

The Insolvency (Northern Ireland) Order 1989

2.17B**Statement of Administrator's Proposals**

Name of Company BALLYBRACKEN FARMS LIMITED	Company number NI619957
In the HIGH COURT OF JUSTICE IN NORTHERN IRELAND CHANCERY DIVISION (COMPANY INSOLVENCY) [full name of court]	Court reference number 26333

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

1. I (a) ROBERT WILLIAM SADLER of Auker Rhodes Accounting Limited, Devonshire House,
32-34 North Parade, Bradford, BD1 3HZ

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) Insert
date

(b) 30 July 2021

Signed 

Dated 30 July 2021

ADMINISTRATOR

Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies Registry 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.

EMILY GEE of Auker Rhodes Accounting Limited, Devonshire House,	
32-34 North Parade, Bradford, BD1 3HZ	
emily@aukerrhodesaccounting.co.uk	Tel 01904 379747

When you have completed and signed this form, please send it to the Registrar of Companies at the Companies Registry for Northern Ireland.

**BALLYBRACKEN FARMS LIMITED
(IN ADMINISTRATION)**

ADMINISTRATOR'S PROPOSALS

**IN THE HIGH COURT OF JUSTICE
IN NORTHERN IRELAND**

**IN THE MATTER OF THE INSOLVENCY (NORTHERN IRELAND)
ORDER 1989
AND
IN THE MATTER OF BALLYBRACKEN FARMS LIMITED**

30 July 2021

Presented by:



**Auker Rhodes
Accounting**

Insolvency Practitioners & Business Advisers

**Devonshire House
32-34 North Parade
Bradford
BD1 3HZ**

Tel: 01274 299499

THE ADMINISTRATOR'S STATEMENT OF PROPOSALS ("THE PROPOSALS")

These Proposals and report are being sent to creditors in accordance with Paragraph 50 of Schedule B1 to The Insolvency (Northern Ireland) Order 1989 ("the Order") and Rule 2.034 of the Insolvency Rules (Northern Ireland) 1991 ("the Rules").

This report is private and confidential and is for the sole purpose of providing creditors of the Company with the information that an Administrator is required to do by the Order and Rules. No part of this report may be reproduced or quoted from, referred to or used for any other purpose without the express permission of Robert William Sadler ("the Administrator")

I have prepared this report based upon the information that is available to me on the date the report is issued. Any estimated outcomes are believed to be correct at that date but may not be relied upon other than as guidance as to what the final outcomes may be.

COMPANY STATUTORY INFORMATION

Company name:	Ballybracken Farms Limited		
Date of incorporation:	20 August 2013		
Companies House registered number:	NI619957		
Registered office:	C/O Flannigan Edmonds Bannon, Linenhall Exchange 1st Floor 26 Linenhall Street, Belfast, BT2 8BG		
Former registered office:	C/O Flannigan Edmonds Bannon, Pearl Assurance House, 2 Donegall Square East, Belfast, BT1 5HB		
Trading address:	East Nethershields Farm, Strathaven, ML10 6TY		
Nature of business:	01500 - Mixed farming		
Directors and their shareholdings:			Shares
	Samuel Boyle Jamison	20/08/2013 – date	100
	Samuel Andrew Jamison	20/08/2013 – date	-
Company secretary:	N/A		
Accountants:	Flannigan Edmonds Bannon		
Registered charges:		Created	Delivered
	Barclays Bank PLC debenture	3 July 2015	15 July 2015

APPOINTMENT OF ADMINISTRATOR

Date of Administration:	7 June 2021		
Date of Administrators' appointment:	Robert William Sadler	07/06/2021	
Court case number:	High Court of Justice in Northern Ireland, reference 26333		

Creditors should note that:

- I was appointed by the Directors on 7 June 2021;
- as Administrator, I act as an officer of the Court and as an agent of the Company without personal liability;

- I am licensed by the Insolvency Practitioners Association;
- I am bound by the Insolvency Code of Ethics

FINANCIAL INFORMATION

The accounts filed at Companies House may be summarised as follows.

	Unaudited accounts for the year ended 31 August 2018	Unaudited accounts for the year ended 31 August 2017	Unaudited accounts for the period ended 31 August 2016
	£	£	£
Fixed assets	172,131	128,205	114,722
Current assets	370,730	366,179	340,307
Creditors: Amounts falling due within one year	(519,748)	(547,543)	(539,157)
Net current assets / (liabilities)	(149,018)	(181,364)	(198,850)
Total assets, less current liabilities	23,113	(53,159)	(84,128)
Share capital	100	100	100
Profit and loss account	23,013	(53,259)	(84,228)

Creditors should note that all assets on the 2018 accounts were disposed of in the farm sale that took place in 2019.

EU EXIT REGULATIONS

Part 1 of the Schedule to Regulation 2 of the Insolvency (Amendment) (EU Exit) Regulations 2019 ("EU Exit Regulations") applies to the Company's Administration. In accordance with section 4 of Part 1 of the Schedule to Regulation 2 of the EU Exit Regulations, these proceedings are COMI proceedings because they are in the place where the Company conducts the administration of their interests on a regular basis, and which is ascertainable by third parties.

THE OBJECTIVE OF THE ADMINISTRATION

An Administrator must¹ perform their functions with the objective of:

- rescuing the Company as a going concern; or
- achieving a better result for the Company's creditors as a whole than would be likely if the company were wound up (i.e. go into Liquidation) without first being in Administration; or
- realising property in order to make a distribution to one or more of the secured or preferential creditors.

