the Football League and Football Association agree to the transfer of the Club's shares to DFC 2009, then the Administrator will exit pursuant to Paragraph 80 of Schedule B1 Insolvency Act 1986.
- 6.1.2 If the CVA is not approved, it is likely that the Administrator will exit via a dissolution of the Company pursuant to Paragraph 84 of Schedule B1 of the Insolvency Act 1986.

### **6.2 Other Matters**

- 6.2.1 As required by the Company Directors Disqualification Act 1986 the Administrator will be preparing a report on the conduct of the directors of the Company. This report will be lodged with the Department of Trade & Industry but its contents will remain confidential.

### **6.3 Administrator's fees**

- 6.3.1 The basis of the Administrator's fees is time properly spent at Brackenbury Clark & Co Ltd's hourly rates. These rates are included in Appendix 2 to this report.
- 6.3.2 In the period from our appointment to 1 June 2009, we have incurred time costs of £71,837.50 representing 494 hours at an average rate of £145 per hour.
- 6.3.3 In accordance with Statement of Insolvency Practice 9, a breakdown of these costs and expenses for each grade of staff is attached at Appendix 4.

6.3.4 Further information is given in the Association of Business Recovery Professionals' publication *A Creditors' Guide to Administrators' Fees*, a copy of which is available upon request or can be viewed at [www.insolvency-practitioners.org.uk](http://www.insolvency-practitioners.org.uk).

6.3.5 Please note that all staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent.

#### **6.4 Statement of Affairs**

6.4.1 To date a statement of affairs of the Company has not been received from the director of the Company. An estimated financial position of the Company as at 25 February 2009 is however, attached at Appendix 3.

### **7 CREDITORS' MEETING**

7.1 In accordance with Paragraph 51 of Schedule B1 of the Insolvency Act 1986, a meeting of creditors will be held at 10:30 am at Darlington Arena, Neasham Road, Darlington, DL2 1DL on 17 June 2009.

7.2 Formal notice of the meeting, Form 2.20B is attached.

7.3 The purpose of this meeting is to vote on the Administrator's proposals as detailed in section 8 of this report.

7.4 This meeting will be followed at 11:30 am by the meeting called under Section 3 of the Insolvency Act 1986 to allow the creditors to vote on the proposed CVA.

### **8. ADMINISTRATOR'S PROPOSALS TO ACHIEVE THE PURPOSE OF THE ADMINISTRATION**

8.1 The Administrator is of the opinion that the attached CVA Proposals, if approved, could secure the second prescribed objective under Paragraph 3(1)(b) of Schedule B1 of the Insolvency Act 1986; achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up. The Administrator proposes the following resolutions:

#### **Resolution (1):**

- to propose the CVA;

#### **Resolution (2):**

- that the Administrator be authorised to draw fees on account from the assets of the Company from time to time during the period of the Administration based on time properly spent at Brackenbury Clark & Co Ltd's charge out rates reflecting the difficulty of the assignment. Also, that the Administrator be

authorised to draw disbursements from time to time to include category two disbursements;

- that any costs incurred by Brackenbury Clark & Co Ltd's prior to appointment of the Administrator but for the sole purpose of assisting and advising the Company in respect of the appointment process, be authorised on the same basis as above; and
- that any costs of Brackenbury Clark & Co Ltd's in respect of tax, VAT, pensions, health & safety and forensic advice provided to the Administrator be based upon time costs and shall be paid out of the assets of the Company.

**8.2 In the event of the CVA scheduled for 17 June 2009, or any adjournment thereof, is approved;**

**Resolution (3):**

- to exit the Administration at such time as the Administrator deems appropriate by the filing at Companies House and the Court a notice pursuant to Paragraph 80 of Schedule B1 of the Insolvency Act 1986;
- to seek to complete the agreements with DFC 2009 upon such further terms (if necessary) as the Administrator deems fit and the Administrator be authorised to liaise with all relevant parties, bodies or organisations which they deem necessary and/or appropriate for achieving that purpose;
- the Administrator be fully entitled to exercise any and all the powers listed in Schedule 1 to the Insolvency Act 1986 for any purpose set out in these proposals;
- following the filing of the notice under Paragraph 80 of Schedule B1 of the Insolvency Act 1986 as set out above, the Administrator will be discharged from liability in respect of any action by them as Administrator pursuant to Paragraph 98 of Schedule B1 of the Insolvency Act 1986 with immediate effect;
- to continue to do all such things reasonably expedient and generally exercise all their powers as Administrator as he, in his discretion, considers desirable in order to maximise realisations from the assets of the Company in accordance with the objective as set out above.

**8.3 In the event the CVA scheduled for 17 June 2009, or any adjournment thereof, is not approved;**

**Resolution (4):**

- to seek to complete the agreements with DFC 2009 upon such further terms (if necessary) as the Administrator deems fit and failing which the Administrator be authorised to conclude a sale of the whole, or part of the business property and assets of the Company, without having to obtain the sanction of the

Company's creditors at further creditors' meetings, upon such terms as the Administrator deems fit and they be authorised to liaise with all relevant parties, bodies or organisations which they deem necessary and/or appropriate for achieving that purpose;

