

In accordance with
Rule 3.35 of the Insolvency
(England and Wales)
Rules 2016 Paragraph
49(4) of Schedule B1
to the Insolvency Act
1986 and regulation 9(5)
of The Administration
(Restrictions on Disposal
etc. to Connected Persons)
Regulations 2021.

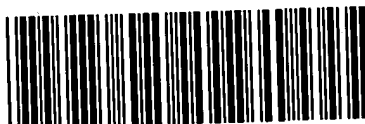
AM03

Notice of administrator's proposals



Companies House

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02/06/2023

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COMPANIES HOUSE

For information, please
contact us at
companieshouse

1 Company details

Company number 0 2 6 8 6 9 8 5

Company name in full The Black Sheep Brewery Plc

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

2 Administrator's name

Full forename(s) Kristian

Surname Shuttleworth

3 Administrator's address

Building name/number The Colmore Building, 20 Colmore Circus

Street Queensway

Post town Birmingham

County/Region

Postcode B 4 6 A T

Country

4 Administrator's name ①

Full forename(s) Clare

Surname Boardman

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

5 Administrator's address ②

Building name/number The Colmore Building, 20 Colmore Circus

Street Queensway

Post town Birmingham


County/Region

Postcode B 4 6 A T

Country

② Other administrator
Use this section to tell us about
another administrator.

AM03 Notice of Administrator's Proposals

6	Statement of proposals																	
	<input checked="" type="checkbox"/> I attach a copy of the statement of proposals																	
7	Qualifying report and administrator's statement ^①																	
	<input checked="" type="checkbox"/> I attach a copy of the qualifying report <input type="checkbox"/> I attach a statement of disposal	① As required by regulation 9(5) of The Administration (Restrictions on Disposal etc. to Connected Persons) Regulations 2021)																
8	Sign and date																	
Administrator's Signature	Signature X  X																	
Signature date	<table border="1"><tr><td>d</td><td>3</td><td>d</td><td>1</td><td>m</td><td>0</td><td>m</td><td>5</td><td>y</td><td>2</td><td>y</td><td>0</td><td>y</td><td>2</td><td>y</td><td>3</td></tr></table>	d	3	d	1	m	0	m	5	y	2	y	0	y	2	y	3	
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AM03 Notice of Administrator's Proposals



Presenter information

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

Contact name	Vinay Mistry
Company name	Teneo Financial Advisory Ltd
Address	The Colmore Building 20 Colmore Circus Queensway
Post town	Birmingham
County/Region	
Postcode	B 4 6 A T
Country	
DX	
Telephone	+44 121 619 0120



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed and dated the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



The Global CEO Advisory Firm

Court Case No. 000449 of 2023
High Court of Justice, The Business and
Property Courts in Leeds
Company Number: 02686985

Court Case No. 000450 of 2023
High Court of Justice, The Business and
Property Courts in Leeds
Company Number: 11299720

Registered Office: The Colmore Building
20 Colmore Circus Queensway
Birmingham
B4 6AT

The Black Sheep Brewery Plc (“BSB”) BSB Retail Limited (“Retail”) (both in administration) (together “the Companies”)

JOINT ADMINISTRATORS’ STATEMENT OF PROPOSALS PURSUANT TO PARAGRAPH 49 OF SCHEDULE B1 OF THE INSOLVENCY ACT 1986 (AS AMENDED) (“the Act”).

Kristian Shuttleworth and Clare Boardman (“the Joint Administrators”) were appointed Joint Administrators of The Black Sheep Brewery Plc and BSB Retail Limited on 23 May 2023 by the Directors of the Companies. The affairs, business and property of the Companies are managed by the Joint Administrators. The Joint Administrators act as agents of the Companies and contract without personal liability. All licensed Insolvency Practitioners of Teneo Financial Advisory Limited (“Teneo”) are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

For the purposes of paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 (as amended), (“the Act”), the Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally.

As stated in the administration appointment documents, these are COMI proceedings (i.e. the centre of main interests is in the UK).

31 May 2023



The Global CEO Advisory Firm

Teneo Financial Advisory Limited
The Colmore Building
20 Colmore Circus Queensway
Birmingham
B4 6AT
UK
Tel: +44 (0) 121 619 0120
www.teneo.com/service/restructuring

This Statement of Joint Administrators' Proposals ("the Proposals" or "our Proposals") has been prepared pursuant to paragraph 49 of Schedule B1 of the Act, which requires that we, as the Joint Administrators, provide creditors with details of our Proposals to achieve the purpose of the administrations.

We do not think that the Companies have sufficient property to enable a distribution to be made to unsecured creditors. As such we are not required to ask creditors to approve our Proposals unless requested to do so by creditors whose total debts amount to at least 10% of the total debts of the Companies. If you would like to ask us to hold a decision procedure to consider our Proposals please complete a Form for Requisitioned Decisions which is available for download from the website set up for the administration at www.ips-docs.com and return it to us by post or email no later than 12 June 2023.

Please note that a deposit of £1,000 will be required towards the costs of initiating the decision procedure; such deposit may be refunded as an expense of these proceedings under Rule 15.19(4) Insolvency (England & Wales) Rules 2016 ("the Rules"), if so decided by creditors. In the event that a request for a decision procedure is not received by us within the above deadline, our Proposals will be deemed approved on 12 June 2023 and a notice to that effect will be filed at Companies House.








We have also included the following information in this report:

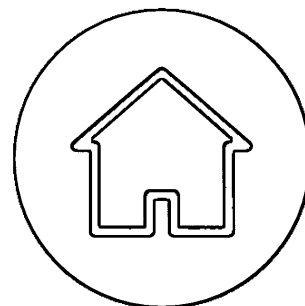
- background of the Companies;
- the circumstances giving rise to the appointment of the Joint Administrators;
- the progress of the administrations to date; and,
- the Joint Administrators' Proposals for achieving the objective of the administrations (Appendix E).

Yours faithfully

For and on behalf of the Companies

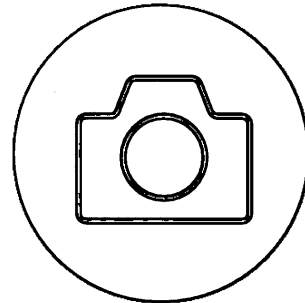
Kristian Shuttleworth
Joint Administrator

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Key messages



Key messages

Joint Administrators of the Companies

Kristian Shuttleworth

Clare Boardman

Teneo Financial Advisory Limited

The Colmore Building

20 Colmore Circus Queensway

Birmingham

B4 6AT

Contact details

Email: BSB@teneo.com

www.ips-docs.com

Tel: 0121 619 0198

Date Proposals delivered to
creditors: 31 May 2023

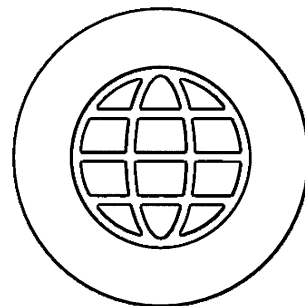


	Commentary
Purpose of the administrations	<ul style="list-style-type: none">The purpose of the administrations is to achieve a better result for the Companies' creditors as a whole than would be likely in a liquidation.
Pre-pack	<ul style="list-style-type: none">The Companies' business and assets were sold to Black Sheep Brewing Company Ltd ("the Purchaser") on 23 May 2023 ("the Transaction") as detailed in our SIP 16 Statement (also dated 23 May 2023), a copy of which is attached to our proposals at Appendix G.Whereas we would usually send both our Proposals and SIP 16 Statement together, the timing of the bank holiday on 29 May 2023 has delayed us issuing the Proposals by one business day. Our SIP 16 Statement was therefore sent to creditors on Friday 26 May 2023 in order to provide notice of the Transaction as soon as possible.
Joint Administrators' strategy	<ul style="list-style-type: none">The Companies ceased trading on 23 May 2023 following the pre-packaged sale of the business and assets. We are now working to realise the residual assets, as detailed on page 11 and to complete our obligations under the sale agreement with the Purchaser.
Approval of the Proposals	<ul style="list-style-type: none">As there is no prospect of any funds being returned to unsecured creditors, our Proposals will be deemed approved by creditors unless a decision procedure is requested under Rule 15.18. Please refer to Appendix E for further details.
Estimated Timescale	<ul style="list-style-type: none">On current information, the duration of the administrations is not likely to exceed 12 months, following which, it is anticipated that both BSB and Retail will move to dissolution as detailed on page 15.
Estimated Costs	<ul style="list-style-type: none">We propose to seek approval to charge our fees by reference to our time costs in both Companies.We have provided Fees Estimates showing a breakdown of our anticipated time costs and actual costs to date at Appendix C.We anticipate that our expenses, including disbursements, will be c.£0.3k in each of BSB and Retail over the duration of the appointments as detailed in page 18.We anticipate that third party expenses in relation to legal fees will be in the region of £5k over the duration of the appointments as detailed on page 18, these will be paid by the Companies.
Estimated Outcomes	<p>On current information, we anticipate the following outcome for each category of creditor:</p> <ul style="list-style-type: none">Secured creditors – The secured creditors will not be repaid in full in BSB. There will not be a distribution in Retail.Ordinary preferential creditors – All employees TUPE transferred to the Purchaser following the sale of the Companies' business and assets, we therefore do not anticipate any ordinary preferential claims.Secondary Preferential creditor – There will be insufficient floating charge realisations to enable payment in full of HM Revenue & Customs ("HMRC")'s secondary preferential claim in BSB. There will not be a distribution in Retail.Unsecured creditors – There will not be a distribution for unsecured creditors in either BSB or Retail.
Proposals	<ul style="list-style-type: none">Our Proposals for managing the business and affairs of the Companies can be found on page 12.

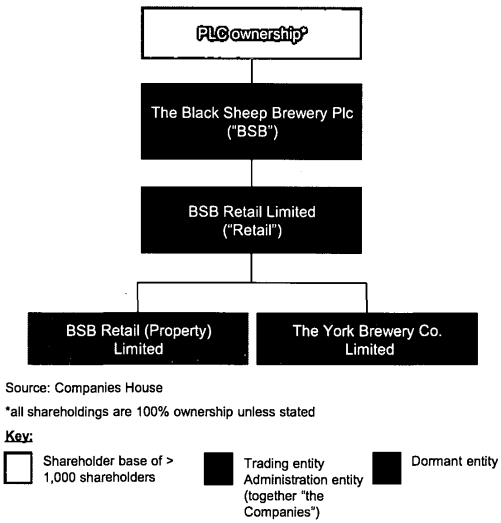


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Background
The Companies



Background

The Black Sheep Brewery Plc ("BSB") was an independent brewery based in Masham, North Yorkshire, established in 1992, brewing a range of classic and modern styles of beers, lagers and ciders.