Administrators must always pursue the first objective (a) unless they think that it is not reasonably practicable to achieve it or that objective (b) would achieve a better outcome for the creditors as a whole.

Administrators can only perform their functions with objective (c) where they think that it is not reasonably practicable to achieve objectives (a) or (b) and that the interests of the creditors as a whole are not unnecessarily harmed.

¹ Paragraph 4(1) of Schedule B1 of the Order

I am performing my functions in accordance with objective (b). The sale, immediately following the Company entering Administration, provided for the maximisation of the value of the Company's goodwill. It also allowed for an immediate release of any claim to the herd, which is registered to S & S Jamison ("the Partnership") and the equity available in assets subject to high purchase agreements.

I will now undertake a reconciliation exercise of the trading between the Partnership and Company to determine whether any further sum is recoverable for the benefit of creditors

Accordingly, the result for the Company's creditors as a whole is better in Administration than would be likely if the Company had been wound up.

BACKGROUND

The Company was incorporated on 20 August 2013 by Samuel Andrew Jamison and Samuel Boyle Jamison ("the Directors").

Throughout the Company's trading period it acted as a farming business, primarily in relation to dairy farming.

The Company trades from East Nethershields Farm, Strathaven, South Lanarkshire, Scotland ML10 6TY. Prior to relocating to Scotland in 2019 the business had traded from Northern Ireland.

Events leading up to Administration

The Company and S & S Jamison, an associated partnership between the Directors ("the Partnership"), have struggled since the move to Scotland.

The farming business is, under the direction of its secured lender, on the open market for sale. There is, therefore, no prospect of the Company being able to continue to trade.

Throughout its period of trading the Company has accrued debt with its suppliers, a number of whom have instigated proceedings in both the Northern Irish and Scottish judicial systems.

THE COMPANY'S ESTIMATED STATEMENT OF AFFAIRS

A Statement of Affairs has yet to be provided by the Directors of the Company, however, I have included an estimate of the Company's position as at the date of my appointment at Appendix A.

Assets

The Company's assets are made up of the following:

- Goodwill in relation to the Company's dairy farming business. Whilst at the date of Administration the Company had very limited goodwill, following the transfer of the milk contract to the Partnership in early 2020, an offer of £100,000 was made by S & S Jamison.
- Equity in certain chattel assets and farm machinery, that have been professionally valued by BPI Asset Advisory, RICS qualified valuers.
- A claim to a number of cattle registered to and in the possession, care and responsibility of the Partnership.

Cash at bank

There was no cash at bank at the date of Administration as the Company was operating an overdraft, which was fully utilised. The Company was supported by the Partnership in meeting monthly overheads.

Liabilities

The total identified as being due to creditors at present amounts to £637,653. A list of creditors is included with the Statement of Affairs.

Creditors who have provided goods or services to the Company for which they have not received payment have been collated from the Company's records and discussions with the Directors. These creditor claims will be agreed in due course following receipt of documentation to substantiate the debts.

WHAT THE ADMINISTRATOR HAS DONE SO FAR

Upon appointment

The Company ceased trading on my appointment as Administrator and a sale of the Company's assets and goodwill to the Partnership was immediately completed.

The Administrator's statement to creditors in accordance with Statement of Insolvency Practice 16 is included at Appendix H for ease of reference.

Contact with creditors and suppliers

My colleagues and I have received some contact from creditors and have prepared and circulated documentation as required by statute and best practice.

Books and records

Due to the various restrictions in place due to the Coronavirus pandemic my colleagues are yet to collect the Company's records. Once the books and records have been recovered an exercise will be undertaken to ascertain whether the Partnership is a debtor or a creditor of the Company.

THE ADMINISTRATOR'S RECEIPTS AND PAYMENTS ACCOUNT

A Receipts & Payments Account to date can be found at Appendix B.

THE ESTIMATED OUTCOME FOR CREDITORS

Secured creditors

Barclays Bank PLC holds a debenture incorporating a fixed charge and a qualifying floating charge over the assets and goodwill of the Company. The bank is owed some £150,000: £100,000 in respect of an overdraft and £50,000 with regard to a Bounce Back Loan.

Legal advice will be sought with regard to the validity of the security and the assets subject to the fixed and floating charges.

Whilst it is anticipated that sufficient funds will be generated to enable a dividend to the secured creditor, it is unlikely that they will be paid in full.

Preferential creditors

There are no known creditors whose claim is preferential.

Secondary preferential creditors

HM Revenue & Customs is believed to be owed approximately £18,000.

Unsecured creditors

The Company's books and records indicate that the Company has unsecured debts of approximately £354,462 and, further, potential shortfalls under hire purchase and lease agreement of some £100,426. This latter figure may be reduced by payments that have been and will continued to be made by the Partnership.

I am required² to provide an estimate of the Company's Net Property and the Prescribed Part, which is calculated as a percentage of it:

Net property less than £10,000:	50% of Net Property unless the Joint Administrators consider that the costs of making a distribution to the non-preferential creditors would be disproportionate to the benefits.
Net property greater than £10,000	50% up to £10,000 of Net Property plus 20% thereafter to a maximum of £800,000.

The Company's Net Property is entirely dependent upon the outcome of the investigations into the inter-entity account between the Company and the Partnership. At this time, after the costs of Administration, it is estimated that the value of Net Property and, therefore, the Prescribed Part is £nil

Based upon the current information available, it is anticipated that there will be insufficient realisations to enable a distribution to the non-preferential creditors of the Company, other than from the Prescribed Part, if any is available.