- the Administrator be fully entitled to exercise any and all the powers listed in Schedule 1 of the Insolvency Act 1986 for any of the purposes set out in these proposals;
- to explore any other option available to realise the assets of the Company without recourse to creditors;
- to continue to do all such things reasonably expedient and generally exercise all their powers as Administrator as he, in his discretion, considers desirable in order to maximise realisations from the assets of the Company in accordance with the objective as set out above;
- to investigate and, if appropriate, pursue any claims the Company may have;
- to seek an extension to the Administration period if deemed necessary by the Administrator;
- when the realisations of the Administration have been completed it is proposed that the Administrator applies to Court to make a distribution to unsecured creditors in the event that there are any funds to distribute and resolve that the Company be dissolved without further recourse to the creditors pursuant to Paragraph 84 of Schedule B1 of the Insolvency Act 1986;
- if, in the opinion of the Administrator, no better realisations will be made in the Administration than would be available in a winding up, to take the necessary steps to put the Company into either creditors' voluntary liquidation or compulsory liquidation as deemed appropriate by the Administrator; in the event the Administrator deems that liquidation is not appropriate because, for example, no dividend will become available to creditors and there are no other outstanding matters that require to be dealt with in a liquidation, then the Administrator shall file the appropriate notices at Companies House and the Company will subsequently be dissolved;
- if creditors' voluntary liquidation is deemed appropriate at any stage, that David Nichols Clark is appointed as Liquidator of the Company, at the appropriate time without any further recourse to creditors. In accordance with Paragraph 83(7) of Schedule B1 of the Insolvency Act 1986 and Rule 2.117(3) of the Insolvency Rules 1986, creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after the receipt of the proposals and before the proposals are approved.
- that following the discharge of the Administration, the Administrator be discharged from liability in respect of any action as Administrator pursuant to Paragraph 98 of Schedule B1 of the Insolvency Act 1986 with immediate effect.

**9. FUTURE REPORTING**

- 9.1 The Administrator is required to provide a progress report within one month of the expiry of the first six months of the Administration.

Dated this 1st day of June 2009



**D N Clark**

**Administrator**

**Acting as Agent of the Company without Personal Liability**

**Darlington FC Limited – In Administration**



## Darlington FC Limited – In Administration

## STATUTORY INFORMATION

<b>Company Number:</b>	05074229
<b>Date of Incorporation:</b>	16 March 2004
<b>Registered Office:</b>	c/o Brackenbury Clark & Co Limited 2 <sup>nd</sup> Floor 43 St Pauls Street Leeds LS1 2JG
<b>Former Registered Office / Principal Trading Address:</b>	Darlington Arena Neasham Road Darlington County Durham DL2 1DL
<b>Authorised Share Capital:</b>	£5,050,000 dividend into 5,050,000 ordinary shares of £1 each
<b>Issued Capital:</b>	£250,000 ordinary shares of £1 each
<b>Shareholders:</b>	DFC Investments Limited – 250,000 ordinary shares of £1 each
<b>Debenture Holders:</b>	Mr Philip Scott and Mr Graham Sizer
<b>Director:</b>	Mr George Houghton
<b>Company Secretary:</b>	Mr James White

## APPENDIX 2

### Darlington FC Limited – In Administration

#### EXTRACTS FROM ACCOUNTS

	Period ended 31/10/2007 £	Period ended 31/10/2006 £	Period ended 31/05/2005 £
<b>PROFIT AND LOSS ACCOUNT</b>			
Turnover	2,686,333	3,374,753	
Employment costs	(2,955,908)	(2,810,151)	
External and other operating charges	(2,133,916)	(2,121,093)	
Depreciation of tangible fixed assets	(206,864)	(309,506)	
Administration expenses	-	-	
Other operating income	63,155	42,883	
Operating loss	(2,547,200)	(1,823,114)	
Interest receivable and similar income	7,694	4,515	
Interest payable and similar charges	(123,218)	(77,245)	
Loss on ordinary activities before taxation	(2,662,724)	(1,895,844)	
Taxation	-	-	
Retained loss for the period	<u>(2,662,724)</u>	<u>(1,895,844)</u>	
<b>BALANCE SHEET</b>			
Fixed assets	1,389,913	1,475,735	1,371,485
Current assets	746,225	388,912	337,447
Creditors: amounts due within one year	(2,037,703)	(1,134,557)	(1,260,392)
Net current liabilities	(1,291,478)	(745,645)	(922,945)
Total assets less current liabilities	<u>98,435</u>	<u>730,090</u>	<u>448,540</u>
Creditors amounts falling due after more than one year	5,255,748	3,224,679	1,047,285
<b>Called and Reserves</b>			
Called up share capital	250,000	250,000	250,000
Profit and loss account	(5,407,313)	(2,744,589)	(848,745)
Equity Shareholders' Funds	<u>98,435</u>	<u>730,090</u>	<u>448,540</u>
Directors' Approval	08/12/2008		13/01/2006

# APPENDIX 3

## Darlington FC Limited – In Administration

### ESTIMATED FINANCIAL POSITION OF THE COMPANY AS AT 25 FEBRUARY 2009

Assets	Note	Book Value £	Estimated to realise	
			£ In-situ	£ Ex-situ
Scoreboard	*1		100,000	100,000
Deduct: Clockwork Capital		(105,640)	(105,640)	(105,640)
Shortfall carried down			(5,640)	(5,640)
Pitch Spike and Sprayer	*1		7,500	7,500
Deduct: S G Equipment Finance		(13,005)	(13,005)	(13,005)
Shortfall carried down			(5,505)	(5,505)
Leasehold Property			Nil	Nil
Motor Vehicles			500	500
Coffee Machine			250	100
Stock	*2	44,425	10,000	2,500
Book Debts	*3	85,528	42,764	42,764
Cash at Bank			59,140	59,140
Cash in floats on company premises			13,076	13,076
Goodwill			Nil	Nil
			125,730	118,080
Preferential Creditors				
Employee Arrears of Wages		(63,176)	(63,176)	(63,176)
Holiday Pay		(7,462)	(7,462)	(7,462)
			55,092	47,442
Floating Charge Creditor				
P Scott and G Sizer	*4	(2,500,000)	(2,500,000)	(2,500,000)
			(2,444,908)	(2,452,558)
Unsecured Creditors				
Trade Creditors	*5	4,232,666		
Hire Purchase Shortfalls		11,145		
Employees arrears redundancy & notice pay		243,817		
Players liability on early termination of contracts		547,526	(5,035,154)	(5,035,154)
			(7,480,062)	(7,487,712)
Ordinary Shareholders			(250,000)	(250,000)
Estimated total deficiency			(7,730,062)	(7,737,712)