BSB Retail Limited ("Retail"), an operating subsidiary of BSB, held and operated four leasehold pubs and included the trade from the visitor centre operated from the Masham freehold properties.

The Companies were headquartered in Masham, alongside the brewery and visitor centre, with the four pubs located in Leeds (two) and York (two).

As at the date of appointment, BSB employed 73 staff and Retail employed 73 staff.

Group Structure Chart

A summarised group structure chart (at the date of our appointment) is set out above. Ownership of the Companies ultimately lies with the shareholder base of over 1,000 shareholders.

As at the date of the Joint Administrators' appointment, the directors of BSB were Charlene Lyons, Robert Theakston and Jonathan Theakston, and the directors of Retail were Charlene Lyons and Robert Theakston. BSB's Secretary was Arran Todd, Retail does not have a registered Secretary.

Robert Theakston and Jonathan Theakston both held 0.03% of the shares.



Background Summary financials

Companies' consolidated P&L

£'000	FY19	FY20	FY21	FY22	FY23
Brewery	19,043	16,704	11,975	12,606	11,627
Retail sales	307	2,753	1,505	2,504	3,078
Total Sales	19,350	19,457	13,480	15,110	14,705
Cost of Sales	(14,027)	(13,810)	(10,571)	(9,883)	(9,181)
Total Gross Profit	5,323	5,647	2,909	5,228	5,524
Gross Margin %	0	29%	22%	35%	38%
Overheads	(4,417)	(6,546)	(3,516)	(5,413)	(7,152)
EBITDA	906	(899)	(607)	(185)	(1,628)

Source: Management information

Companies' consolidated balance sheet

£'000	Mar-23
Freehold Property	5,721
Plant & Machinery	3,169
Leasehold Property	405
Other	338
Total Fixed Assets	9,633
Trade Debtors	1,996
Stock (WIP, RM)	511
Stock (FG)	668
Cash	53
Other Debtors & Prepayments	474
Total Current Assets	3,702
Trade Creditors	(1,608)
VAT	(879)
Duty	(307)
PAYE	(207)
Other Creditors & Accruals	(200)
Total Current Liabilities	(3,200)
Deferred Tax	(312)
Bank Loans & Overdrafts	(8,411)
Total Long Term Liabilities	(8,723)
Net Assets	1,412

Source: Management information

Overview of financial information

Extracts from the management accounts for the years ended 31 March 2019, 2020, 2021, 2022 and 2023 are shown opposite.

Please note that this information has not been verified by the Joint Administrators or by Teneo Financial Advisory Limited ("Teneo").

Profit & loss

Sales failed to recover to pre-COVID levels (£19.4m in FY19), with total sales of £14.7m in FY23.

The Companies continued to face a number of increasing costs which have impacted profitability in FY23. Such costs include rising staff costs, increased energy and commodity prices and some one-off restructuring costs.

An EBITDA loss of £1.6m was incurred in FY23, compared with a loss of £185k in FY22.

Balance sheet

Assets

Freehold property relates to the brewery/visitor centre and packaging & distribution sites (including some development land) in Masham, North Yorkshire.

Within P&M, there are a number of assets including a new packaging line, which is subject to asset finance with Lombard North Central Plc ("Lombard").

Trade debtors include pub groups, other breweries, wholesale and supermarkets. Trade debtors were funded via an invoice discounting ("ID") facility provided by Close Brothers Limited ("Close").

Stock includes brewing materials, beer in process & WIP, bottles, labels & trays and warehouse stock.

Liabilities

The majority of trade creditors relate to supply of packaging, packing materials, and raw materials for the brewing process.

Deferred tax relates to accelerated capital allowances on fixed assets and a deferred tax asset for losses.

Bank loans and overdrafts of £8.4m at March 2023 relate to the secured creditors' debts, detailed further on page 13.



Background Joint Administrators' appointment

Circumstances giving rise to the appointment of the Joint Administrators

Reasons for failure & financial distress

The Companies' trading performance suffered during the COVID-19 pandemic and trading challenges continued as a result of the current economic environment (including the cost of living crisis and inflationary cost pressures).

In mitigation to the challenges faced, and to protect the business, the Companies made use of government schemes including Coronavirus Business Interruption Loan Scheme ("CBILS") and Recovery Loan Scheme ("RLS") funding, made a business interruption insurance claim, increased supply to supermarkets and developed an e-commerce platform to boost sales, following the mandatory closure of hospitality venues due to COVID-19.

However, demand did not recover to pre-COVID levels, and as above, the Companies also faced cost input inflation. As a result, the Companies continued to experience cash flow difficulties.

The Companies had been loss making since FY20. An EBITDA loss of £1.6m was incurred in FY23, with losses forecast to continue into FY24.

Steps taken to remedy/turnaround

BSB instructed advisors, Spark Advisory Partners Ltd ("Spark"), to run an equity raise process in November 2022, which was designed to attract investment via a rights issue for existing shareholders, alongside the opportunity for new shareholders to subscribe to new shares. This equity raise process was unsuccessful.

Following the failed equity raise, Teneo were instructed by the Companies to consider all options available to the Companies, including a merger or acquisition of the Companies and an offer period under The Takeover Code commenced on 11 April 2023. The offer period ceased on 27 April 2023 following a robust and extensive marketing exercise (led by Teneo) which resulted in no offers for the shares being made, however, four indicative offers to acquire the business and assets were received. Two further offers were received subsequent to the end of the offer period.

When decision to appoint was made

Following HMRC issuing a default notice of an agreed HMRC Time to Pay ("TTP") (which had been agreed on 30 January 2023), and in light of the lack of any solvent offers, the directors held a board meeting on 2 May 2023 to consider placing the Companies into administration.

The Companies' filed Notice of Intention to Appoint Administrators ("NOI") on 2 May 2023 to provide protection from enforcement action as regards HMRC's c.£1m arrears (including c.£0.34m relating to the formal HMRC TTP agreement).

Further NOIs were filed on 17 May 2023 to allow time to deliver the pre-packaged sale of the Companies' business and assets.

Involvement of Teneo pre-appointment

As a result of the Companies' liquidity challenges, in January 2023 we were introduced to the Companies by Charlene Lyons, one of the Companies' directors and CEO, to undertake the Phase 1 engagement as below.

Phase 1 – We were engaged by BSB on 20 January 2023 to consider the possible options available to the Companies and review the Companies' latest short term cash flow forecast.

We were subsequently asked to enter into a competitive tender to carry out the Phase 2 engagement as below.

Phase 2 – We were engaged by BSB and Close on 4 April 2023 to undertake a marketing exercise to identify and secure a new owner for BSB/the Companies, concurrently with cash flow monitoring and contingency planning in relation to a transaction and/or insolvency.

Kristian Shuttleworth and Clare Boardman of Teneo were asked to take the pending appointment as Joint Administrators by the directors of the Companies.

Pre-packaged sale

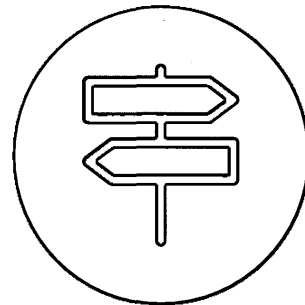
As detailed in our SIP 16 Statement dated 23 May 2023, shortly following the Joint Administrators' appointment, a sale of the Companies' business and assets was sold to Black Sheep Brewing Company Ltd on 23 May 2023 for £5.0m.





Post-appointment

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Post-appointment Purpose

Appointment of the Joint Administrators

Kristian Shuttleworth and Clare Boardman, of Teneo were appointed Joint Administrators of the Companies on 23 May 2023, following the filing of a Notice of Appointment of Joint Administrators by the Companies' directors on 23 May 2023.

Purpose of the administrations

The Companies have significant levels of borrowing (secured debt) which would need to be restructured in order to rescue the business as a going concern. However, having regard to the likely value of the underlying business and assets, as based on available financial information and asset valuations obtained, there is unlikely to be any interest from third parties in a debt restructuring.

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

The purpose of the administration will be achieved by:

1. Securing a sale of the business as a going concern and transfer under TUPE of all employees thus reducing the claims against the estate thereby improving dividend prospects/returns to creditors; and
2. Distribution to one of the secured creditors, Close.



**Post-appointment
Joint Administrators'
strategy**



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

Sale of business – Pre-packaged sale

As detailed in our letter of 26 May 2023 the business and assets of the Companies were sold to the Purchaser on 23 May 2023, ("the Transaction"). Following the Transaction, there are residual debtor assets of Retail to realise and cash balances held at bank to recover.

Receipts and Payments account

A receipts and payments accounts, detailing asset realisations achieved and costs paid to date are provided at Appendix B.

Asset realisations

The Purchaser acquired the business and certain assets of the Companies for £5.04m (£5.03m BSB, £10k Retail).

Freehold property

BSB's freehold land and property included a brewery, visitor centre and distribution and packaging facility, all located in Masham, North Yorkshire. All of the freehold property was sold in the Transaction for £2.625m.

Books debts

As at the date of our appointment, BSB's debtor ledger had a gross total of £2.039m. The Purchaser acquired the book debts for £1.611m consideration.

Intellectual property

The Purchaser paid £320k in relation to BSB's business intellectual property; business names, trademarks, know how, domain names, social media accounts and website.

Plant & machinery

As at the date of appointment, BSB owned a quantity of plant and machinery, fixtures and fittings and motor vehicles across its trading premises. The Purchaser acquired these assets for £203k, £199k of which is caught under Close's fixed charge chattels mortgage, with the balance of £4k being unencumbered.

BSB also had bottling and packaging equipment located at the distribution and packaging facility which had outstanding asset finance of £1.5m due to Lombard. The Purchaser will seek to

assign Lombard's asset finance agreement following the Transaction.

Stock

As at the date of our appointment, the Companies had raw materials/WIP stock of £489k and finished goods stock of £500k. The Purchaser acquired the raw materials/WIP stock for £73k and finished goods stock of £200k, £3.5k of which relates to bottle stock at Retail, with the balance of £269k realised in BSB.

Cash floats

Retail had cash floats at the four pubs totalling £6.2k, which the Purchaser acquired in the Transaction.

Others assets

The Purchaser also paid £1 in relation to customer contracts (BSB), £1 in relation to goodwill (50p BSB, 50p Retail) and £1 for transferred records (BSB).

Leasehold property

Retail operated from four leasehold properties (four pubs: The Three Legged Mare, York; The Last Drop Inn, York; Mr Foley's Cask Ale House, Leeds; and Black Sheep Tap and Kitchen, Leeds).