However, creditors may compete and return the Notice of Claim at Appendix E to lodge their claim against the Company.

THE ADMINISTRATOR'S PROPOSALS

I believe that I will be able to achieve objective (b); i.e. getting a better outcome for creditors as a whole than would be likely if the Company had been wound up.

The Administrator's Proposals are, therefore:

- 1) The Administrator's Proposals for achieving objective (b) as the purpose of the Administration are approved
- 2) The Company shall remain in Administration for such period as the Administrator deems necessary and appropriate.
- 3) That once the Administrator considers all outstanding matters in relation to the Administration have been completed, the Administrator shall be authorised to give notice to the Registrar of Companies under Paragraph 85 of Schedule B1 to the Order, to the effect that the Company has no remaining property which might permit a distribution to its creditors. The Administration shall end and the Company shall be dissolved.
- 4) That, should the Administrator consider that there are funds available to be distributed to the non-preferential creditors, the Administrator shall be authorised to give notice to the Registrar of Companies under Paragraph 84 of Schedule B1 to the Order, to place the Company into Creditors' Voluntary Liquidation. It is proposed that Robert William Sadler of Auker Rhodes Accounting Limited shall act as Liquidator, however, in accordance with Paragraph 84(6) of Schedule B1 to the Order, creditors may nominate a different person as the proposed Liquidator provided that the nomination is received at the Administrator's office prior to the approval of these Proposals
- 5) The Administrator shall do all such things and exercise his powers as set out in the Order to the extent that he deems necessary to further the objective of the Administration
- 6) The establishment of a committee of creditors where sufficient nominations are received
- 7) Where a committee of creditors is not established, the Administrator shall be remunerated by reference to the time properly spent by him and his staff in attending to the Administration.
- 8) Where a committee of creditors is not established, the Administrator's fee estimate shall be approved
- 9) Where a committee of creditors is not established, the Administrator shall be entitled to draw his own company's costs and expenses, described as Category 2 Disbursements, when funds allow.
- 10) The Administrator shall be discharged from all liability upon the Administration coming to an end or his appointment otherwise ceasing.

The following additional approval will also be sought

- 11) Where a committee of creditors is not established, the Administrator's unpaid costs and expenses, totalling £15,376 plus VAT, are approved for payment as an expense of the Administration.

These Proposals confirm that I presently consider the Company to have insufficient property to enable a distribution to be made to preferential or unsecured creditors other than by virtue of the Prescribed Part. In these circumstances, if there is no committee of creditors, or such a committee does not make a determination, then it is for the secured creditor to determine the basis of the Administrator's remuneration. Resolutions (7) to (11) will be put to the secured creditor for approval³.

² Rule 2.034(2)(1) of the Rules

³ Rule 2.107(6) of the Rules

An invitation to appoint a committee is at Appendix F and a form to nominate an individual to represent a creditor is at Appendix G.

PRE-APPOINTMENT COSTS

My pre-appointment costs in relation to the Administration are £15,090 plus VAT.

They can be summarised as follows:

Officeholder	Manager	Other senior professionals	Assistants & support staff	Total hours	Time costs (£)	Average hourly rate (£)
46.30	0.40	18.90	6.00	4.40	15,090.00	210.75

A fixed fee of £9,600 plus VAT and disbursements was agreed with the Directors on 29 September 2020. The work has related to advising the Directors on the options for the Company, liaising with solicitors in relation to the sale agreement and the Administration appointment and then consenting to act as Administrator. The payment of these costs, which remain unpaid, are subject to the creditors' approval and are separate to the approval of the Proposals⁴.

In addition, I incurred the following expenses:

Supplier	Expense or disbursement	Fee basis	Estimated cost (£)
MRC Legal	Legal advice	Time costs	4,550
BPI Asset Advisory	Valuation	Fixed fee	1,000
Travel	Mileage	Pence per mile	200
High Court in Northern Ireland	Search fee	Fixed fee	26

THE ADMINISTRATOR'S REMUNERATION, EXPENSES & DISBURSEMENTS

Expenses & disbursements

I am obliged to provide an estimate of the nature and amount of my expenses and disbursements for the entire duration of the Administration based upon current information. To produce the estimate, I have had to make assumptions, as described below.

During the Administration it may transpire that some of the expenses may not be incurred, or that I may be required to incur additional expenses. An updated position will be reported to creditors in my progress and final reports.

My choice of professional advisers and suppliers of services to the Administration is based upon my experience and my perception of the ability of the various firms or individuals to perform the necessary work or service, the complexity of that work or service and the basis of their fee.

The following estimates are exclusive of VAT.

Supplier	Expense or disbursement	Fee basis	Estimated cost (£)
EPE Reynell	Statutory advertising	Fixed fee	92
Insolvency Risk Services	Bond premiums	Fixed fee	160
MRC Legal	Legal advice	Time costs	1,000

⁴ Rule 2.034(2B)(h) of the Rules

Remuneration

It is proposed that my remuneration will be based upon time costs properly incurred in conducting the Administration.

The approval of this basis for calculating my remuneration will be put to the secured creditors. The amount estimated to be incurred by me throughout the Administration is £30,395, which effectively acts as a cap on the level of fees that can be drawn. This equates to an average hourly rate of £174.18. The fee is intended to cover my costs for the next two years, as the Administration will continue in order to recover the retentions as identified above

The information set out in the table below is a breakdown of my estimate of my remuneration.

All remuneration is subject to VAT at the prevailing rate.