**Darlington FC Limited – In Administration****ESTIMATED FINANCIAL POSITION OF THE COMPANY  
AS AT 25 FEBRUARY 2009****\*Notes to Statement of Affairs**

1. The valuations of the company's scoreboard and pitch spike and sprayer are based upon the level of offers received for these assets. It is anticipated that there will be a shortfall to the hire purchase creditors in respect of these agreements. Accordingly there is no interest for the Administrator.
2. The amount expected to realise for the company's stock has been written down by the sum of £41,925 as the majority of this stock is aged and, furthermore, is subject to retention of title claims.
3. A 50% provision has been applied in respect of the company's outstanding book debt ledger. Such a high provision has been used as a number of the company's book debts have been outstanding for a substantial period.
4. Mr P Scott and G Sizer hold a qualifying floating charge, however, a prescribed part has not be calculated and detailed in the Statement of Affairs as the company's Net Property is unlikely to exceed £10,000.
5. The Statement of Affairs does not include the costs of realisation or the costs of liquidation.
6. The figures for creditors have been extracted from the company's accounting records.
7. The figure shown for trade creditors is broken down as follows:

<b><u>Creditor</u></b>	<b><u>Amount</u></b>
H M Revenue & Customs – VAT	£204,255
H M Revenue & Customs – PAYE/NIC	£200,121
Trade Creditors	£1,015,927
Directors Loan Account	£130,844
DFC Investments Limited	£2,028,765
Darlington FC (Holdings) Limited	<u>£652,754</u>
	<b>£4,232,666</b>

**Brackenbury Clark & Co Ltd**  
**Darlington FC Limited**  
**A4 - Preferential Creditors Statement of Affairs Figures**

Key	Name	£
CE11	Redundancy Payments Office Ladywell House Ladywell Road Edinburgh EH12 7UR	70,638.00
<b>1 Entries Totalling</b>		<b>70,638.00</b>

Signature \_\_\_\_\_

**Brackenbury Clark & Co Ltd**  
**Darlington FC Limited**  
**B - Company Creditors**

Key	Name	Address	£
CM02	33 Point Media	2nd Floor, Lingfield House, Lingfield Road, McMullen Road, Darlington, DL1 1RW	2,336.55
CA02	AEEC Ltd	25 Bradwell Way, Philadelphia, Houghton le Spring, Tyne & Wear, DH4 4XA	65.80
CA03	Already Sorted Ltd	Java House, Low Hall Lane, Scotton, Richmond, North Yorkshire, DL9 3PL	1,138.62
CA08	Amec UK Shared Services	William Press House, Houghton Road, Darlington, DL1 2ED	1,893.76
CW10	Andrew Wilkinson		600.00
CA04	Arriva North East	Admiral Way, Doxford International Business Park, Sunderland, SR3 3XP	1,586.00
CA07	Audio Visual Services Ltd	5 Copeland Court, Forest Grove Business Park, Riverside Industrial Estate, Middlesbrough, TS1 1RN	868.25
CB01	B3 Architects	Castle Buildings, Womanby Street, Cardiff, CF10 1RG	7,330.24
CB17	Barcelo Redworth Hall Hotel	Redworth, County Durham, DL5 6NL	255.15
CB02	Barclays Merchant Services	DEP MFQ2, Northampton, NN4 7SG	2,186.74
CB03	Bennison Builders	Houghton House, New Road, Team Valley Trading Estate, Gateshead, NE11 0JU	6,900.00
CB04	Biffa Waste Services	Coronation Road, Cressex, High Wycombe, HP12 3TZ	326.97
CB05	Blackwell Grange Moat House	Darlington, County Durham, DL3 8QH	11,275.54
CB06	Bluefin	Minerva House, East Parade, Leeds	262.50
CB19	Booking Services International		153.76
CB18	Bradford City Football Club		434.28
CB11	Brakes	Eureka Science & Business Park, Ashford, Kent, TS25 4AG	1,590.45
CB07	Brentford Football Club	Griffin Park, Braemar Road, Brentford, Middlesex, TW8 0NT	16,656.58
CB08	British Gas	PO Box 228, Edinburgh, EH5 1YA	711.97
CS12	British Sky Broadcasting Ltd	Sky Business Division, PO Box 1805, Livingstone, West Lothian, EH54 7XG	4,738.00
CB09	Browell Smith & Co Solicitors	Pearl Assurance House, 7 New Bridge street West, Newcastle upon Tyne, NE1 8AQ	287.50
CB10	BUPA Hospital Finance	PO Box 212, Salford, Manchester, M5 3PF	219.66
CC01	C & G Cash Registers	1 Noth Road, Bedale, North Yorkshire, DL8 1AF	109.93
CC02	Cam-Tec Systems	2 Longtens Way, Heighington Lane Business Park, Newton Aycliffe, DL5 6AP	96.31
CC03	Carlisle United Football Club	Brunton Park Stadium, Warwick Road, Carlisle, CA1 1LL	10,961.34
CC04	Carmel RC College	The Headlands, Darlington, County Durham, DL3 8RW	35.00
CC05	Catering Friend Ltd	Hamilton House, Sotherby Road, Middlesbrough, TS3 8BT	217.68
CC08	Charlton Williamson	77 Osbourne Road, Newcastle upon Tyne, NE2 2AN	3,525.00
CC00	Chester Le Street District Council	Riverside Sports Pavillion, Civic Centre, Newcastle Road, Chester-le-Street, DH3 3UT	8,738.80
CC10	City Laundry	Unit 38, Pallion Industrial Estate, Tyne & Wear, SR4 6SN	1,511.05
CC11	Classic Coaches	Classic House, Morrison Road, Annfield Plain, DH9 7RX	10,096.00