We granted the Purchaser a three month licence to occupy each of the four pubs while the Purchaser enters into negotiations with the landlords in relation to reassigning the leases.

On completion of the Transaction, the Purchaser paid a licence to occupy fee of £55k plus VAT in relation to rent, service charge and insurance costs for the period of occupation, which is payable by the Administrators to the respective landlords on the due dates previously in place.

Retail debtors

As at the date of our appointment, Retail had a small number of debtors which were excluded from the Transaction. The Joint Administrators are currently gathering information as regards what these debtors relate to, and will seek to recover them in due course.

Cash at Bank

BSB and Retail held current accounts with Lloyds Bank Plc and NatWest Group Plc respectively. We will recover any cash at bank held in these accounts, subject to charges placed over them.

Post-appointment Joint Administrators' Proposals

The Joint Administrators' Proposals

Our Proposals for the administrations include:

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

We will seek specific approval from the secured creditors (and secondary preferential creditors of BSB only) to fix the basis of and the ability to draw our remuneration and expenses, including pre administration costs and expenses, and to agree the time of our discharge on conclusion of the administration.

Please refer to Appendix E for further details.



Post-appointment Outcome for creditors



Estimated outcome for creditors

Secured creditors

At the date of our appointment, the following amounts were owed to secured creditors:

Close (BSB and Retail)

Close had outstanding debt of £6.3m at the date of our appointment, made up of: mortgage £1.0m; RLS £1.6m; CBILS £2.5m; and ID facility drawn to £1.2m (limit of £4.0m). Close's debt is secured by:

- Legal mortgages against BSB's freehold properties, created on 16 May 2017;
- Chattels mortgage over specific P&M assets in BSB, created on 19 March 2021;
- Debt Purchase Agreement in relation to trade debtors/ID facility, created on 22 July 2022;
- Intellectual property charge in BSB, created 16 May 2017;
- Debenture security in BSB, created on 16 May 2017;
- Debenture security in Retail, created on 27 August 2020; and
- Cross guarantee between BSB and Retail in relation to BSB's ID debt, created on 22 July 2022.

The RLS and CBILS loans have the benefit of Government backed guarantees up to 70% and 80% of the outstanding balances respectively (i.e., of the remaining outstanding balances due to Close, after Close has been paid from the realisation of assets).

The total £6.3m due to Close is owed by BSB. Distributions totalling £2.6m have been made to Close following the Transaction, repaying its property mortgage and ID facility in full, and £373k towards its RLS/CBILS exposure. Whilst further distributions will be made, Close will not be repaid in full.

Lombard (BSB only)

Lombard provided asset finance with an outstanding balance at the date of our appointment of £1.5m relating to bottling and packaging equipment held by BSB. Lombard had a first ranking chattels mortgage over those specific P&M assets.

The Purchaser will seek to assign Lombard's asset finance agreement and its position will not be adversely impacted by the Transaction.

Lloyds Bank Plc ("Lloyds") (BSB only)

Lloyds provided clearing facilities, corporate/business cards and a VAT bond agreement, secured by a second ranking debenture security in BSB (ranking behind Close) created on 8 November 2017 and a deposit agreement (first ranking over any deposits owed to BSB and held in the Lloyds account), created on 19 January 2022. Lloyds' exposure is c.£10k on the corporate/business cards and £20k on the VAT bond.

We are awaiting confirmation of any funds held by Lloyds in the deposit account. There will be no return to Lloyds other than from any funds held in the deposit account.

Dewscope Limited ("Dewscope") (BSB only)

Dewscope provided loan notes of £0.5m, secured by third ranking debenture security ranking behind Close and Lloyds, created on 26 January 2023.

There will be no return to Dewscope.

Ordinary Preferential creditors

Ordinary preferential claims consist of amounts owed to employees for arrears of wages/salaries, holiday pay, and pension contributions. As all of BSB and Retail's employees transferred to the Purchaser following the Transaction, we do not anticipate any ordinary preferential claims will be made.

Secondary Preferential Debts due to HMRC

Secondary preferential debts are debts due to HMRC in respect of deducted taxes, including VAT, PAYE, student loan repayments, employee NICs and CIS deductions.

We estimate that HMRC will have a secondary preferential claim of £1.2m in BSB and £135k in Retail. On present information we do not anticipate that sufficient funds will become available to enable such claims to be paid in full in BSB. It is not anticipated that there will be any return to HMRC in Retail.

Unsecured creditors

The Companies' records indicate estimated non-preferential claims totalling £1.07m in BSB and £336k in Retail. This is based on existing records as a Statement of Affairs (including details of assets and liabilities at the date of administration) has not yet been prepared.

There will be no return to unsecured creditors in either BSB or Retail.

Post-appointment Outcome for creditors

Estimated outcome for creditors (continued)

Prescribed Part

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

The Prescribed Part is calculated as a % of the net property and is subject to a statutory maximum of:

- £600,000 in BSB; and
- £800,000 in Retail (the difference being because the floating charge for Close was created after April 2020)

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

Although there will be floating charge asset realisations, it is anticipated that any funds available after costs of the administrations, will be absorbed by the secondary preferential creditor and therefore the Prescribed Part fund will not apply to BSB or Retail.

Claims process

As there is no prospect of a distribution for unsecured creditors, we do not intend to undertake any work to agree any creditor claims received as this work will be performed only once the dividend prospects are certain.



Post-appointment Extensions & exit routes

Exit routes

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

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

- *Dissolution* – if there is no further property which might permit a distribution to the Companies' creditors, we may file notice to that effect with the Registrar of Companies and the Company will be dissolved three months later.
- *Compulsory Liquidation ("WUC")* – where there is a possibility, but no certainty, of recoveries being made or matters such as property to disclaim or further enquiry, it may be appropriate to ask the court to end the administrations and to make an order to wind up the Companies.
- *Creditors' Voluntary Liquidation ("CVL")* - where a distribution to unsecured creditors will be made, other than by virtue of the Prescribed Part, we may file a notice to that effect with the Registrar of Companies. The administration will cease on the date that notice is registered and the Companies will be wound up.

Please note that if any of the Companies are placed into CVL, the Joint Administrators (or any person appointed as a replacement office holder) propose to be appointed as Joint Liquidators. The creditors may nominate a different person to be liquidator(s) provided the nomination is made before the Proposals are deemed approved.

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

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

Discharge of Joint Administrators' liability

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

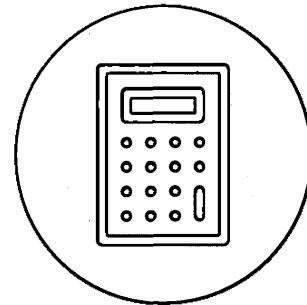
In this case, we will request approval from the secured creditors in both Companies and a decision of the preferential creditors in BSB only, for us to be discharged from liability as at the date the Registrar of Companies registers the Joint Administrators' final progress report.





Remuneration and Expenses

Creditors' Guide to Administrators' Remuneration and Expenses	17
Pre-administration costs	19



Remuneration and Expenses
Creditors' Guide to Administrators' Remuneration and Expenses

A Creditors' Guide to Administrators' Remuneration" is appended to SIP 9 and is provided on the administration website and also available for download www.ips-docs.com.

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



Basis of Joint Administrators' remuneration

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

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

In accordance with Rule 18.18(4) of the Rules and in the absence of a creditors' committee, we will seek to fix the basis of our remuneration by reference to our time costs incurred in attending to matters arising in the administrations with the consent of each secured creditor and a decision of the preferential creditors in a decision procedure in BSB, and the secured creditor in Retail.

Fees Estimate

Fees Estimates for each of the Companies are provided at Appendix C in which we have sought to provide you with as accurate estimate as we can of our likely time costs for the duration of the appointment. We have based the estimate on experience in other similar matters and the costs of work done to date (since our appointment) and estimate that our time costs will be £400k in BSB and £109k in Retail.

Remuneration and Expenses
Creditors' Guide to Administrators' Remuneration and Expenses



Joint Administrators' Expenses

Expenses are payments from the estate which are neither remuneration payable to us as officeholders nor a distribution to a creditor or a member. Expenses includes disbursements; disbursements are payments first made by us out of our own funds and later reimbursed to us (to the extent possible) out of estate funds.

Expenses are divided into those that do not need approval before they are charged to (and recovered from) the estate ("Category 1") and those that do ("Category 2"), and as described below:

- Category 1 Expenses - are payments to persons providing the service to which the expense relates and who are not an associate of the officeholder. These expenses can be paid out of the estate by us without creditor approval.
- Category 2 Expenses - are payments to us (as officeholder) or our associates or payments which have an element of shared costs. These expenses require creditor approval in the same manner as our remuneration.

Category 1 Expenses - Other professional costs

Prior to instructing providers of specialist advice and or services, we have evaluated whether the work/advice is both warranted and also that the cost of same represents best value for the estate. We review all such arrangement periodically to ensure that best value continues to be obtained. Further details are provided below.

Legal Fees

We have instructed Addleshaw Goddard LLP ("AG"), a firm of lawyers with the appropriate expertise and experience in dealing with these types of administrations, to advise on the following legal matters and to prepare required legal documentation in relation to:

- Reviewing the validity of our appointment; and
- Any other matters arising during the Companies' administrations.

AG has estimated that its fees will be £5k (exclusive of VAT and disbursements). See further details overleaf of AG's pre-administration work and fees.

Whilst we are not required to seek creditor approval for any of the foregoing expenses, we confirm that all professional costs are reviewed by us and analysed in detail before payment is approved or made

Category 1 Expenses – Administrators' Disbursements

We anticipate incurring the below expenses in the Companies

Category 1 Expenses - BSB

£ (net)	Estimated per Proposals
Postage/Couriers	50
Specific Penalty Bond	230
Total expenses	280

Category 1 Expenses - Retail

£ (net)	Estimated per Proposals
Postage/Couriers	25
Specific Penalty Bond	230
Total expenses	255

Category 2 Expenses

As indicated, these expenses require creditor approval in the same manner as our remuneration. Please refer to Appendix D for further information.

Remuneration and Expenses

Pre-administration costs

Statement of pre-administration costs

In the following paragraphs we have provided an explanation of the work carried out by us and by our legal advisors, AG, in the period prior to the administration and which was carried out with the intention of helping to achieve the objective of the administration to achieve a better result for creditors as a whole than would be obtained through an immediate liquidation of the Companies:

Joint Administrators

- Negotiating with interested parties and the Purchaser to agree and finalise commercial terms of the Transaction and consider previous expressions of interest / offers;
- Liaising with AG in relation to the preparation, agreement and signing of documents required to complete the Transaction;
- Liaising with the Companies' directors and secured creditors in relation to the status of the sale process and the strategy for the administration, including release of security and waiver of notice period;
- Liaising with the Companies' directors and the Purchaser in relation to the Purchaser's brewery licence;
- Analysis of VAT and Tax advice to consider any tax implications of the Transaction;
- Monitoring of the Companies' short term cash flow and funding requirements; and
- Contingency planning in the event that a sale was not achievable.