Remuneration	Note	Estimated hours	Rate £	Total £
Case administration	1	120.5	178.22	21,475
Realisation of assets	2	4.8	166.67	800
Investigations	3	25.4	153.54	3,900
Trading	4	-	-	-
Employees	5	1.8	150.00	270
Creditors & shareholders	6	13.0	173.08	2,250
Closure	7	9.0	188.89	1,700
Total		174.5	174.18	30,395

1. Case administration

The financial position of the Company has been established.

Following my appointment, a review of the statutory objective for the Administration was undertaken. The Administration strategy will be kept under review before determining the appropriate point at which to place the Company into Voluntary Liquidation or for it to be dissolved.

Time includes the review and production of statutory documents following appointment together with the initial meetings held with the Director and third parties. Internal staffing requirements were determined in respect of tasks to be undertaken.

The Administration will be periodically reviewed in accordance with statute and best practice.

Progress Reports, including details of my receipts and payments will be prepared on a six-monthly basis throughout the period of the Administration.

Statutory, regulatory and matters, which are best practice, will be dealt with.

2. Realisation of assets

All of the Company's assets have been identified. Valuers were engaged and a sale of the Company's known assets and goodwill has been made.

3. Investigations

Investigations into the Company's trading prior to the Administration will be undertaken together with investigations into the Directors' conduct.

In particular, the position between the Partnership and the Company will be ascertained.

Statutory reporting to the Department of Business, Energy and Industrial Strategy will be completed and submitted within three months of my appointment.

4. Trading

The Company ceased trading on 7 June 2021 upon entering Administration.

5. Employees

Whilst it is not believed that the Company has any employees, the appropriate checks will be made.

6. Creditors

Creditor claims are being collated and recorded. Legal advice with regard to quantum and validity may be sought where appropriate.

7. Closure

A final report to creditors will be prepared including a final receipts and payments account, an analysis of time costs incurred and a review of actual against estimated costs. Administrative arrangements will be completed.

Time and expenses incurred to date

The time costs already incurred since my appointment are set out at Appendix D. They amount to £12,810 at an average charge rate of £166.80 over 76.8 hours of work undertaken.

Challenging the Administrator's remuneration, expenses and disbursements

Any creditor of the company with the concurrence of at least 25 per cent in value of the creditors (including himself) has a right to claim that the Administrator's remuneration is excessive⁵.

A guide to Auker Rhodes Accounting - Expenses and Chargeout Rates can be found at Appendix C. In the first instance, please contact the Administrator should you have any questions or concerns regarding fees incurred or to be charged.

OTHER MATTERS

Report on the conduct of the director

An Administrator has a duty to investigate the conduct of the Director and any person who I consider has been a shadow director, or has held themselves out to be a director, in the three years prior to my appointment as Administrator. The Administrator is then obliged to submit a report to the Department for Business, Energy and Industrial Strategy. That report is confidential.

If creditors wish to raise any concerns regarding the way in which the Company's business was conducted or managed, they should do so in writing to me. Likewise, creditors are invited to bring any Company assets to my attention. This request for information is standard practice and creditors should not infer any criticism of the Directors.

Next steps

The Company currently has insufficient property to enable a distribution to be made to preferential or unsecured creditors, other than by virtue of the Prescribed Part.

Therefore, I do intend to summon an initial meeting of the Company's creditors. However, creditors whose debts amount to at least 10% of the total debt of the Company may requisition such a meeting⁶. Any such requisition must be made within twelve days of the date on which these Proposals have been sent out⁷. The expenses of summoning and holding the meeting shall be paid by the creditor(s) making the request, who shall deposit security for their payment. If no such meeting is requisitioned then these Proposals are deemed to have been approved by the creditors. We will write to creditors to confirm the position in due course.

I would welcome the return of Appendices E and, where creditors so wish, J in due course.

I will report on progress in the Administration again approximately six months after the commencement of the Administration.



ROBERT WILLIAM SADLER
Administrator

⁵ Rule 2.110 of the Rules

⁶ Paragraph 53(2) of Schedule B1 to the Order

⁷ Rule 2.038 of the Rules

APPENDIX A

BALLYBRACKEN FARMS LIMITED

Estimated Statement of Affairs as at 7 June 2021

	Book value at 31/08/18 *	Estimated to realise	
	£	£	£
Assets			
Assets specifically pledged			
Goodwill	-	100,000	
Less: Barclays Bank plc		(150,000)	
Deficiency c/d		<u>(50,000)</u>	
Milk bulk tank	-	4,000	
Less: BNP Paribas Leasing Solutions		(8,960)	
Deficiency c/d		<u>(4,960)</u>	
Telescopic handler	-	12,000	
Less: BNP Paribas Leasing Solutions		(10,764)	
Surplus c/d			1,236
Tractor	-	-	
Less: Societe Generale		(6,118)	
		<u>(6,118)</u>	
Cattle	-	-	
Less: Societe Generale		(26,944)	
		<u>(26,944)</u>	
Cattle	-	-	
Less: Aldermore		(27,146)	
		<u>(27,146)</u>	
Farm building refurbishment	-	-	
Less: Aldermore		(35,258)	
		<u>(35,258)</u>	
Assets not specifically pledged			
Chattel interest		1,264	
Interest in cattle		22,500	
Claim against S & S Jamison		Unknown	
			23,764
			<u>25,000</u>
Less: Preferential liabilities			
None			-
			<u>25,000</u>
Less: Secondary preferential liabilities			
HM Revenue & Customs for PAYE, NIC & VAT		(18,000)	
		<u>7,000</u>	
Less: prescribed part c/d		(8,000)	
		<u>(19,000)</u>	
Less: secured creditors under a floating charge			
Barclays Bank PLC		(50,000)	
Shortfall c/d		<u>(69,000)</u>	
Add: prescribed part b/f			8,000
Less: Unsecured liabilities			
Trade creditors		322,857	
Loan creditors		31,605	
S & S Jamison		1	
Hire purchase & lease shortfalls b/f		100,426	
HM Revenue & Customs for corporation tax		Unknown	
			(454,889)