**Brackenbury Clark & Co Ltd**  
**Darlington FC Limited**  
**B - Company Creditors**

Key	Name	Address	£
CC16	Clockwork Capital	Geraldine Scher, Director, Clockwork Capital, 6-7 Great Chapel Street, London, W1F 8FF	105,641.00
CC17	Colchester United FC Limited	Weston Homes Community Stadium, United Way, Colchester, Essex, CO4 5UP	13,639.38
CB15	Colin Benson - Scout	24 High Lee House, 69 Broad Road, Sale, Cheshire, M33 2ES	77.70
CC09	CoolBlu	PO Box 178, Darlington, County Durham, DL1 9EY	1,646.25
CC14	Coors Brewers Ltd	Dept 3, Leeds, LS6 1ZX	11,498.72
CC12	County Harvest Farm Foods Ltd	Sutherland House, Cleveland Trading Estate, Darlington, County Durham, DL1 2PB	13,738.28
CC15	Crutes Law Firm	Great North House, Sandyford Road, Newcastle upon Tyne, NE1 8ND	1,725.00
CD13	Dagenham & Redbridge FC	Dagenham Stadium, Victoria Road, Dagenham, Essex, RM10 7XL	786.35
CD08	Darlington Borough Council	Town Hall, Darlington, County Durham, DL1 5QT	17,033.30
CD01	Darlington FC Holdings Ltd	Avenue House, St Julians Avenue, St Peter Port, Guernsey, GY1 1WA	652,754.00
CB13	David Bagley - Scout	22 Cottesmore House, Browns Green, Handsworth Wood, Birmingham, B20 1DW	309.60
CJ03	David Jones Associates	North West House, 158 Clifton Drive, Blackpool, Lancashire, FY4 1RT	7,755.00
CD03	DCS Payroll Agency	Mowbray Villas, Burdon Road, Sunderland, Tyne & Wear, SR2 7EA	2,903.09
CD04	Deadline ES	22 Queensland Avenue, South Shields, NE34 9DY	415.02
CD12	DFC Investments Ltd	Avenue House, St Julians Avenue, St Peter Port, Guernsey, GY1 1WA	2,028,765.00
CD07	Dicksons Traditional Butchers	Heddon Way, Middlefields Industrial Estate, South Shields, Tyne & Wear, NE34 0NT	2,819.22
CD09	Durham Constabulary	Police Headquarters, Ayley Heads, Durham, DH1 5TT	21,380.76
CE01	E3 Ecology Ltd	Pasture House, Wark, Hexham, NE48 3DG	2,068.00
CE02	Eemits Communication	6 Alvis Court, Cowpen Industrial Estate, Billingham	1,910.46
CE04	Esselles Sports	PO Box 178, Chorley, Lancashire, PR7 5UR	312.80
CE05	Eventcover Productions Ltd	The Old Orchard, Town Farm, Newton, Stockfield, NE43 7UL	22,633.28
CE07	Excel Publishing Co Ltd	Portland Buildings, 127/129 Portland Street, Manchester, M1 4PZ	230.00
CE10	Expenses		6,054.34
CE06	Expotel Hotel Reservations	Kingsgate House, 29-39 The Broadway, Stanmore, Middlesex, HA7 4AN	58.39
CF01	Fibresand UK	Sandhurst Avenue, Mansfield, Nottinghamshire, NG18 4BE	98.70
CN01	Flowers by Natrass	Old House Gardens, Hurworth on Tees, Darlington, DL2 2HD	545.60
CF10	Football in the Community		90.00
CF11	Football League		552.00
CF00	Fox Gas Supplies	Unit 11 Whitbank Park, Whitbank Road, Aycliffe Ind Est, Newton Aycliffe, DL5 6AY	650.54
CG02	G Houghton	Primrose Lodge, Dissington Lane, Ponteland, Newcastle upon Tyne, NE15 0AB	130,844.00
CG03	Gazette Media Company	Gazette Buildings, Borough Road, Middlesbrough, TS1 3AZ	108.13
CB14	George Brown - Scout	14 Boston Street, Sowerby New Road, Sowerby Bridge, HX6 1DP	71.40