This work was required to be undertaken pre-appointment to enable the sale to be delivered shortly after our appointment and to enable the maximum and certain value for the business and assets thus delivering a better outcome for creditors as a whole.

In relation to this work we have incurred time costs of £546k for BSB and £96k for Retail (both plus VAT), since the filing of the first NOI on 2 May 2023. Of this, £46k plus VAT has been recovered and paid pre-administration by BSB. The balance of £500k and £96k in BSB and Retail respectively remains unpaid. We will seek to recover part of BSB's balance from the administration estate. There will be insufficient funds available in Retail to enable payment of Retail's costs.

Legal fees

During planning for the administration, we were assisted by AG on matters including:

- Drafting documentation, advising and negotiating with potential buyers for the business and assets of the Companies (including a transfer of employees);
- Advising on the security granted by the Companies, together with the impact of intercreditor arrangements, including release of security and contingency planning for the event of release of security not being obtained; and
- Appointment process monitoring for validity of appointment advice.

This work was required to be undertaken pre-appointment to enable the Transaction to be delivered shortly following our appointment.

In respect of this work, AG incurred £95k for BSB and £25k for Retail (both plus VAT), which remains unpaid. We will seek approval for payment of BSB's costs. There will be insufficient funds available in Retail to enable payment of Retail's costs.

Approval of unpaid pre-administration costs

As set out above, there are total unpaid pre administration costs of £595k plus VAT in BSB and £121k plus VAT in Retail.

The payment of these unpaid costs as an expense of the administration is subject to approval under Rule 3.52. In this regard we will invite secured and preferential creditors to decide whether and to what extent the unpaid pre-administration costs should be approved for payment in BSB. As there will be insufficient funds in Retail to meet these costs, approval will not be sought in Retail.





Additional information

Investigations

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Connected Person Transactions

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Additional information Investigations

The Insolvency (Amendment) (EU Exit) Regulations 2019 (the "Regulations")

As stated in the administration appointment documents, these are COMI proceedings (i.e. the centre of main interests is in the UK).

Third party assets

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

Shareholders

We are not obliged to provide further information or reports to shareholders of the Companies. However, regular updates will be uploaded to the website set up for the administration at: www.ips-docs.com.

Due to the insolvency of the Companies and anticipated level of asset realisations compared with the level of creditor liabilities owed by the Companies, there is no prospect of a return being made to the shareholders.

Following our appointment, the Companies are no longer able to process transfers of shares, nor re-issue unclaimed dividend cheques.

In certain cases, HM Revenue & Customs may declare shares to be of nil value and capital losses may be claimed. Shareholders should contact their local tax office for further information.

Investigations

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

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



Additional information

Connected Person Transactions

Transactions with connected persons

As documented in our SIP 16 Statement regarding the pre-packaged sale, substantially all of the Companies' business and assets have been sold to Black Sheep Brewing Company Ltd which is a connected person as Charlene Lyons (director of BSB and Retail), Robert Theakston (director of BSB and Retail) and Jonathan Theakston (director of BSB) will become directors and minority shareholders of the Purchaser subsequent to the Transaction.

Prior to undertaking the sale:

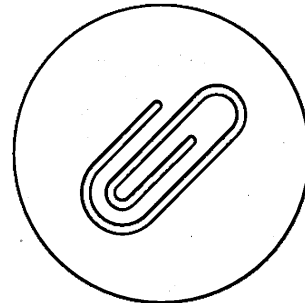
- A solvent sale was pursued, which resulted in no offers for the shares being received;
- We were provided with valuations performed by qualified valuers and from which we are satisfied that the values achieved were appropriate;
- Having regard to the uncertainty of a sale by private treaty/auction, we are satisfied that the sale represented the best outcome for the estate; and
- We were provided with a copy of the independent Evaluator's report which contained a statement made by the Evaluator that they are satisfied that the consideration to be provided for the relevant property and the grounds for the substantial disposal are reasonable in the circumstances.





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Appendices Appendix A

Statutory information		
	BSB	Retail
Company number	2686985	11299720
Registered office	Wellgarth, Masham Ripon, North Yorkshire HG4 4EN	Wellgarth, Masham Ripon, North Yorkshire HG4 4EN
Trading names	Black Sheep Brew ery	Black Sheep Brew ery The Three Legged Mare The Last Drop Inn Mr Foley's Cask Ale House Black Sheep Tap and Kitchen
Previous names	N/A	N/A
Court	High Court of Justice, The Business and Property Courts in Leeds	High Court of Justice, The Business and Property Courts in Leeds
Court reference	CR-2023-LDS-000449	CR-2023-LDS-000450
Company directors	Charlene Lyons Robert Theakston Jonathan Theakston	Charlene Lyons Robert Theakston
Company secretary	Arran Todd	None
Directors' shareholdings	Robert Theakston - 0.03% Jonathan Theakston - 0.03%	-

Note: Registered office for both BSB and Retail will shortly be changed to c/o Teneo Financial Advisory Limited, The Colmore Building, 20 Colmore Circus, Queensway, Birmingham, B4 6AT

Website

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

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

Phone: 0121 619 0198

Email: BSB@teneo.com

Postal address: Teneo Financial Advisory Limited, The Colmore Building, 20 Colmore Circus Queensway, Birmingham, B4 6AT

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



Appendices

Appendix B

BSB

The Black Sheep Brewery Plc - In Administration				
Joint Administrators' Receipts and Payments Account				
23 May 2023 to 31 May 2023				
		Notes	To date	
Fixed Charge Receipts				
Freehold Land & Property			2,625,000	
Book Debts	A		1,611,050	
Intellectual Property			320,000	
Plant & Machinery			199,000	
Total Fixed Charge Receipts			4,755,050	
Fixed Charge Payments				
Secured Creditor Distribution - Close Mortgage	B		(958,920)	
Secured Creditor Distribution - Close ID	B		(1,237,621)	
Secured Creditor Distribution - Close CBILS/RLS	B		(373,430)	
Total Fixed Charge Payments			(2,569,970)	
Fixed Charge Balance			2,185,080	
Floating Charge Receipts				
Plant & Machinery			4,000	
Stock			269,708	
Customer Contracts	A		1	
Goodwill			1	
Transferred Records			1	
May-23 Payroll Deductions	C		80,684	
Total Floating Charge Receipts			354,394	
Floating Charge Balance			354,394	
Total Balance			2,539,474	
Made up of:				
Funds held by AG	D		2,539,474	
Balance in hand			2,539,474	

Notes to the receipts and payments account

A receipts and payments account is provided opposite, detailing the transactions since our appointment on 31 May 2023

Notes to receipts and payments account

A – Sale of assets

As detailed on page 11, BSB's business and certain assets were sold in the Transaction. For further information regarding the sale please refer to the SIP 16 statement per Appendix G.

B – Secured distributions

Close has received distributions of £958k in relation to its property mortgage (repaid in full); £1.24m in relation to its ID facility (repaid in full, including exit fees of £78k); and £373k in relation to its CBILS/RLS debt following the Transaction.

C – May-23 payroll deductions

The Purchaser has paid £80k to enable the Administrators to settle payroll deductions to the relevant third parties, in relation to BSB's May 2023 payroll which was processed by BSB pre-appointment, with net payroll payment to BSB paid by the Purchaser post completion of the Transaction.

D – Funds held by lawyers

These monies relate to sale proceeds and have been retained by AG pending set up of BSB's Administration bank accounts.

Rounding note

In preparing this report, figures have been rounded (for presentational purposes only). There may therefore appear to be rounding errors.



Appendices
Appendix B

Retail

BSB Retail Limited - In Administration		
Joint Administrators' Receipts and Payments Account		
23 May 2023 to 31 May 2023		
£	Notes	To date
Floating Charge Receipts		
Stock		3,500
Cash Floats	A	6,208
Goodwill		1
Licence to Occupy Fee	B	55,325
Total Floating Charge Receipts		65,034
Balance		65,034
Made up of:		
Funds held by AG	C	76,099
VAT Payable	D	(11,065)
Balance in hand		65,034

Notes to the receipts and payments account

A receipts and payments account is provided opposite, detailing the transactions since our appointment on 31 May 2023

Notes to receipts and payments account

A – Sale of assets

As detailed on page 11, Retail's business and certain assets relating were sold in the Transaction. For further information regarding the sale please refer to the SIP 16 statement per Appendix G.

B – Licence to occupy fee

The Purchaser has paid licence to occupy fee of £55k in relation to rent, service charge and insurance which will be incurred during its three months occupation at the four pubs. These costs will be paid by the Administrators to the respective landlords.

C – Funds held by lawyers

These monies relate to sale proceeds and have been retained by AG pending set up of Retail's Administration bank accounts.

D – VAT

All sums shown opposite are shown net of VAT, which is payable and will be accounted for to HM Revenue & Customs in due course.

Rounding note

In preparing this report, figures have been rounded (for presentational purposes only). There may therefore appear to be rounding errors.



Appendices
Appendix C

Fees Estimates

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

Time Costs to date

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

Joint Administrators' Fees Estimates

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

The work anticipated to be undertaken has been categorised by activity which we hope is self explanatory. Please also refer to our Post-appointment Strategy on page 11 where we have talked in more detail about specific tasks on each case.

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

Time costs incurred to date

As indicated at page 17 above, we intend to invite the secured and preferential creditors to fix our fees in relation to BSB and the secured creditors to fix our fees in relation to Retail, both on a time costs basis. An analysis showing our time costs to 31 May 2023 and the average hourly charge for each category of work undertaken to 31 May 2023 is also provided in the Fees Estimates on the next two pages.

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

Time is charged in six minute increments.

Our charge out rates are reviewed annually and last increased on 1 January 2023.