Deficiency after unsecured creditors	<u>(446.889)</u>
Less: secured creditor shortfall b/f	<u>(69.000)</u>
	<u>(515.889)</u>
Less: Share capital	
100 £1 ordinary shares	(100)
Overall deficiency after shareholders	<u><u>(515.989)</u></u>

* NOTE: The assets on the financial statements lodged at Companies House to 31 August 2018 were disposed of in the farm sale that took place in 2019

Creditors

Name	Postal address	Security held	Date security given	Value of security £	Amount due £	Retention of title
<i>Trade creditors</i>						
A Brown Contracts	Thghness, Prestland, Darvel, KA17 0LP	n/a	n/a	n/a	11,091.05	n/a
AB Agri Ltd c/o First Colloid International	64 Innovation Way, Peterborough Business Park, Lynch Wood, Peterborough PE2 6FL	n/a	n/a	n/a	65,231.08	n/a
Agricultural Centres Trading Limited	28 Altham Business Park, Altham, Sneydbury, Shropshire SY4 4UG	n/a	n/a	n/a	18,327.66	n/a
Clare Vet Group	75 Ballynure Road, Ballycarr, County Antrim BT39 9AG	n/a	n/a	n/a	15,193.10	n/a
Fane Valley Feeds Ltd	Bankmore Road, Doogary, Omagh BT79 0NW	n/a	n/a	n/a	10,429.05	n/a
ForFarmers UK Ltd	Horizon House, Fred Castle Way, Rougham Industrial Estate, Bury St Edmunds, Suffolk IP30 9ND	n/a	n/a	n/a	4,771.16	n/a
Frontier Agriculture Limited	Weston Centre, *O Grosvenor Street, London W1K 4QY	n/a	n/a	n/a	2,205.00	n/a
John Thompson & Sons	c/o Diamond Heron Solicitors, Dunoon House, 7-19 Royal Avenue, Belfast BT1 1FB	n/a	n/a	n/a	60,745.38	n/a
L S Smalley & Sons	Hamilton House, Strathaven Rural Centre, Whitehawgate, Strathaven, ML10 6SY	n/a	n/a	n/a	85,970.32	n/a
R & K Blair	c/o MacAlister Keenan & Co Solicitors, 20 High Street, Larne, BT40 1JN	n/a	n/a	n/a	21,474.44	n/a
Robert Hamilton Contracting Ltd	Mid Shawtonhill Farm, Chapelton, Strathaven, ML10 6SH	n/a	n/a	n/a	23,279.20	n/a
Thompson Fertilisers Limited	Ash Tree House, Duggleby, Malton, North Yorkshire, YO17 8BN	n/a	n/a	n/a	4,139.60	n/a
<i>Other creditors</i>						
Excel-A-Rate Business Services Limited	Prospect House, 389-391 Ainsworth Road, Radcliffe, Manchester, M26 4HN	n/a	n/a	n/a	31,605.12	n/a
HM Revenue & Customs	Enforcement & Insolvency, Brunel House, 2 Fitzalan Road, Cardiff CF24 0EB	n/a	n/a	n/a	18,000.00	n/a
S & S Jamson	East Netherfields Farm, Strathaven, ML10 6TY	n/a	n/a	n/a	1.00	n/a
<i>Secured creditors</i>						
Bardays Bank plc - bounce back loan	PO Box 10284, Floor 5, 1 Snow Hill, Birmingham B3 2WE	Debtenture	03/07/2015	-	50,000.00	n/a
Bardays - overdraft	PO Box 10284, Floor 5, 1 Snow Hill, Birmingham B3 2WE	Debtenture	03/07/2015	100,000.00	100,000.00	n/a
<i>Hire purchase & lease creditors</i>						
Aldermore	Northern Cross, Basing View, Basingstoke RG21 4HL	Hire Purchase Agreements			62,404.00	n/a
BNP Paribas Leasing Solutions	Parkshot House, 5 Kew Road, Richmond, Surrey TW9 2PR	Hire Purchase Agreements		16,000.00	19,724.00	n/a
Societe Generale Equipment Finance		Fixed sum loan agreements			33,062.00	n/a

637,653.17

BALLYBRACKEN FARMS LIMITED
(in Administration)

Administrators' summary of receipts and payments for the period 7 June 2021 to 30 July 2020

Statement of Affairs (£)		From
		07/06/21 to 30/07/21
RECEIPTS		
Interest in chattels	-	2,500.00
Interest in cattle	-	22,500.00
		<u>25,000.00</u>
PAYMENTS		
Legal fees		4,550.00
Statutory advertising		92.00
		<u>4,642.00</u>
Balance		<u>20,358.00</u>
MADE UP AS FOLLOWS		
Floating charge current account		19,429.60
VAT receivable		928.40
		<u>20,358.00</u>

AUKER RHODES ACCOUNTING – EXPENSES & CHARGEOUT RATES

INTRODUCTION

This note applies where a licensed Insolvency Practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Required professional practice¹ states that such charges should be disclosed to those who are responsible for approving his remuneration, together with an explanation of how those charges are made up and the basis on which they are arrived at.