**Brackenbury Clark & Co Ltd**  
**Darlington FC Limited**  
**B - Company Creditors**

Key	Name	Address	£
CG06	Glenwood Paints		1.68
CG01	Graham Fordy Sports Consultant	26 Gypsy Lane, Nunthorpe, Middlesbrough, TS10 1EA	2,070.00
CG07	GW Air Conditioning		396.75
CH15	H M Revenue & Customs	Insolvency Operations, 3rd Floor, Queens Dock, Liverpool, L74 4AF	204,255.00
CE09	H M Revenue & Customs	Enforcement & Insolvency, Durrington Bridge House, Barrington Road, Worthing, West Sussex, BN12 4SE	200,121.00
CH01	Health Partners	Bridge House, 273 Brighton Road, Belmont, Surrey, SM2 5SU	3,874.06
CH02	Hewit Solicitors	207 Newgate Street, Bishop Auckland, County Durham, DL14 7EL	875.00
CH04	Highgate Turkeys	Cocklakes House, Troutbeck, Penrith, Cumbria, CA11 0SG	3,507.89
CH05	Highways Agency	Room C1, 5 The Broadway, Broad Street, Birmingham, B15 1BL	40,087.50
CH10	Holiday Inn Farnborough		1,144.90
CH07	Hospitality Guaranteed	The Old Brewery, Castle Eden, Durham, TS27 4SU	1,567.41
CH11	Hotels - 1st Team Travel		191.00
CH12	HR Wizard		1,913.00
CH08	HSS Hire Shop		170.98
CH09	Huddersfield Town FC	MGA Centre, Cleveland Street, Darlington, County Durham, DL1 2NX	5,913.81
CH06	Hummersknott Comprehensive School	The Alfred McAlpine stadium, Huddersfield, HD1 6PX	1,230.00
CI01	Ipswich Town FC	Edinburgh Drive, Darlington	10,417.90
CI02	ITW Graphics	Portman Road, Ipswich, Suffolk, IP1 2DA	233.15
CB1A	J Bradley	Sporting ID, Unit 17, Airport Industrial Estate, Kingston Park, NE3 2EF	2,900.00
CN05	J Nixon	Unit A Canal Side Works, Aysworth Road, Ilkston, Derbyshire, DE7 8JF	1,942.60
CJ04	JR Holland	Team Valley Trading Estate, Gateshead, Tyne & Wear	1,448.84
CK01	Kajima Darlington School	Sunderland House, 5-7 The Friars, Newcastle upon Tyne, NE1 5XE	1,586.27
CK02	Kevin Luff	Unit 38, 1-4 Christina Street, London, EC2A 4PA	225.00
CK03	Kone Escalators	Worth Bridge Road, Keighley, West Yorkshire, BD21 4YA	887.50
CL03	Lanchester Dairies	Upper House Farm, Lanchester, Durham, DH7 0RL	158.70
CL02	Lanchester Wine Cellars Ltd	Greencroft Estate, Tower House, Anfield Plain, Stanley, DH9 7XP	243.91
CL08	Lloyd Ltd		540.27
CL06	Lochinvar Ltd	7 Lombard Way, The NXL Centre, Banbury, Oxfordshire, OX16 4TJ	634.88
CL01	Lodestone Patient Care Ltd	South Durham MRI, Hollyhurst Road, Darlington, County Durham, DL3 6UA	800.00
CL07	Logic TMS	Sophia House, 9Southwell Road, Staple Hill, Bristol, BS16 4QG	3,622.50
CM05	M & J Seafoods	c/o Moore Stephens, St Pauls House, Warwick Lane, London, EC4M 7BP	353.47



**Brackenbury Clark & Co Ltd**  
**Darlington FC Limited**  
**B - Company Creditors**

Key	Name	Address	£
CM00	Marketing & Promotions	6 Fairmead Rise, Kings Norton, Birmingham, B38 8BS	343.10
CM06	Mobilis Sport	100 Shaw Road, Oldham, OL1 4AY	716.35
CM07	Mr G Metcalfe	Highfields, Brafferton, Darlington, DL1 3LB	200.00
CN010	Mr Louw Van Niekerk	Centre for Sports Injury, Friarage Hospital, Northalton, North Yorkshire, DL6 1JG	1,200.00
CS28	Mr P Scott and G Sizer		2,500,000.00
CM01	MT Print	North Park House, Whessoe Road, Darlington, Co Durham, DL3 0YL	21,694.93
CN11	Nationwide Franking Sense Ltd	Nationwide House, Moss Bank Way, Bolton, BL1 8NP	239.20
CN02	NECC Telecom	Telecom House, Princess Way, Lud Prudhow, Northumberland, NE42 6NJ	1,152.89
CB12	Nigel Brown - Scout	30 Pyenest Avenue, Pyenest, Halifax, HX2 7HT	1,108.90
CN12	Noble Vehicle Hire	Insolvency Department, Norflex House, 20 Allington Way, Darlington, DL1 4DY	134.32
CN04	North East Chambe of Commerce	Aykley Head Business Centre, Aykley Heads, Durham, DH1 5TS	215.99
CN06	North East Electrical Supplies	Unit 1a, Laurel Way Industrial Estate, Bishop Auckland, Co Durham, DL14 7HF	272.83
CN07	Northstar Capital Projects	Houghton House, New Road, Team Valley Trading Estate, NE11 0JU	11,454.00
CN08	Northumbrian Water	Customer Accounts Centre, Po Box 200, Durham, DH1 5WG	6,915.08
CN10	Npower (elec)	Po Box 8201, Oldbury, West Midlands, B69 2RH	32,193.10
CN09	NS Hygiene	Unit 20 Nestfield Industrial Estate, Darlington, Co Durham, DL1 2NW	177.00
CO01	O2	260 Bath Road, Slough, Berkshire, SL1 4DX	823.43
CO02	Omega EFA Ltd	Team Nutrition, Spring House 1 Well Lane, Yealand Redmayne, Carnforth, LA5 9SX	2,184.00
CP09	Peterborough United FC	London Road, Peterborough	36,498.08
CP02	Petron Design Ltd	Webster Mills, Webster Street, Dewsbury, West Yorkshire, WF13 2LY	560.50
CP03	Phoenix Fire Systems Ltd	40 High Street, Royston, Barnsley, South Yorkshire, S71 4RF	517.50
CP04	Photofirst Photography	15 Ternbeck Way, Thornaby on Tees, Cleveland, TS17 9RF	800.00
CP05	PHS Group Plc	Western Industrial Estate, Caerphilly, CF83 1XH	2,113.12
CP06	Physio Med Services Ltd	Glossop Brook Business Park, Glossop, SK13 7AJ	891.21
CP07	PML Sports Management	Linkton House, 7 Rosebriars, Esher Park Avenue, Eshire, Surrey, KT10 9NN	4,582.50
CP01	Premier League Medical Insurance	Medical Centre Scheme, Bridge House, 273 Brighton Road, Belmont, Surrey, SM2 5SU	26,837.50
CQ01	Quality Food Services Ltd	Fresh Produce & Flower Centre Unit 1, Easter Park, Barton Road, Riverside, Middlesbrough, TS2 1RY	4,983.31
CQ02	Quest for Finance		360,000.02
CR01	Ravenstock MSG	Tees Offshore Base, Docks Road, South Bank, Middlesbrough, TS6 6UZ	146.01
CS24	Ray Simpson		600.00
CK05	RBOS Soccer Apparal		239.20