Appendices
Appendix C

BSB

Activity		Anticipated Time and Costs per Fees Estimate			Actual Time and Costs for Report Period		
		Anticipated hours	Avg Rate £/h	Anticipated fees (£)	Hours incurred in period	Avg Rate £/h	Time costs incurred in period (£)
Administrative activities	Cashiering	26.5	805	21,330	4.2	557	2,340
	Case supervision	33.4	803	26,824	16.8	634	10,615
	Case review s	10.3	649	6,684	-	-	-
	Case closure matters	16.0	641	10,250	-	-	-
Statutory & compliance	Compliance & IPS diary	15.9	676	10,754	0.2	720	144
	Insurance	4.0	935	3,740	1.5	720	1,080
	General reporting	144.0	803	115,690	46.9	850	39,856
Initial actions	Appointment matters	4.0	1,070	4,280	-	-	-
	Notifications	55.5	701	38,925	41.0	718	29,450
Investigations	CDDA reporting	18.5	662	12,240	-	-	-
	Investigations	10.0	844	8,440	-	-	-
Total of above categories		338.1	767	259,157	110.6	755	83,485
Taxation	Tax	6.0	834	5,005	-	-	-
	VAT	30.6	511	15,634	5.6	908	5,086
Employees	Correspondence	27.3	900	24,570	4.5	1,088	4,895
	Pensions	0.5	900	450	-	-	-
Correspondence	Creditors	74.6	596	44,482	8.5	1,045	8,885
	Shareholders	40.5	787	31,860	-	-	-
Distributions	Secured creditors	10.6	992	10,516	-	-	-
	Secondary preferential creditors	14.5	597	8,655	-	-	-
Total fees estimate		542.7	738	400,329	129.2	792	102,351



Appendices Appendix C

Retail

Activity		Anticipated Time and Costs per Fees Estimate			Actual Time and Costs for Report Period		
		Anticipated hours	Avg Rate £/h	Anticipated fees (£)	Hours incurred in period	Avg Rate £/h	Time costs incurred in period (£)
Administrative activities	Cashiering	9.8	793	7,776	2.7	1,911	5,160
	Case supervision	8.2	801	6,569	-	-	-
	Case review s	3.5	710	2,485	-	-	-
	Case closure matters	11.0	605	6,650	-	-	-
Statutory & compliance	Compliance & IPS diary	4.8	705	3,384	-	-	-
	Insurance	4.5	870	3,915	-	-	-
	General reporting	16.9	861	14,543	4.0	248	990
Initial actions	Appointment matters	4.0	1,070	4,280	-	-	-
	Notifications	14.5	831	12,055	8.0	266	2,130
Investigations	CDDA reporting	10.7	700	7,493	-	-	-
	Investigations	4.5	906	4,075	-	-	-
Total of above categories		92.4	792	73,225	14.7	563	8,280
Taxation	Tax	3.5	583	2,040	-	-	-
	VAT	4.5	547	2,460	-	-	-
Asset realisations	Book debts	7.0	926	6,480	-	-	-
Employees	Correspondence	6.5	990	6,435	2.5	396	990
Correspondence	Creditors	26.3	610	16,044	-	-	-
	Shareholders	0.5	720	360	-	-	-
Distributions	Secured creditors	2.0	990	1,980	-	-	-
Total fees estimate		142.7	764	109,024	17.2	539	9,270



Appendices
Appendix D

Category 2 Expenses

Joint Administrators – Category 2 Expenses

As described on page 18, these are payments to us (as officeholder) or our associates or payments which have an element of shared costs. Specific approval is required before these expenses can be drawn from the administration estate.

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

Category 2 Expenses	
£ (net)	Estimated per Proposals
Mileage	100
Total expenses	100

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



Appendices

Appendix E

Joint Administrators' Proposals

Our Proposals will be deemed approved on 12 June 2023 unless a creditors' decision procedure is requisitioned in accordance with Rules 15.18 and 15.19 of the Rules 2016.

Please note that resolution 3 only applies to BSB.

We will still need to obtain specific approval for the resolutions given below from the secured creditors and preferential creditor in BSB and the secured creditor in Retail:

1. Approval that the basis of the Joint Administrators' remuneration shall be fixed by reference to the time properly given by the Joint Administrators and their staff in attending to matters arising in the administration, plus VAT.
2. Approval that the Joint Administrators' category 2 expenses in respect of mileage as detailed on page 18 be approved and the Joint Administrators be authorised to draw both category 1 and category 2 expenses, (plus VAT where applicable) from the administration estate.
3. Approval that the Joint Administrators' pre administration fees and expenses, including legal fees, as detailed on page 19 of the Joint Administrators' Proposals be approved and that the Joint Administrators be authorised to draw their pre-administration fees and expenses, plus VAT, from the administration estate.
4. Approval that the Joint Administrators be discharged from liability per paragraph 98 of Schedule B1 of the Act immediately upon the registration of the Joint Administrators' final progress report by the Registrar of Companies.

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

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



Appendices

Appendix F

**No statement of affairs
has been submitted**

Statement of Affairs

The Companies' directors were notified on 31 May 2023 that they are required to make out and deliver a statement of the Companies' affairs to us by 12 June 2023.

Pending receipt of a completed statement of affairs, a schedule of the Companies' creditors is given on the following pages. A summary of the Companies' financial position as at 31 March 2023 has been provided on page 7.



Appendices

Appendix F

Creditor listing – BSB

Creditor listing - BSB

Name	A1	A2	A3	A4	A5	Outstanding Balance
A C Nielsen Company Ltd	A C Nielsen House	John Smith Drive	Oxford	Oxfordshire	OX4 2WB	2976
A G Parfett And Sons Ltd	Didsbury Road	Heaton Mersey	Stockport	Cheshire	SK4 2JP	6269.79
A M Bars Brewery Disp Service	Andrew Morris	9 Lulworth View	Leeds	Le15 8Pg		0
Admiral Taverns Ltd	Suite H3	Steam Mill Business Centre	Steam Mill Street	Chester	CH3 5AN	561.9
Agile Media Ltd	Jubilee House	56-58 Church Walk	Burgess Hill	West Sussex	RH15 5AN	648
Air Products Plc	Hersham Place	Molesley Road	Wilton On Thames	Surrey		2601.79
Aid Automotive (Ford Lease)	Oakwood Drive		Emersons Green	Bristol	BS16 7LB	0
All 4 Labels (Formerly Olympusprint)	Olympus House	Richardsheaw Road	Grangefield Industrial Estate	Stanningley, Pudsey	LS28 6QW	55700.56
Andrew Garner Electrical	Contractor Ltd	Unit 5C Ploes Way	Leeming Bar Ind Estate	Leeming Bar, Northallerton	DL7 9UL	634.97
Anton Paar	Unit F	The Courtyard	St Albans	A4 0La		795.35
Anvil Studio Ltd	Brookside Cottage, The Row	Hartest	Bury St Edmunds	Suffolk	IP29 4DJ	2610
Arco West Yorkshire	Po Box 21	Waverley St	Hull	Hu1 2SJ		229.96
Arlington Packaging Retail Ltd	Units 16/17	Salisbury Road Business Park	Pewsey	Wiltshire	SN9 5PZ	6603.6
Arval	Arval Centre	Mill Hill	Swindon	SN5 6Pe		0
Aston Manor	Daykin Avenue	Birmingham	B6 7BH			20545.78
Auto Smart	Jd Supplies Ltd	10 Watermill Close	N Stainley	Ripon	HG4 3LD	1047.37
Avery Weigh-Tronix	Foundry Lane	Smethwick	Warley	West Midlands	B66 2LP	2255.72
Azets Audit Services	Churchill House	59 Lichfield Street	Walsall	West Midlands	WS4 2BX	5760
Beca Safety	Clayfield Close	Moulton Park Industrial Estate	Northampton	Nn3 6Qn		1393.88
Balrds Matt Ltd	Station Mailings	Wilhem	Essex	Cm8 2Du		0
Banth-Haas Uk Ltd	Simply Hops	Hop Pocket Lane	Paddock Wood	Tonbridge	TN12 6DQ	539.72
Bbps Environmental Ltd	T/A Sustaln Drinks Packaging.	Ground Floor	Brewers Hall	Aldermanbury Square	EC2V 7HR	33888.01
Bedale Motor Factors	Turfin Rd	Leeming Bar Industrial Estate	Northallerton	DL7 9UJ		1824.35
Bedale Point To Point	Hornby Park	Bedale	DL8 1NQ			0
Ben Greaves Expenses	Expenses					0
Berwins Solicitors	2 North Park Rd	Harrogate		Hg1 5Pa		2307
Bevcraft Ltd	Unit 12	Park Court	Sherdley Business Park	St Helens	WA9 5GZ	0
Biffa Waste Services Ltd	Coronation Road	Cressex	High Wycombe	Hp12 3Tz		7807.43
Bnp Perfbas Leasing Solutions	Northern Cross	Basing View	Basingstoke	Rg21 4Hi		0
Boc Limited	Customer Service Centre	Po Box 6	Priestley Road, Worsley	Manchester	M28 4US	0
Booth Dispensers Ltd	Moor Park Avenue	Blackpool	Lancashire	Fy2 0Lz		24.27
Bottomline Technologies	1600 Arlington Business Park	Thealeg	Reading	Berkshire	RG7 4SA	154.01
Bourne Leisure Group Ltd	1 Park Lane	Hemel Hempstead	Hertfordshire	Hp2 4YI		330.48
Brandbank	28 Whiffier Rd		Norwich	Norfolk	NR3 2AZ	1945.8
Bravado International Grp Ltd	Lloyd Ridgeway	Accounts Receivable Manager	4 Pehcras Square	London	EC4N 4TR	1735.7
Brewers Company	Brewers Hall	Aldermanbury Square	London	Ec2V 7Hr		6984
Brewlab Ltd	Unit 1 West Quay Court	Sunderland Enterprise Park	Sunderland	Tyne And Wear	SR5 2TE	1314.63
Browology Support Services Ltd	36 Long Row	Leeds	West Yorkshire	Le16 5Aa		0
Briggs Equipment	Po Box 3777	Orbital 7, Orbital Way	Cannock	Staffordshire	WS11 8XW	2335.92
British Telecom (BT)	Pp M3042Z	Colindale House	The Hyde	London	NW9 6LB	820.59
BSB Retail Ltd	Wellgarth	Masham	Ripon	North Yorkshire	HG4 4EN	27086.35