DEFINITIONS

Required professional practice classifies expenses into two broad categories:

- *Category 1 expenses (approval not required)* – specific expenditure that is directly related to a specific insolvency case, where the cost of the expense incurred is referable against an independent external supplier's invoice or published tariff of charges; and
- *Category 2 expenses (approval required)* – all other items of expenditure:
 - which cannot, or cannot easily, be directly related to a specific insolvency case because there is an element of shared or allocated cost; and / or
 - where the cost of the expense incurred is an estimated utilised cost with the estimate based on external costs or opportunity cost.

EXPENSES

- *Category 1 expenses (approval not required)* – except for any items referred to below, all such items are re-charged to the case as they are incurred.
- *Category 2 expenses (approval required)*
 - (A) The following items of expenditure are re-charged as described:
 - Internal meeting room usage for the purpose of statutory meetings of creditors is re-charged at the rate of £100 per meeting.
 - Car mileage is re-charged at the rate of 45 pence per mile;
 - Storage of books and records (when not rechargeable as a *Category 1 expense*) is re-charged on the basis of £5 per box per year
 - (B) The following items of expenditure will normally be treated as general office overheads not subject to a re-charge:
 - Telephone and facsimile
 - Printing and photocopying
 - Stationery

A re-charge may be made, however, where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 expense*.

STANDARD CHARGEOUT RATES AND CHARGING POLICY

The rates applying as at the date of this report are as follows:

Grade of staff	Chargeout rate (£ per hour)
Officeholder	250
Manager	200
Senior Administrator	150
Administrator	125
Admin / support staff	75 – 125

Time spent by support staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead. Only where a significant amount of time is spent at one time on a case is a charge made for support staff.

Time is recorded in units of six minutes

¹Statement of Insolvency Practice 9 (SIP 9) effective from 1 December 2015

APPENDIX D

BALLYBRACKEN FARMS LIMITED
(in Administration)

TIME & COST SUMMARY FOR THE PERIOD
7 June 2021 to 30 July 2021

Classification of work	Officeholder	Manager	Other senior professional	Assistants & support staff	Total hours	Time cost (£)	Average hourly rate (£)
Case administration	10.20	2.60	57.40	-	70.20	11,680.00	166.38
Case specific matters	-	-	-	-	-	-	-
Closure	-	-	-	-	-	-	-
Creditors & shareholders	0.30	-	2.00	-	2.30	375.00	163.04
Employees	-	-	-	-	-	-	-
Investigations	0.90	-	3.20	-	4.10	705.00	171.95
Realisation of assets	0.20	-	-	-	0.20	50.00	250.00
Trading	-	-	-	-	-	-	-
Total hours	11.60	2.60	62.60	-	76.80	12,810.00	166.80

NOTICE OF CLAIM**Ballybracken Farms Limited**

Name & address of Creditor				
Amount claimed: (including VAT)	£			
Date the Liability was incurred				
Nature of Liability against the Company (e.g. goods sold, services performed, etc)				
Is any party jointly liable for the Liability?	YES		NO	
Particulars of security, if any, including its value and the date it was given				
Give details of whether the whole or any part of your Claim is Preferential				
Signature of Creditor (or person authorised on the Creditor's behalf)				
Name of creditor (or person authorised on the Creditor's behalf)				
Position in relation to the Creditor				
Telephone:				
Fax:				
Email:				
Date:	/ /			

Please provide relevant documentation in support of your Claim.

If you are registered for VAT, the amount claimed should include VAT even if VAT bad debt relief has been claimed under the Value Added Tax Act 1994.

Please return this form when you have completed it to Auker Rhodes Accounting Limited, Devonshire House, 32-34 North Parade, Bradford, BD1 3HZ, or by email to emily@aukerrhodesaccounting.co.uk.

**NOTICE OF INVITATION TO CREDITORS TO FORM AN
ADMINISTRATION COMMITTEE**

Ballybracken Farms Limited ("the Company")

REGISTERED COMPANY NUMBER: NI619957 (Registered in England & Wales)

Notice is hereby given, that creditors are invited to decide whether an Administration Committee should be established if sufficient creditors are willing to be members.

Nominations for membership are invited and:

- a) must be delivered to Rob Sadler ("the Convener") c/o Auker Rhodes Accounting, Devonshire House, 32-34 North Parade, Bradford, BD1 3HZ or by email to emily@aukerrhodesaccounting.co.uk; and
- b) can only be accepted if the Convener is satisfied as to your eligibility.

Please indicate your wish to be considered for membership by completing the form on the reverse of this Notice and returning it to the Convener as above.

SIGNATURE:



FULL NAME:

ROB SADLER

DATED:

30 July 2021

DESCRIPTION:

ADMINISTRATOR

REQUEST TO FORM AN ADMINISTRATION COMMITTEE

Ballybracken Farms Limited

I wish to be considered for membership of an Administration Committee in relation to the Company:

Name & address of nominee

Name & address of creditor

Signature of creditor (or person authorised
on the creditor's behalf):

Name of creditor (or person authorised on
the creditor's behalf):

Telephone of nominee:

Email of nominee:

Date:

/ /

BALLYBRACKEN FARMS LIMITED
(IN ADMINISTRATION)

STATEMENT OF INSOLVENCY PRACTICE 16
STATEMENT

18 JUNE 2021

Presented by:



Auker Rhodes
Accounting

Insolvency Practitioners & Business Advisers

Devonshire House
32-34 North Parade
Bradford
BD1 3HZ

Tel: 01274 299499

BACKGROUND INFORMATION

Ballybracken Farms Limited ("the Company") was incorporated on 20 August 2013 by Samuel Andrew Jamison and Samuel Boyle Jamison, as a limited company registered in Northern Ireland under company number NI619957. The Company was incorporated as a farming business, primarily in relation to dairy farming.

