

The Insolvency (Northern Ireland) Order 1989

**2.24B****Administrator's Progress Report**

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) of administrator(s)

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

administrator(s) of the above-named company attach a progress report for the period

from

to

(b) Insert dates

(b) 7 June 2021

(b) 6 December 2021

Signed



Dated

31 December 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 PROGRESS REPORT**

**THE ADMINISTRATOR'S FIRST PROGRESS REPORT IN ACCORDANCE WITH  
RULE 2.048 OF THE INSOLVENCY (AMENDMENT) RULES (NORTHERN  
IRELAND) 2006**

**IN THE HIGH COURT OF JUSTICE IN NORTHERN IRELAND  
CHANCERY DIVISION (COMPANY INSOLVENCY)**

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

**31 DECEMBER 2021**

Presented by:



**Auker Rhodes**  
**Accounting**

Insolvency Practitioners & Business Advisers

Devonshire House  
32-34 North Parade  
Bradford  
BD1 3HZ

Tel: 01274 299499

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## APPOINTMENT OF ADMINISTRATOR

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Date of Administration: 7 June 2021  
Date of Administrators' appointment: Robert William Sadler 7 June 2021  
Court case number: In the High Court of Northern Ireland, Ref. 26333

Creditors should note that:

- the Administrator was appointed by the Directors on 7 June 2021;
  - the Administrator acts as an officer of the Court and as an agent of the Company without personal liability; and
  - Rob Sadler is licensed by the Insolvency Practitioners Association.
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## INTRODUCTION

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The Administrator's Progress Report<sup>1</sup> provides creditors with an update on the Administration since the appointment of Administrator on 7 June 2021. The Report covers the period 7 June 2021 to 6 December 2021 ("the Period").

This report is private and confidential and is for the sole purpose of providing creditors of the Company with the information that the Administrator is required to do by the Act 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 the Administrator.

## THE ADMINISTRATOR'S PROPOSALS

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The Administrator must perform their 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 of the secured or preferential creditors.

The Administrator's Proposals set out the basis for achieving objective (b) of Schedule B1 of the Act, achieving a better outcome for creditors as a whole than would have been likely if the Company were wound up without first being in Administration.

The Administrator's Proposals<sup>2</sup> were circulated to creditors on 30 July 2021.

The Proposals were:

- 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

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<sup>1</sup> Rule 2.048 of the Insolvency Rules (Northern Ireland) 1991 ("the Rules")

<sup>2</sup> Paragraph 50 of Schedule B1 of The Insolvency (Northern Ireland) Order 1989 ("The Order") and Rule 2.034 of the Rules

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 was also 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.

As the Proposals set out, it was considered that the Company would have insufficient property to enable a distribution to preferential or unsecured creditors, other than by virtue of the Prescribed Part. No committee of creditors was formed and so there was no determination as to the Administrator's remuneration.

On 11 November 2021, resolutions (7) to (11) were put to Barclays Bank plc, the secured creditor. The form regarding these resolutions was returned, duly executed by Barclays, on 12 November 2021. Resolutions (7) to (11) are approved.

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## PROGRESS DURING THE PERIOD OF THIS REPORT

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The Administrator's Proposals were circulated to all known creditors on 30 July 2021. I have continued to complete and fulfil my statutory and regulatory obligations as per The Order and Rules.

The following tasks that have been undertaken include:

- Executing the sale of the Company's known assets and goodwill.
- Liaising with the Company's former management in respect of the Company's books and records. These are being collated.
- Contacting the Company's accountants in respect of any books and records they hold.
- Communicating with creditors and dealing with general enquiries relating to the Administration.
- Filing statutory documents at Companies House.
- Maintaining a case file which includes records and explanations behind any decision throughout the Administration period.
- Preparing and issuing the Administrator's Proposals.
- Communicating with the secured creditor.
- Maintaining an adequate bond.
- Conducting periodic case reviews.
- Maintaining a bank account.
- Maintaining up-to-date records.

I have also submitted a Directors' conduct report<sup>3</sup> to the Department of Enterprise, Trade and Investment, which is a requirement in all Administrations.

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## WHAT REMAINS TO BE DONE BY THE ADMINISTRATOR

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I will continue to:

- Collect the books and records held at the Company's trading site by the former management.

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<sup>3</sup> Article 10A(1) of the Company Directors Disqualification (Northern Ireland) Order 2002

- Collect the books and records held by the Company's accountants.
- Investigate and determine whether there are any debts owed to or claims to be made on behalf of the Company and pursue them where possible.
- Continue to assist creditors with any queries.
- Maintain open communication with creditors.

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## THE ADMINISTRATOR'S RECEIPTS AND PAYMENTS ACCOUNT

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Attached at Appendix A is the Administrator's Receipts and Payments Account covering the Period.

During the Period £125,000 has been received.

The following payments have been made during the Period:

- Statutory advertising of £92.
- My bond fee of £160, which is a statutory requirement.
- A Court fee of £26.
- Disbursements totalling £202, which relate to mileage and parking.
- A fee of £1,000 for the valuation of the Company's assets.
- Legal fees of £4,550 for advice relating to the Administration and the drafting of the agreement for the sale of the Company's assets.