Appendices

Appendix F

Creditor listing – BSB

Creditor listing - BSB

Name	A1	A2	A3	A4	A5	Outstanding Balance
Business Stream	Po Box 1255	Bradford	Bd1 9Ae			5525.65
Capital Tyres (Northallerton)	Standard Way Ind Estate	Northallerton	North Yorkshire	DIS 2Xe		2798.6
Cask Marque	Unit 810 Seedbed Centre	Severalls Park	Colchester	Co4 9Ht		1365
Castle Industrial Supplies Lt	Unit 6	Oakwood Way	Camforth Business Park	Camforth	LAS 9FD	5524.51
Celli Asset Management Uk Ltd	Units A & B	Riverside Industrial Estate	Atherstone Street	Tamworth	B78 3RW	7685.31
Celli Uk Ltd	Unit 11	Becklands Close	Roecliffe	Boroughbridge	YO5 9NR	0
Cellular Solutions Ltd	Ferryboat House	Ferryboat Lane	Sunderland	Sr5 3Jn		5784.96
Charles Faram & Co Ltd	Monkfield Lane	Newland	Nr. Malvern	Worcs.	WR13 5BB	15391.5
Chop UK	Waybridge Business Park	Addiestone Rd	Addiestone	Surrey	KT15 2UP	3459
Chris France	White Gates	Lower Dunstorth	Yo26 9Se			5870.17
Chris Parfsh	Lizard House Farm	Thim	Ripon	Hg4 4Au		314.5
Citation Ltd	Kings Court	Water Lane	Wilmslow	Cheshire	SK9 5AR	9366.1
Clean & Tidy	The Bungalow	Boroughbridge	North Yorkshire	Yo51 9Hs		4391.2
Close Brothers Brewery Rentals	Unit 1 Kingfisher Park	Headlands Business Park	Ringwood	Bh24 3Nx		3589.58
Close Brothers Brewery Rentals	Unit 1 Kingfisher Park	Headlands Business Park	Blashford	Ringwood	BH24 3NX	18943.2
Close Brothers Ltd - Secured	10 Crown Pl	London	Ec2A 4Fl			0
Coloscan Imaging Products	Po Box 90	Burton On Trent	Staffs	De14 1Xa		4110.19
Cooperative Food Group	6Th Floor Dentkic Building	New Century House	Manchester	M50 4Es		0
Corks & Cases	17 Silver Street	Masham	North Yorkshire	Hg4 4Dx		9675.5
D B Engineering(Ripon) Ltd	Unit 4A Becklands Close	Bar Lane	Roecliffe	Boroughbridge	YO51 9NR	5377.33
D3 Office Group Ltd	Stratsource House	Malmö Road	Sutton Fields Ind Est	Kingston Upon Hull	HU7 0YF	1578.85
Dayla	Unit 2	50 Aylesbury Road	Aston Clinton	Bucks	HP22 5AH	180.14
Deans Computer Services Plc	Boston Lodge	High St	Boston Spa	West Yorkshire	LS23 6EA	0
Dee Bee	Adam Smith St	Grimsby	N E Lincolnshire	Dn31 1Sj		0
Delamode (Formerly Nidd Transp	Barker Business Park	Melmerby Green Rd	Melmerby	Ripon	HG4 5NB	1665.02
Dewscope Limited	18 Dalegarth Avenue	Bolton	BL1 5DW			0
E.H. Booth & Co Ltd	Longridge Rd	Ribbleton	Preston	Pr22 5Ru		0
Eden Springs Uk Ltd	3 Livingstone Boulevard	Hamilton Int Tec Park	Blantyre	Lenarkshire	G72 0BP	682.55
EI Group Plc	3 Monkspath Hall Rd	Solihull	West Midlands	B90 4Sj		4773.55
Elkaxome Limited	Unit 3A	Arnold Business Park	Stranbridges Road	East Peckham	TN12 5LG	0
Energies Ltd	Westmorland Street	Hull	Hu2 0Hx			213.08
Engelbert Strauss Ltd	1 Apollo Rise	Southwood Business Park	Farnborough	Gu14 0GI		0
Engle Power Ltd	No1 Leeds	26 Whitehall Road	Leeds		LS12 1BE	17419.6
Environmental Strategies Ltd	Selby Times Business Centre	11 The Crescent	Selby	Yo8 4Pd		3120
Eli Ltd	Eastings Close	Worthing	West Sussex	Bn14 8Hq		107.4
Everaheds Sutherland Lip	One Wood Street	London	Ec2V 7Ws			0
Evolution Bottling &	Packaging Solutions Ltd	Evolution House	Calvary Park	Peebles	EH45 9BU	4366.68
Experian Ltd	The Sir John Peace Building	Experian Way	Ng2 Business Park	Nottingham	NG80 1ZZ	160
Fall Timber	Portland Way	Leeming Bar	North Yorkshire	DL7 9UH		184.27
Fat Badger Harrogate (Uk) Ltd	Cold Bath Road	Harrogate	Sw10 0Sz	North Yorkshire	HG2 0NF	346.3
Fedex (Federal Express Europe)	Sutherland House	Matlock Road	Foleshill	Coventry	CV11 4JQ	175.83



Appendices

Appendix F

Creditor listing – BSB

Creditor listing - BSB

Name	A1	A2	A3	A4	A5	Outstanding Balance
Festival Glass Ltd	Unit 6	Calderdale Business Park	Club Lane	Ovenden	HX2 8DB	4766.4
Fever Tree	535 Plaza	Kings Road	London			0
Fisher (C&I) Ltd	19 Ledston Avenue	Garforth	Leeds	Le25 2Bp		5902.8
Frederic Robinson Ltd	Unlcom Brewery	Lower Hilgate	Stockport	Cheshire	SK1 1JJ	56097.11
Freedom Communications (Uk)	19-25 Nuffield Road	Nuffield Industrial Estate	Poole	Dorset	BH17 0RU	1008.05
George Bateman & Son Ltd	Salem Bridge Brewery	Wainfleet	Lincolnshire	Pe24 4Je		420
Green Bear Dispense	Unit 3	Alanbrooke Business Park	Topcliffe	Thirsk	YO7 3SE	614.4
Greene King Brewing & Retailin	Westgate Brewery	Bury St Edmunds	Suffolk	Ip33 1Qt		561.98
Grogg Electrical	3 Westholme Crescent	Masham	Ripon	North Yorkshire	HG4 4EY	601.63
Greystone Financial Services	Foundation House	Scott Drive	Altrincham	Cheshire	WA15 8AB	4200
Guardian Electrical Compliance Limited	Unit 4 Rotunda Business Centre	Thorncliffe	Chapeltown	Sheffield	S35 2PG	11665.12
H B Clark & Co Ltd	Unit 1, Headways	Stanley	Wakefield	W Yorkshire	WF3 4FE	0
H E Woolley Ltd	1A Startforth Rd	Riverside Industrial Park	Middlesbrough	Ta2 1Pt		493.5
H Erben Ltd (Berlin Packaging)	Lady Lane	Hadfield	Ipswich	Ip7 6As		17443.66
Harrogate Borough Council	Council Offices	Crescent Gardens	Harrogate	Hg1 2Sg		98304
Harry Mason Ltd	217 Thimble Mill Lane	Aston	Birmingham	B7 5Hs		1753.2
Harviestoun Brewery Ltd	Alva Industrial Estate	Alva	Clackmannashire	Fk12 5Dq		0
Hb Clark A02226 Only	Unit 1 Headways	Stanley	Wakefield	WF3 4FE		3315.07
Heineken	P O Box 1938	Livingston	Edinburgh	Eh54 8Yf		28471.74
Hello Print	100 Pall Mall	St James	London	Sw1Y 5Nq		187.14
Hg1 Communications Ltd	Unit 1	Camwal Road	Harrogate	Hg1 4Pt		1620.72
Hmrc - Unsecured Creditors	Debt Management EIS-C	BX9 1SH				0
Holchem Laboratories Ltd	Gateway House	Pilsworth Road	Pilsworth Industrial Estate	Bury	BL9 8RD	16993.32
I Am Print Ltd	The Adelphi Mill	Grimshaw Lane	Bollington	Macclesfield	SK10 5JB	0
Ico Information Commissioners	Office	Wycliffe House	Water Lane	Wilmslow, Cheshire	SK9 5AF	0
Independent Gas Engineering Co	249 Preston Road	Coppull Moor	Chorley	Lancashire	PR7 5DS	2032.42
Instant Print	Bluetree Group	Unit A Brookfields Park	Manvers Way, Manvers	Rotherham	S63 5DR	708
Institute Of Directors (Iod)	116 Pall Mall	London	Swy 5Ed			0
Integrated Processing Tech Ltd	37 Coptleigh	Houghton Le Spring	Tyne And Wear	Dh5 8Je		10386.89
Integrated Fire & Security Ld	18 Marguerite Gardens	Upton	Ponterfract	WF9 1Pg		336.53
Ioffset Ltd	81-83 Market Street	Pocklington	York	Yo42 2Ae		0
Ipcb Intl Press Cutting Bureau	224-236 Watworth Rd	London	Se17 1Je			1022.4
J R Middleton	Green Lea	Fearby	Masham	Ripon	HG4 4NF	720
James Mae Industries Ltd	Lombard North Central Plc	4Th Floor	Leeds	Le21 4Hr		0
Jbc Industrial Services Ltd	Total Energy Solutions	Howley Park Road East	Morley	Leeds	LS27 0SW	2226.05
Jm Accountancy Ltd	43 Bunting Drive	Tockwith	York	Yo26 7Sb		0
Keg Watch Ltd	Po Box 5935	Burton On Trent	De13 0Yl			2249.64
Kent Foods Ltd	Albex House,	Westpoint Business Park	1 Marchfield Drive	Palsley	PA3 2RB	3362
Kanizero Ltd	Staveley	Kendal	Cumbria	LA8 9PB		5882.64
Kettlawell Fuels Ltd	Station Depot	Melmerby	Ripon	Hg4 5Ex		15.5
Kiddvouchers	11-16 Chestnut Court	Jill Lane	Sambourne	B96 6Ew		235.8