The Company's share capital is 100, £1 ordinary shares with Samuel Boyle Jamison retaining all 100 shares.

Barclays Bank PLC holds security by way of a fixed and floating charge dated 3 July 2015 over the Company's plant, machinery, vehicles, furniture, fittings, computers, all future freehold and leasehold property, goodwill and book debts.

The Company trades from East Nethershields Farm, Strathaven, South Lanarkshire, Scotland ML10 6TY.

S & S Jamison Partnership

The S & S Jamison Partnership, between Samuel Andrew Jamison and Samuel Boyle Jamison, is the purchaser in this matter. The partnership owns the property from which the Company trades.

S & S Jamison has its own separate funding from the Company and holds the milk contract, transferred from the Company in early 2020.

The Company has an interest in twenty head of cattle that are registered with S & S Jamison.

Reasons for the Company's insolvency

The Company and the associated partnership have struggled since relocating to Scotland in the autumn of 2019. The directors claim to have been under-capitalised by being unable to draw down the sum that they had anticipated.

The farming business is, under the direction of its secured lender, on the open market for sale. There is, therefore, no prospect of the Company being able to continue to trade.

Throughout its period of trading the Company has accrued debt with its suppliers, a number of whom have instigated proceedings in both the Northern Irish and Scottish judicial systems.

Reasons for the pre-packaged sale

- Preserve the Company's claim to an interest in twenty head of unspecified cattle
- Preserve the Company's equity in the assets subject to hire purchase agreements
- To achieve a better result for the Company's creditors as a whole than would be likely if the Company entered liquidation.

STATUTORY PURPOSE OF ADMINISTRATION

Paragraph 4(1) of Schedule B1 to the Insolvency (Northern Ireland) Order 1989 provides as follows:

The administrator of a 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 (without first being in administration), or*
- (c) realising property in order to make a distribution to one or more secured or preferential creditors.*

The purpose of the administration is to achieve a better result for the Company's creditors as a whole than would have been achieved in Liquidation.

As the Company was primarily associated with the dairy farming business, one of the significant Company assets was a claim to twenty head of dairy cattle that, if successful, would have resulted in us having to look after the herd. Given

the perishable nature of the herd, it was crucial to achieve a swift sale to ensure that the health and consequential value of the cattle was maintained, resulting in achieving as high a return for them as possible.

The transaction allowed the best available outcome for creditors to be achieved, as a whole in all the circumstances.

INITIAL INTRODUCTIONS & PREPARATORY WORK

Initial introductions

The matter was brought to the attention of Rob Sadler, Insolvency Practitioner, by GSC Grays, a firm of chartered surveyors, land and estate agents and the agricultural consultants to the Company.

Rob Sadler was contacted by Samuel Boyle Jamison and visited the Company's trading premises on 29 July 2020 to obtain sufficient relevant information to advise the Company.

The directors took independent legal advice from Parisi Solicitors and consulted with both GSC Grays and the Company's bank. Thereafter, they reverted to Auker Rhodes Accounting in early 2021.

Preparatory work

Rob Sadler, and his team at Auker Rhodes Accounting, carried out a thorough analysis of all the Company's bank statements and identified assets paid for by the Company, consisting primarily of an interest in twenty head of cattle.

A review was undertaken of all Hire Purchase agreements that were relevant to the business, whether they were in the name of the Company or S & S Jamison. Rob Sadler spoke directly to, and attended a video conference with, the Company's accountants to discuss the Company's fixed asset register. Consequently, this put us in a position to instruct BPI Asset Advisory to undertake a desktop valuation of the assets held in the name of the Company.

Following the provision of the desktop valuation, an offer of £125,000 was received from S & S Jamison for the purchase of the Company's goodwill and assets. This offer was then put to the evaluator by S & S Jamison.

Evaluation

The evaluation was carried out by J9 Advisory Limited, an appropriate independent evaluator, prior to the onset of Administration. Mr Abraham is an ICAEW Fellow Chartered Accountant with over 19 years of experience specialising in business recovery and asset-based lending. A copy of his report is at Appendix A.

Northern Ireland statute does not yet require an evaluation to be carried out prior to the finalisation of the pre-pack sale. However, our advice to the purchaser was that, in the current climate and, given the trading location of the business being outside Northern Ireland, it was entirely appropriate for an evaluation to be carried out.

PRE-APPOINTMENT MATTERS

Administrator's involvement prior to appointment

As detailed above, Rob Sadler was contacted by Samuel Boyle Jamison and visited the Company's trading premises on 29 July 2020. He identified that the Company was insolvent and advised that the appropriate procedure to minimise any welfare risk to the herd, and to maximise value for the creditors was Administration.

Whilst advising the Company, Rob Sadler assessed that a Liquidation, whether voluntary or compulsory, would have resulted in no return to any creditor. He identified that through Administration, one of the statutory objectives could be achieved and, on that basis, accepted the appointment as Administrator.

The proposed administrator was advised initially by TLT LLP Solicitors, registered in Northern Ireland and, latterly, MRC Legal, registered in England & Wales. From the outset of this matter, the Administrator has liaised with the secured creditor and the solicitors that effected the sale agreement.

The directors took independent legal advice from Parisi Solicitors.