**Brackenbury Clark & Co Ltd**  
**Darlington FC Limited**  
**B - Company Creditors**

Key	Name	Address	£
CR02	Recognition PR	Lingfield House, Lingfield Point, McMullen Road, Darlington, Co Durham, DL1 1RW	2,151.67
CR03	Redworth Hall	Redworth, Co Durham, DL5 6NL	255.15
CR04	Reflex	Falcon House, Falcon Court, Stockton on Tees, TS18 3TX	15,953.34
CR05	Ringtons lld	Algernon Road, Po Box 3, Newcastle Upon Tyne, NE6 2YN	619.51
CR06	Ripley Communications	123 High Street, Normanton, West Yorkshire, WF6 1NW	609.50
CR07	Rowlands Pharmacy	Gunn's, Whinbush Way, Darlington, Co Durham, DL1 3RT	22.84
CS27	S G Equipment Finance Ltd	Parkshot House, 5 Kew Road, Richmond, Surrey, TW9 2PR	13,005.00
CS13	S&L Sports UK Ltd	135 Front Street, Shester-le-Street, County Durham, DH3 3BL	809.74
CS01	Safechem	Drum House, Drum Industrial Estate, Birtley, Co Durham, DH2 1SR	346.39
CS02	Sash Leisure	C/O Bibby Financial Services, 5a Tower House, St Catherine's Court, Sunderland	281.80
		Enterprise Park, Sunderland, SR5 3XJ	
CS04	Scottish & Newcastle Brewery	1 Deer Park Road, Livingstone, EH54 8AG	2,702.22
CS06	Secure Trading	Europeans Operations Centre, Parc Menai, Bangor, Gwynedd, LL57 4BL	34.75
CS07	Select	5 Burnt House Close, Hanover Estate, Winlaton, Tyne & wear	343.85
CS08	Selecla UK LTd	Unit 2, Cartel Business Park, Wade Road, Basingstoke, Hants, RG24 8FW	259.49
CS09	Sheriff Amenity	Cambridge House, Nottingham Road, Stapleford, Nottingham, NG9 8AB	1,282.26
CS10	Sho ITD	Henbury Hosue, 1 Friars Road, Newport, Gwent, NP20 4EXZ	1,862.97
CS11	Shorts of Whitburn Ltd	Mill Lane Works, Mill Lane, Whitburn, Sunderland, SR6 7NA	1,393.49
CS14	Smiths (North East)	11 Bridghouse, Burtee Road, Newton Aycliffe, DL5 6HZ	253.00
CS16	Soccarena	Broomside Park, Belmont Industrial Estat, Durham, DH1 1GG	717.60
CS17	Southend United FC	Roots Hall, Victoria Avenue, Southend on Sea, Essex, SS2 6NQ	1,465.84
CS26	Sponsorbank		149.50
CS18	Sportskit Pro Soccer	SPD House, 2-3 Harwell Road, Nuffield Industrial Estate, Poole, Dorset, BH17 0GE	190.30
CS20	St John Ambulance	Durham Business Centre, Littleburn Road, Langley Moor, Durham, DH7 8HG	2,472.96
CS19	Stanland Group Ltd	132 Parliament Road, Middlebrough, TS1 4JQ	778.13
CS21	Stocktake UK	The Water Mill Park, Broughton Hall, North Yorkshire, Skipton	287.50
CS22	Stuart Canvas Products	Warren Works, Hardwick Grange, Warrington, Cheshire, WA1 4RF	9,372.50
CT02	Tate Security Technology Ltd	Systems House, Little Lane, Goose Green, Wigan, WN3 6PX	906.81
CT03	Teeside Beers	Unit 2&3, Portrack Grange Road, Portrack Industrial Estate, Stockton on Tees, Cleveland, TS18 2PH	367.75
CA05	The Auto Centre	198 Neasham Road, Darlington, County Durham, DL1 4DF	152.75
CT12	The Bentley Hotel	New Ark Road, South Hykeham, Lincoln, LN6 9NH	25.00