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Creditor listing – BSB

Creditor listing - BSB

Name	A1	A2	A3	A4	A5	Outstanding Balance
Kiowa Ltd	The Reservation	East Road	Sleaford		NG34 7BY	794.71
Kite Packaging Limited	185 Torrington Ave	Tile Hill	Coventry		CV4 9AJ	94.81
Knowlledge Gaps Ltd	Wadborough House	Wadborough	Worcester	WR8 9HJ		2700
Konica Minolta	Miles Gray Rd	Basildon	Engl	Essex	SS14 3AR	551.44
Laimbrechts Ltd	Bank Chambers	1 Central Ave	Me10 4Ae			891.22
Law Distribution Ltd	Unit A Haydock Cross	Kilbuck Lane	Haydock	St Helens	WA11 9UX	43004.02
Leaseplan Uk Ltd	165 Bath Road	Slough	Berkshire	Sl1 4Aa		70
Leaswood Manufacturing Ltd	14 Cursbam St	Sutton In Ashfield	Nottinghamshire	Ng17 5Fd		3416.96
Link Asset Services	The Registry	34 Beckenham Rd	Kent	Br3 4Tu		1567.22
Link Printing	Link House	8 Stocks Bridge Way	Compass Point Business	St Ives	PE27 5JL	2241.18
Lloyds Bank Plc	Dept 3282	Pendeford Securities Centre	Pendeford Business Park	Wobaston Road	WV9 5HZ	
Lombard North Central PLC	4th Floor	4th Floor	LS21 4HR			
Lyons Recruitment Ltd	Monwick Hall	Mortec Park	York Road	Leeds	LS15 4TA	0
Madison 3PI	Linda Marylin House	Mill Green	Leeds	LS12 6He		0
Majestic Chemicals Ltd	Pitman Road	Denaby Industrial Estate	Doncaster	Dn12 4LJ		897.6
Mandate Systems Ltd	Suite 2	Woodvale House	Woodvale Road	Brighouse	HD6 4AB	4047
Masham Micronized Feeds	The Mill	Thorpe Road	Masham, Ripon	North Yorkshire	HG4 4JB	6047.93
Mataro Uk Ltd	5801 Shennon Place	Tewkesbury Business Park	Tewkesbury	Glos	GL20 8SL	0
Melmerby Training Services	Barker Business Park	Melmerby Green Rd	Melmerby	Ripon	HG4 5NB	1393.75
Micronized Food Products Ltd	Standard Way Industrial Estate	Northallerton	North Yorks		DL6 2XA	0
Middleton Mk Ltd	19 Titan Court	Luton	Lu4 8Ef			725.4
Minster Self Drive	111 Micklegate	York	Yo1 6Lb			0
Molson Coors Brewing Co (Mcbc)	137 High St	Burton On Trent	De14 1Jz			1158
Morecambe Bay Wines Ltd	Newgate	White Lund Ind Estate	Morecambe	Lancashire	LA3 3PT	780
Mosaic Board Printers Ltd	1-2 Pytchley Lodge Road	Pytchley Lodge Rd Ind Est	Kettering	Northamptonshire	NN15 6JQ	2240.4
Motion Picture Licensing Co	Mplc House	22-24 Gildredge Road	Eastbourne	East Sussex	BN21 4SA	145.5
Mph Enterprises Ltd	Units 1&2	Newhold Ind Estate	Garforth	Leeds	LS25 2LD	2372.8
Murgitroyd & Company	Arena Point	Merrion Way	Leeds	LS2 8Pa		7299.61
Murphy & Son Ltd	Alpine Street	Old Basford	Nottingham	Ng6 0Hq		20424.39
Nch(Uk) Ltd	N C H House	Springvale Avenue	Bilston	West Midlands	WV14 0QL	4264.76
Nexus Packaging	Nexus House	Wilson Business Park	Queen Elizabeth Avenue	Hillington Park	G52 4NQ	0
Ninkasi Rentals & Finance	Unit D, Charolais Barn	Lawn Farm, Pillows Green Rd	Corse	Gloucester	GL19 3NX	0
Nippon Gasea Uk Limited	Gresley Way	Immingham	DN40 2Ni			4688.98
Northern Compressed Air Ltd	Plot22	Unit 2, York Road	Thirsk Industrial Park	Thirsk	YO7 3BX	6197.26
Npower Yorkshire Ltd Metering	Remittance Processing	Po Box 203	Leeds		LS14 3WE	624
Nycc C/O Yorwaste Ltd	Mount View	Standard Way	Northallerton	D15 2Yd		833.34
O2(UK)Ltd	260 Bath Rd	Slough Rd	Berkshire		SL1 4DX	70.44
One Circle	Lightweight Containers Uk Ltd	Kingfisher House	1 Gliders Way	Norwich	NR3 1UB	0
One Two Three Send Ltd	120 Leman Street	London	E1 8Eu			0
Palintest Ltd	Palintest House	Team Valley	Gateshead	Tyne & Wear	NE11 0NS	0
Parcel Force	Payment Processing Centre	Rowland Hill House	Boythorpe Rd	Chesterfield	S49 1HQ	0



Appendices

Appendix F

Creditor listing – BSB

Creditor listing - BSB

Name	A1	A2	A3	A4	A5	Outstanding Balance
Pinney Bowes	Langlands House	130 Sandringham Ave	Harlow	Cm19 5Qa		0
Pinney Bowes (Purchase Power)	The Pinnacles	Harlow	Essex	Cm19 5Bd		0
Precision	Precision House	267 Iveson Drive	Ireland Wood	Leeds	LS16 6LP	1204.8
Premier Tech Chronos	Unit 1 Centurion Business Cent	Dabell Avenue	Blenheim Industrial Estate	Nottingham	NG5 8WN	889.45
Premium Leasing	Newbegln House	Geneva Way	Hull	Hu7 3Dg		0
Prohibition Pr Ltd	Regents Court	39A Harrogate Rd	Leeds	LS7 3Pd		10320
Punch Taverns (Services) Ltd	Jubilee House	Second Avenue	Burton On Trent	Staffs	DE14 2WF	2836.62
Qib Extra Ltd (Ncyc)	T/A Ncyc	Institute Of Food Research	Norwich Research Park	Norwich	NR4 7UQ	1507.2
R & J Bearings	Tutin Rd	Leeming Bar Industrial Estate	Northallerton	N. Yorks	DL7 9JJ	645.7
Rawlings & Sons	Unit 3	Crown Road	Warmley	Bristol	BS30 8JJ	74793.54
Recognition Marketing And Pr	4 Pioneer Court	Morton Palms	Darlington	D11 4Wd		3139.8
Recognition Services Ltd	4 Pioneer Court	Morton Palms	Darlington	DL1 4WD		0
Red Line Foundry Ltd	46 Park Place	Leeds	Leeds	LS1 2RY		0
Retail Marketing International	7 Bell Yard	Strand	London	WC2A 2JR		0
Ripon Builders Merchants Ltd	The Building Centre	Boroughbridge Rd	Ripon	Nth Yorkshire	HG4 1QR	2016.28
Ripon Engineering Supplies Ltd	Unit 24	Camp Hill Close	Ripon	North Yorks	HG4 1QY	1198.08
Ripon Trading	36 Highfield Rd	Ripon	HG4 2JZ			372
Riverside Waste Machinery Ltd	2 Jubilee Court	Wath Lane	Copgrove	Harrogate	HG3 3TBR	936
Ron Hague Ltd	Hind Street	Shipley	West Yorkshire	BD17 7ED		0
Rotor Technical Services Ltd	New Works Road,	Low Moor,	Bradford	West Yorkshire	BD12 0QP	2296.93
Rs Components Ltd	Po Box 99	Corby	Northants	Nn17 9Rs		598.67
Ruck Engineering	Kellaw Rd	Yarm Industrial Estate	Darlington	Co Durham	DL1 4YA	371.94
Sanderson Weatherall	The Chancery	58 Spring Gardens	Manchester	M2 1EW		0
Scientific Laboratory Supplies	Orchard House	The Square	Hessle	East Yorkshire	HU13 0AE	2368.38
Securitas Technology	24 Old Queen Street	London	SW1H 9HP			1221.12
Seepex U K Ltd	3 Amtech Row	Houndstone Business Park	Yeovil	Somerset	BA22 8RW	0
Seife (Gazprom) Acc 10122617	5Th Floor	Bauhaus	27 Quay Street	Manchester	M3 3GY	0
Shapcote Distributors Ltd	Pexton Rd	Kelleythorpe Ind Estate	Driffield	East Yorkshire	YO25 9DJ	0
Sie Group Asset Ingenuity	107 Cheapside	London	EC2V 6DN			0
Simpsons Malt	Tweed Valley Maltings	Ord Road	Berwick Upon Tweed	TD15 2UZ		83495.04
Siris Environmental Ltd	Office 15	Washington Business Park	Turbine Way	Washington	SR5 3NZ	0
Sk Food And Drinks Ltd	Unit 1 Gravely Industrial Est	Standard Way	Birmingham	West Midlands	B24 8HZ	0
Skipton Hire Centre Ltd	Carleton New Rd	Skipton	North Yorkshire	BD23 2DE		1571.14
Small Beer	Unit 1	Churchill Business Park	Sleaford Road	Bracebridge Heath,	LN4 2FF	1746.48
Spark Advisory Partners Ltd	5 St John'S Lane	London	EC1M 4BH			24000
Spectronic Camspec Ltd	Tudor House	Barley Hill Rd	Garforth	Leeds	LS25 1DX	745.2
Stanley Security Solutions Ltd	270 Bath Road	Slough	Berkshire	SSL1 4DX		0
Starstock Group Ltd	Dane Mill	Broadhurst Lane	Congleton	Cheshire	CW12 1LA	34.35
Steiner Hops Ltd	319A High St	Epping	Essex	CM16 4DA		5954.4
Stevenson Reeves Ltd	40 Osgang Rd	Edinburgh	EH13 9HJ			196.8
Supplyline Auto Ltd	Supplyline House	Oakdene Ind Estate	Cowfold	West Sussex	RH13 8AZ	832.62