Registered charges

Barclays Bank PLC holds security over the Company's plant, machinery, vehicles, furniture, fittings, computers, future freehold and leasehold property, goodwill and book debts by way of a charge dated 3 July 2015.

The business and assets of the Company were not acquired from an insolvency process.

MARKETING OF THE BUSINESS AND ASSETS

The Company's assets consisted of a claim to interest in twenty head of unspecified cattle and the equity in the Hire Purchase agreements. Accordingly, the Company had no assets that were capable of being sold to an independent third party. The claim to interest in the herd could not be sold and, the title to the equity in the Hire Purchase agreements would, on any form of insolvency, have likely been removed by the finance creditor.

Consequently, it was determined that a valuation of the assets should be undertaken to ensure that the offer was a fair price and entirely appropriate in the circumstances.

VALUATION OF THE BUSINESS AND ASSETS

BPI Business Advisory were instructed to undertake a desktop valuation of the Company's assets, valued as follows.

ASSET	MARKET VALUE (Ex Situ)
	£
New Holland 5040 Telescopic Handler AG Year of Manufacture: 2008 Serial Number: 116573 Registration Number: KX58 GYS	11,000 to 13,000
Fullwood 9500L Milk Bulk Tank Year of Manufacture: 2013 Serial Number: 900D121G	3,000 to 5,000

BPI Asset Advisory indicated that there was no equity in the Milk Bulk Tank, as a result of the outstanding finance agreement still in place. BPI did, however, indicate that there was potential equity in the Telescopic Handler. At the time of the Sale Agreement and taking into consideration the outstanding finance with BNP Paribas Leasing Solutions, the equity was £2,236.

Herd

Despite all cattle being registered in the name of S & S Jamison, we had identified that the Company had, by way of hire purchase, acquired twenty head of cattle for £26,400 in March 2020. The cattle were, however, unspecified and had clearly been registered to the wrong entity. This set of circumstances gave rise to the assertion of a claim to twenty of the herd.

At the time of the Sale Agreement, the approximate value of a dairy cow was just over £1,000, pursuant to the Agriculture and Horticulture Development Board. Accordingly, the value of the interest in the twenty head of cattle at the time of the Settlement Agreement was approximately £20,000, before finance.

Goodwill

Whilst the Company arguably had no goodwill to sell given the milk contract was in the name of S & S Jamison, it was asserted that the goodwill had been transferred with the milk contract to S & S Jamison in early 2020.

ALTERNATIVE OPTIONS CONSIDERED

Company Voluntary Arrangement

From the outset, it was clear that a Company Voluntary Arrangement ("CVA") was not a viable solution. The Company had no income and had significant liabilities under Hire Purchase agreements, payments of which were being met by transfers from the S & S Jamison Partnership.

S & S Jamison received income from the milk contract and transferred sufficient sums to the Company to cover the monthly overheads.

The Company has no clear right to the income being paid by S & S Jamison and, consequently, the ongoing finance lease liabilities would have been such that the Company would have had no chance of maintaining the payments.

Liquidation

The Company ultimately entering into Liquidation was likely as a number of creditors were threatening debt recovery and insolvency proceedings. Had the Company been wound up, there was no prospect of any return to any of the creditors, including secured creditors as the Company had no assets free of encumbrance. Further, whilst there was some equity in assets subject to Hire Purchase agreements, it is likely that, on Liquidation, the assets would have been removed by the finance creditors.

Accordingly, a pre-pack sale was the only outcome whereby there could possibly be a return to creditors, both secured and unsecured.

EFFORTS MADE TO CONSULT MAJOR CREDITORS

Rob Sadler spoke directly with Barclays Bank PLC, the Company's secured creditor. They were consulted at the earliest opportunity and were regularly updated throughout the sale process.

Further, Rob Sadler spoke with the managing director of L S Smellie & Sons, the Company's largest unsecured creditor, and advised them of the Company's position.

THE TRANSACTION

The transaction enables the best available outcome for creditors to be achieved as a whole in all the circumstances.

Date of transaction

7 June 2021

Assets

The following Company assets were sold by way of a Sale Agreement:

- Goodwill, being the goodwill, custom and connection in relation to the Company's dairy farming business.
- Equity in relation to a telescopic handler subject to a finance agreement.

- Herd being the Company's rights to twenty head of cattle in the possession, care and responsibility of S & S Jamison as at the date of the Sale Agreement.

Sale consideration

	£	TOTAL
Goodwill	100,000	
Equity in telescope handler	2,500	
Herd	22,500	
TOTAL		£125,000

The consideration is to be paid as follows.

£22,500 on the Completion Date.

£2,500 on or before the day falling 28 days from the Completion date.

£100,000 on or before 1 October 2021

Purchaser and related parties

The Partnership carried on by Samuel Andrew Jamison and Samuel Boyle Jamison under the name of S & S Jamison.

CONNECTED PARTIES

The Company and S & S Jamison are connected pursuant to Article 4 and Article 7 of the Insolvency (Northern Ireland) Order 1989.

Companies are connected if the same person has control of both, or a person has control of one and persons who are his associates, or he and persons who are his associates, have control of the other.

A person is an associate of an individual if that person is a relative of the individual.

The Company and S & S Jamison are connected as the directors of the Company are the same as the members of the S & S Jamison Partnership, being Samuel Andrew Jamison and Samuel Boyle Jamison. Both individuals are also personally connected as they are father and son.

OTHER MATTERS

Administrator's proposals will be prepared and uploaded to the portal by 2 August 2021.

The entire business and assets are currently being marketed by S & S Jamison.



ROBERT WILLIAM SADLER
Administrator