**Brackenbury Clark & Co Ltd**  
**Darlington FC Limited**  
**B - Company Creditors**

Key	Name	Address	£
CT04	The Cup Company	Unit 10E, The Grip Industrial Estate, Linton Cambridgeshire, CB1 6RN	806.40
CD06	The Devonport	16-18 The Front, Middleton One Row, Darlington, DL2 1AS	2,650.00
CT11	The Football League Limited Pension and Life A	C/o The Football League Limited, Edward V11 Quay, Navigation Way, Preston, PR2 2YF	10,644.00
CS23	The Scene		458.85
CS05	The Scouting Network	Bordesley Hall, The Holloway, Alvchurch, Birmingham, B48 7QA	2,086.80
CY01	The Yoga Coach	Hayley Del Sanderson, 11 Balmoral Terrace, York, YO23 1HR	825.00
CT05	Thirlaway Butchers	12 Newbottle Street, Houghton le Spring, Tyne & Wear, DH4 4AB	1,464.66
CT06	Thompson Medd	St Helens Industrial Estate, Bishshop Aukland, County Durham, DL14 9AD	4,161.83
CT07	Ticketmaster Systems Ltd	International House, Stubbs Gate, Newcastle upon Tyne, ST5 1LU	2,115.15
CT08	Trendsetters Display LLP	Unit G11, Morton Park, Darlington, County Durham, DL1 4PQ	229.99
CT01	TSG Newcastle	Kingsway North, Team Valley, Gateshead, Tyne & Wear, NE11 0EG	4,336.86
CT13	TSG Newcastle		4,336.86
CT09	Turfcare Specialists Ltd	Unit 1-4 Grag Works, Pont Lane, Leadgate, Consett, County Durham, DH8 6LA	519.27
CT10	Tyneside Foodservices	Patterson Street, Blaydon Haughs Industrial Estate, Blaydon, Tyne & Wear, NE21 5SD	10,359.92
CU01	Umbro International	Umbro House, Lakeside, Cheadle, SK8 3GQ	50.00
CV01	Vandanel Sports Ltd	Unit7, Prospect Business Park, Langston Road, Loughton, Essex, IG10 3TR	23,070.03
CW01	Walkers Snack Services Ltd	Credit Control Dept, 1600 Arlington Business Park, Theale, Reading, RG 7 4SA	104.68
CW03	Ward Hadaway	Sandgate House, 102 Quayside, Newcastle upon Tyne, NE1 3DX	42,835.48
CW02	Wardell Armstrong	Accounts Dept, Sir Henry Doulton House, Forge Lane Erruria, Stoke on Trent, S11 5NN	8,581.21
CW04	Waters & Robson	Abbey Well, Morpeth, Northumberland, NE61 6JF	304.30
CW05	Wildchilds	58-64 North Road, Darlington, County Durham, DL1 2EQ	393.82
CW06	Woodlands Hospital	Morton Park, Darlington, County Durham	135.00
CW07	Woodward Foodservices	PO Box 133, Deesside, CH5 2ZB	2,811.83
CW11	Wrexham Football Club		4,731.04
CW08	Wrights Office Supplies	Unit 1b, Henson Road, Yarm Road Business Park, Darlington, County durham, DL1 4QD	371.49
CW09	Wycombe Wanderers	Adams Park, Hilbottom Road, High Wycombe, Bucks, HP12 4HJ	3,500.00
CZ01	Zibrant	2 Prospect Place, Pride Park, Derby, DE24 8HG	0.64
CZ02	Zola Sports	35 Thorold Road, Wood Green, London, N22 8YE	984.80
<b>183 Entries Totalling</b>			<b>6,851,277.30</b>

Signature

## APPENDIX 4

## Darlington FC Limited – In Administration

TIME ANALYSIS IN HOURS  
AT 1 JUNE 2009

	<u>Partner</u>	<u>Manager</u>	<u>Senior/ Administrator</u>	<u>Total</u>
Administration & Planning	45.2	47.1	73.7	166.0
Creditors	1.5	11.0	6.0	18.5
Cashiering	3.5	10.0	21.1	34.6
Investigations	0.0	0.0	0.0	0.0
Realisation of Assets	0.7	0.0	0.0	0.7
Trading	60.4	86.7	127.1	274.2
<b>Total</b>	<b>111.3</b>	<b>154.8</b>	<b>227.9</b>	<b>494.0</b>

Total Time Costs    £    71,838

Total Hours                    494

Average Hourly  
Rate                    £    145

## Darlington FC Limited – In Administration

**RECEIPTS AND PAYMENTS ACCOUNT**  
**FOR THE PERIOD FROM 25 FEBRUARY 2009 TO 1 JUNE 2009**

**RECEIPTS****£**

Gate Receipts	108,819.87
Carvery	15,109.80
Functions	3,210.13
Sponsorship	19,794.21
Misc Income	19,922.37
Funding	175,000.00
Car Parking	8,019.30
Lottery	2,018.92
Bars	46,538.22
Conferencing	33,809.90
Club Shop Sales	13,434.56
Programme Sales	9,027.56
Book Debts	34,677.70
Cash at Bank	52,481.97
Cash	19,140.94
Donations	7,889.00
Bank Interest Gross	10.57
Football League Youth Funding	25,000.00
FL Youth Expenses Contribution	3,600.00
VAT Payable	34,581.55
	<hr/>
	632,086.57

**PAYMENTS**

PAYE/NIC	15,094.24
Labour	98,281.50
Pensions	2,847.61
Water	5,928.99
Travel	11,632.37
Telephone	2,715.17
Special Events	1,600.00
Insurance	8,277.92
Bank Charges	956.68
Other Matchday Expenses	3,000.00
Lease/HP Payments	5,893.07
Hire of Equipment	15,052.06
Repairs & Maintenance	350.00
Sundry Expenses	2,046.73
Football League Commissions	1,856.87

## Darlington FC Limited – In Administration

**RECEIPTS AND PAYMENTS ACCOUNT  
FOR THE PERIOD FROM 25 FEBRUARY 2009 TO 1 JUNE 2009**

	£
Vehicle Running Costs	712.78
Hire of Facilities	2,946.34
Cleaning	523.69
Bars	24,277.68
Entry Fees	515.00
Catering	21,434.04
Team Hotel Costs	3,747.64
Match Video Costs	1,125.00
Programme Costs	6,538.00
Stewarding	12,385.01
Police	7,721.10
Ambulance Costs	2,341.00
Bordereau	480.00
Legal Fees	13,255.99
Statutory Advertising	139.18
Bank Charges	522.97
VAT Receivable	13,121.67
	<hr/>
	287,320.20
Balances in Hand	344,766.37
	<hr/>
	<u>632,086.57</u>