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## THE ESTIMATED OUTCOME FOR CREDITORS

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### 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. At the outset of the Administration, the Bank was owed £100,000 in respect of an overdraft and £50,000 with regard to a Bounce Back Loan. £100,000 has been distributed to Barclays Bank plc in accordance with its security.

### Preferential creditors:

I am not aware of any primary preferential creditors.

The secondary preferential creditor is HM Revenue & Customs. After further investigation and discussion with the directors, the estimated value of its claim is £7,500.

### Unsecured creditors:

Creditor claims totalling £394,570 have been received to date. I believe that claims of £121,467 are still yet to be received.

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## THE ADMINISTRATOR'S REMUNERATION, EXPENSES & DISBURSEMENTS

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Prior to my appointment, the charges and disbursements of Auker Rhodes Accounting Limited in connection with the preparation of the Statement of Affairs were agreed by the director at £9,600 plus VAT and disbursements to be paid out of the Company's assets. These costs have been discharged in full.

The remuneration of the Administrator<sup>4</sup> was approved by creditors on 12 November 2021 by way of a postal vote. That remuneration is based upon time spent in attending to the Administration and is capped at £30,395 (plus VAT) in accordance with the estimate provided to creditors in the Proposals.

I am required to report my remuneration which has been charged in the period. This reflects the time charged to the case for any category of work where remuneration has been approved on a time spent basis.

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<sup>4</sup> Rule 2.107 of the Rules

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 excessive<sup>5</sup>.

Auker Rhodes Accounting's charge out rates and disbursements policy can be found at Appendix C. A breakdown of expenses incurred by the Administrator are also attached at Appendix B.

In accordance with Statement of Insolvency Practice 9 Northern Ireland, attached at Appendix D is a summary of the Administrator's time costs to date.

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## EU EXIT REGULATIONS

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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 its interests on a regular basis, and which is ascertainable by third parties.

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## EXIT FROM ADMINISTRATION

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As set out in the Proposals, it is not anticipated that there will be a return to preferential or unsecured creditors. It is anticipated, therefore, that the Company will be dissolved following completion of the Administration.

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## OTHER MATTERS

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Should creditors have any questions arising from this Progress Report they should contact Emily Gee by email at [emily@aukerrhodesaccounting.co.uk](mailto:emily@aukerrhodesaccounting.co.uk).



ROBERT SADLER  
Administrator

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<sup>5</sup> Rule 2.110 of the Rules

BALLYBRACKEN FARMS LIMITED  
(in Administration)

THE ADMINISTRATOR'S SUMMARY OF RECEIPTS AND PAYMENTS FROM 7 JUNE 2021 TO 6 DECEMBER 2021

	Statement of Affairs £	From 07/06/21 to 06/12/21 £
RECEIPTS		
Goodwill	-	100,000.00
Interest in cattle	22,500	22,500.00
Chattel interest	2,500	2,500.00
Bank interest	-	0.59
		<u>125,000.59</u>
PAYMENTS		
Statutory advertising		92.00
Bond		160.00
Court fee		26.00
Administrator's pre appointment fee		9,600.00
Administrator's remuneration		5,000.00
Mileage		200.25
Parking		1.92
Agent's fees		1,000.00
Legal fees		4,550.00
Fixed charge distribution		100,000.00
		<u>120,630.17</u>
Balance		<u>4,370.42</u>
MADE UP AS FOLLOWS		
Current account		281.59
VAT receivable		4,088.83
		<u><u>4,370.42</u></u>

## APPENDIX B

BALLYBRACKEN FARMS LIMITED  
(in Administration)

EXPENSES INCURRED BY THE ADMINISTRATOR

Expense	Supplier	Category	Incurring in the period from 07/06/21 to 06/12/21	Paid in the period from 07/06/21 to 06/12/21	Total expense outstanding
Administrator's bond premium	Insolvency Risk Solutions	Category 1	160.00	160.00	-
Statutory advertising	EPE Reynell	Category 1	92.00	92.00	-
Mileage	Auker Rhodes Accounting	Category 2	200.25	200.25	-
Parking	Auker Rhodes Accounting	Category 1	1.92	1.92	-
Agent's fees	BPI Asset Advisory	Category 1	1,000.00	1,000.00	-
Court fee	High Court in Northern Ireland	Category 1	26.00	26.00	-
Legal fees	MRC Legal	Category 1	4,550.00	4,550.00	-
			6,030.17	6,030.17	-

## 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 practice<sup>1</sup> 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:

	Chargeout rate (£ per hour)
Grade of staff	
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.

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<sup>1</sup>Statement 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 6 DECEMBER 2021

						Average
Classification of work	Officeholder	Manager	Other senior professional	Assistants & support staff	Total hours	hourly rate (£)
Case administration	14.10	4.20	121.90	5.90	146.10	159.07
Case specific matters	-	-	-	-	-	-
Closure	-	-	-	-	-	-
Creditors & shareholders	1.00	0.20	9.60	-	10.80	160.19
Employees	-	-	-	-	-	-
Investigations	3.50	-	10.40	-	13.90	175.18
Realisation of assets	0.20	-	-	-	0.20	250.00
Trading	-	-	-	-	-	-
<b>Total hours</b>	<b>18.80</b>	<b>4.40</b>	<b>141.90</b>	<b>5.90</b>	<b>171.00</b>	<b>160.56</b>
<b>Total fees drawn in the period</b>					<b>5,000.00</b>	