## Darlington FC Limited – In Administration

**BRACKENBURY CLARK & CO LIMITED**  
**DISBURSEMENTS RECOVERY POLICY - SIP 9**

Category 1 disbursements

<b>Bordereau/ insurance</b>	Charged at cost
<b>Case advertising</b>	As per advertisers/ agents invoice
<b>Courier</b>	Charged at cost
<b>DTI IVA registration fee</b>	Charged at cost (in relevant cases)
<b>Land Registry/ Searches</b>	As per Land Registry, agents or Companies House invoice
<b>Postage and stationery</b>	<p>Based on the Insolvency fees order 1986            For all official stationery, printing, postage and telephone charges including notices to creditors and contributories in respect of the first meeting of creditors and contributories:</p> <p>(i) For a number of creditors and contributories not exceeding 25 £175</p> <p>(ii) For every additional 10 creditors and contributories or part £40</p> <p>Where any other meeting of creditors and contributories are held by the office holder for the summoning and holding of those meetings:</p> <p>(i) For a number of creditors and contributories not exceeding 25 £155</p> <p>(ii) For every additional 10 creditors and contributories or part £20</p>
<b>Post re-direction</b>	Charged at cost
<b>Storage</b>	Pro-rata per number of boxes per storage charge invoice. An external records storage provider provides this facility to the firm. Charges are currently £1.95 for each box and £4 per box per annum storage
<b>Subsistence</b>	Charged at cost
<b>Travel</b>	Charged at cost for public transport and taxis. Car travel charged at 40p per mile.

Category 2

<b>Room hire</b>	£140 for room hire made available in-house for creditors' meetings, based on the external market rate for the provision of appropriate meeting room hire. Charge is only be made when attendance of debtor/ director and/or creditors is likely and a meeting room has been set aside. Where appropriate, external room hire at cost (Category 1)
<b>Additional Notes</b>	Room hire: based on estimates provided by four local external providers for meeting room facilities, the average rate arrived at is less than the amount charged by these providers

## Darlington FC Limited – In Administration

## TIME COST ANALYSIS - EXPLANATION OF WORK DONE

Category	Examples of Work
Administration and Planning	Case planning, case reviewing, administrative set-up, appointment notification, maintenance of records, statutory reporting and compliance.
Cashiering	Maintenance of cash books, bank reconciliation, processing receipts and payments, statutory returns
Investigations	SIP 2 review, CDDA reports, Investigating antecedent transactions
Realisation of Assets	Identifying, securing, insuring assets, retention of title, debt collection, property, business and asset sales free from encumbrance, dealing with charged assets, correspondence with secured creditor, and verification of security documentation.
Trading	Management of operations, accounting for trading, On-going employee issues
Creditors	Communication with creditors, creditors' claims (including employees' and other preferential creditors'), adjudication on claims and closure.

Details of the charge out rates of staff employed by Brackenbury Clark & Co Limited are as follows:

STAFF GRADE	CHARGE OUT RATE FROM £ PER HOUR	TO £ PER HOUR
Director / Associate	200	250
Senior Manager / Manager	150	200
Senior	100	150
Case Administrator	50	100
Cashiering	50	100
Clerical	25	50



## APPENDIX 7

## Darlington FC Limited – In Administration

## ESTIMATED OUTCOME STATEMENT AS AT 1 JUNE 2009

	ERV CVA £	ERV Liquidation £
<b>Assets</b>		
Estimated surplus arising from administration	50,000	0
<b>Preferential Creditors</b>		
Arrears of wages & holiday pay	(15,000)	(70,638)
	<u>35,000</u>	<u>(70,638)</u>
<b>Floating Charge Creditor</b>		
P Scott and G Sizer	-	(2,500,000)
	<u>35,000</u>	<u>(2,570,638)</u>
<b>Unsecured Creditors</b>		
P Scott and G Sizer	(2,500,000)	-
Trade and expense creditors	(922,067)	(922,067)
H M Revenue and Customs	(404,376)	(404,376)
G Houghton	-	(130,844)
DFC Holdings Ltd	-	(652,754)
DFC Investments Ltd	-	(2,028,765)
Estimated liability arising on early terminations of players' contracts	-	(210,506)
Football creditors	-	(634,315)
National Insurance fund and employees	(35,000)	(243,817)
	<u>(3,861,443)</u>	<u>(5,227,444)</u>
<b>Deficiency as regards unsecured creditors</b>	(3,826,443)	(7,798,082)
<b>P in £ dividend</b>	0.009	0

**2.18B**

The Insolvency Act 1986

**Notice of extension of time period**

Name of Company

Darlington FC Limited

Company number

05074229

In the  
High Court of Justice, Leeds District Registry  
(full name of court)Court case number  
581 of 2009

Notice is hereby given by (a)

(a) Insert full  
name(s) andDave Clark, of Brackenbury Clark & Co Ltd,  
Second Floor, 43 St Pauls Street, Leeds, LS1 2JGaddress(es) of  
administrator(s)(b) Insert name and  
address  
of registered  
office of companythat in respect of (b) Darlington FC Limited, c/o Brackenbury Clark & Co Limited, Second Floor  
43 St Pauls Street, Leeds, LS1 2JG

the time period set out in:

(c) Insert date  
\*Delete as  
applicable\* paragraph 49(5)(b) of Schedule B1 to the Insolvency Act  
1986 ('the Schedule') has been extended to

(c) 17 June 2009

\* paragraph 50(1)(b) of the Schedule has been extended to

(c) 1 July 2009

\* paragraph 51(2)(b) of the Schedule has been extended to

(c) 1 July 2009

Signed



Administrator

Dated

1/6/09

**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 researchers of the public record

Dave Clark  
Brackenbury Clark & Co Ltd  
Second Floor  
43 St Pauls Street  
Leeds  
LS1 2JG

DX Number

01132 438617  
DX Exchange

Companies House receipt date barcode

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**