Appendices

Appendix F

Creditor listing – BSB

Creditor listing - BSB

Name	A1	A2	A3	A4	A5	Outstanding Balance
Tate-Smith Ltd	Sundella House	Castlegate	Malton	North Yorkshire	YO17 7EE	360
Tesco Stores Ltd	Tesco House	P O Box 506	Cardiff	CF14 4TT		0
The Cotton Textile Company	40 Polvillion Road	Fowey	Cornwall	PL23 1HG		478.8
The Label Makers Ltd	Labmak House	Prince Street	Bradford	West Yorkshire	BD4 6HQ	11677.39
The Redundancy Payments Office (Nat)	Birmingham	PO Box 16685	B2 2LX			0
Thomas Fawcett & Sons Ltd	Eastfield Lane	Castleford	WF10 4LE			20712.1
Thomas Howse Limited	Cakemore Road	Rowley Regis	West Midlands	B65 0RD		112.99
Thompson Commercial Ltd	Old Service Station	Sharncliffe Lane	Rainton	Thirsk	YO7 3FA	8157.52
Tokio Marine Hcc	The Grange	Rearsby	Leicester	LE7 4FY		1188.66
Tomlinson Hall	Legonda Road	Cowpen Lane Industrial Estate	Billingham	TS23 4JA		211.52
Toyota Material Handling Uk	706 Stirling Rd	Slough Trading Estate	Slough	Berkshire	SL1 4SY	6931.7
Trade Uk (Screwfix)	Selectapost 28	Sheffield	S97 3GE			121.71
Trafalgar Scientific Ltd	Angle House	52 Scudamore Road	Leicester	LE3 1UQ		0
Tm Packaging Ltd (Ds Smith)	Red Cat Lane	Burscough	Lancashire	L40 0SY		0
Turner Consulting	17 Hornbeam Crescent	Harrogate	HG2 8QA			0
Ub Plastics Ltd	Little Burton West	Burton On Trent	Staffordshire	DE14 1PP		-4440
Univer	Po Box 1188	Aquarius House	Bradford		BD1 9UU	0
Univer Manufacturing Co	Station Rd	Bradford	West Yorkshire	BD1 4SF		862.45
Uren Food Ingredients	Wood Park	Chester High Roadbook	Nelson	Wiltshire	CH64 7TB	0
Vasstech Garage Services	Unit 2 Sam Turners Yard	Northallerton	DL6 2XB			1494.98
W E Jameson & Son Ltd	Foxholme Lane Mill	Masham	Ripon	North Yorkshire	HG4 4EL	295.57
Wallrose	Accounts Receivable	Doncasile Rd	Bracknell	RG12 8YA		0
Warrens Group Ltd	The Corn Store	Hyde Hall Farm	Buntingford	Hertfordshire	SG9 0RU	28903.02
Wensleydale Garage Ltd	Masham	Ripon	North Yorkshire	HG4 4ER		2366.08
Wharfedale Refrigeration Ltd	Unit 5 Cross Lane Ind Estate	Upper Wortley Rd	Leeds	LS12 4JA		2874.94
Wids Of Oldham (Wig Ltd)	Westwood Industrial Estate	Arkwright Street	Oldham		OL9 9LZ	0
Wolseley UK Ltd	Po Box 68	Boroughbridge Road	Ripon	N Yorks	HG4 1XY	649.06
Yesss Electrical	Unit B Foxbridge Way	Normanton	WF6 1TN			2783.6
York Citizens Theatre Trust	St Leonards Place	York	YO1 7HD			1800
Yorks Agricultural Society Yas	Great Yorkshire Showground	Harrogate	North Yorkshire		HG2 8PW	2324.16
Yorkshire Independent Buildin	Thorniton House	Leyburn Business Park	Harmby Road	Leyburn	DL8 5QA	23.27
Yorkshire Packaging Systems	Woodkirk International Freigh	Quarry Lane	Batley	West Yorkshire	WF12 7JJ	936
Total 236						1,072,416.90



Appendices

Appendix F

Creditor listing – Retail

Creditor listing - Retail

Name	Address 1	Address 2	Address 3	Address 4	Address 5	Outstanding Balance
Abbeydale Brewery Ltd	Unit 8	Alzlewood Road	Sheffield	S8 0Yx		863.71
Ainsty Ales Ltd	Ainsty Ales Brewery	Manor Farm Buildings	Mill Lane	Acaster Malbis	YO23 2TY	0
Alliance Disposables Ltd	Alliance House	Marshfield Bank	Crowe	Cw2 8Uy		598.55
Alpha Delta Brewing	Unit 18	Roversdale Court	Newburn	Newcastle Upon Tyne	NE15 8SG	1266.24
Alverton Press	Unit 17	Portland Way	Leeming Bar Ind Estate	Leeming Bar	DL7 9UH	234
Amity Brew Co.	15-16 Festoon Rooms	Sunny Bank Mills	83-85 Town Street	Farsley	LS28 5UJ	0
Another Beer Ltd	Unit 2	2 Driffeld Terrace	York	Yo24 1Ej		311.56
Arthur Haigh Ltd	Unit G	Dalton Airfield Ind Estate	Dalton	Thirsk	YO7 3HE	144
Ashwood Systems Services Ltd	Electron House	31-51 Moorfield Road	Leeds	West Yorkshire	LS12 3RS	0
Atc Properties Ltd	44 North Lane	Headingley	Leeds	West Yorkshire	LS6 3HU	2233.06
B & M Waste Services	Iris House	Dock Road South	Bromborough	Wirral	CH62 4SQ	419.18
Baxter Decorating Services Ltd	1 Lonsdale Road	Roker	Sunderland		SR6 9TB	4135.2
Bayonet Brewing	25 Cotswold Street	Brompton	Northallerton		DL5 2BX	0
Beaver'S Butchers	11 Silver Street	Masham	HG4 4DX			242.73
Biffa Waste Services	Coronation Road	Cressex	High Wycombe	Bucks	HP12 3TZ	0
Birchall Food Service	Cobalt House	Magnesium Way, Hapton	Burnley Bridge Business Park	Burnley, Lancashire	BB12 7BF	10278.17
Black Sheep Brewery Plc	Wellgarth	Masham	Ripon	North Yorkshire	HG4 4EN	55226.82
Bob Rudd Ltd T/A Clear Cool	Hawthorn House	Brunswick Ind Estate	Brunswick Village	Newcastle Upon Tyne	NE13 7BA	465.77
Boc Ltd	Priestley Road	Worsley	Manchester		M28 2UT	672.96
Brass Castle Brewery Ltd	10A Yorkersgate	Malton	North Yorkshire		YO17 7AB	208.68
Bray Foods Ltd	Oakland House	21 Hope Carr Road	Leigh Lancashire	WN7 3ET		0
Brew York Ltd	Unit 6 Enterprise Complex	Walmgate	York		YO1 9TT	435.82
British Telecommunications Plc	1 Braham Street	London	E1 8EE			1784.25
Brymor Ltd	High Jervaux Farm	Jervaux	Ripon	North Yorkshire	HG4 4PG	168.74
Business Stream	Business Stream Po Box 1255	Bradford	BD1 9AE			1571.99
Cathedral Leasing	300 Relay Point	Relay Drive	Tamworth	Staffs	B77 5PA	187.44
Cf Corporate Finance Ltd	Reading Itni Business Pk	Reading	Berkshire		RG2 6AA	8838.57
Chris Parfsh Landscaping	Lizard House Farm	Thim	Ripon		HG4 4AU	351.5
City Of York Council	West Offices	Station Rise	York		YO1 6GA	925
Close Brothers Ltd	10 Crown Pl	London	Ec2A 4Fi			0
Coffee Care (Nc) Ltd	Millfields Hall	Coach Street	Skipton		BD23 1LQ	155
Corks And Cases	17 Silver Street	Masham	North Yorkshire		HG4 4DX	681.55
Crofters Foods Ltd	Unit 2, Europark	Station Road	Thirsk		YO7 1GQ	97.75
Crosbys Catering Supplies Ltd	Unit 14	Brough Park Way	Newcastle Upon Tyne		NE6 2YF	662.6
Crystal Clean Windows	70 Crossways	Badger Hill	York		YO10 5JQ	168
Dales Life	90 Tadcaster Road	York	North Yorkshire		YO24 1LT	744
Deilifresh Ltd	Paul Kershaw House	Essex St	Bradford	West Yorkshire	BD4 7PG	12136.25
Direct Lift Services Ltd	5 Studland Road	Redcar			TS10 2RE	0
Dish Hospitality Uk Ltd	The Junction	Charles Street, Horbury	Wakefield		WF4 5FH	0



Appendices

Appendix F

Creditor listing – Retail



Creditor listing - Retail

Name	Address 1	Address 2	Address 3	Address 4	Address 5	Outstanding Balance
Diverse Beers Ltd T/A Stock My	Bar, Units 7D&E	Staden Lane Ind Estate	Buxton	Derbyshire	SK17 9RZ	7605.7
Dojo - Paymentsense Ltd	The Brunel Building	2 Canalside Walk	London	W2 1DG		2557.66
E Botham & Sons Ltd	35 - 39 Skinner Street	Whitby	YO21 3AH			276.7
Edge Company	Unit 74 Mackley Ind Estate	Henfield Road	Small Dole	West Sussex	BN5 9XR	1152.36
Ert Catering Engineers	10 Bradford Chambers	Business Park	New Lane	Bradford	BD4 8BX	212
Fairy Folk Facepainting	Whitby	North Yorkshire	YO21			0
Farrah'S Of Harrogate Ltd	Pennine Range Mills	Camwal Road	Harrogate	HG1 4PY		446.83
Fat Lad At The Back	1St Floor	42A Nelson Road	(Under The Archway)	Ilkley	LS29 8HN	0
Festival Glass	Unit 6	Calderdale Bus Park, Club	Ovenden	Halifax		0
Fun4Hire Ltd	Springwell House	Carlton Miniott	Thirsk	North Yorkshire	YO7 4NJ	715.5
Gastronomy Europe Limited	4 Northwest Business Park	Servia Hill	Leeds	LS6 2QH		1050
Grange Park Sports Club	Grange Park	Wetherby	LS22 5NB			0
Grease Guru Ltd	Suite 19, Photon House	Chatsworth Ind Est	Percy St	Leeds	LS12 1EL	270
Great British Brewworks Ltd	Unit 34	Kirkby Mills Ind Est	Kirkbymoorside	YO62 6QR		199.5
GI Prepared	Yorkshire Produce Centre	Pontefract Lane	Leeds	LS9 0PX		0
Gwynedd Confectioners	21 Business Park	Bela	Gwynedd	LL23 7NL		606.45
Half Moon Brewery Ltd	Forge House	Ellerton	York	YO42 4PB		0
Harrogate Catering Services	23 Grasmere Crescent	Harrogate	HG2 0ED			0
Hatmsley Brewing Co Ltd	18 Bridge Street	Hamsley	York	YO62 5DX		292.2
HMRC	Debt Management EIS-C	BX9 1SH				0
Hodgson Fish	Fish Quay	Southgate	Hartlepool	TS24 0JH		2379.15
Horsforth Brewery Ltd	143 New Road Side	Horsforth	Leeds	LS18 4QD		0
Ian Macleod Distillers Ltd	Russell House	Dunnet Way	East Mains Industrial Estate	EH52 5BU		1823.86
Innerglass Ltd	Ig House	Burdon Drive	Peterlee	County Durham	SR8 2JH	1787.98
J L Brooks Ltd	Unit 1 Scotch Park Trading Est	Forge Lane	Ambley	Leeds	LS12 2PY	2907.17
James Clay	River Street	Brighouse	W Yorkshire	HD6 1LU		529.6
James Fletcher Marquees	Unit 4, Wolsingham Ind Est	Durham Road	Wolsingham	Bishop Auckland	DL13 3JW	0
John Hoe	Expenses					0
Jomanda Ltd	Unit 14	Park Farm	Skeffington	Leicestershire	LE7 9FN	150.48
Khalsmith Management Limited	20 York Place	Leeds			LS1 2EX	56779.62
Kirkstall Brewery Co Ltd	423 Otley Road	Adel	Leeds		LS16 6AL	954.47
Lcs	Apson House	Bullerthorpe Lane	Colton	Leeds	LS15 9JN	0
Leeds City Council	Corporate Services Dept	Po Box 60	2 Great George Street	Leeds	LS2 8JR	8690
Leeds Market Grocers Ltd	T/A Nells Catering	Unit 1, Tavemers Walk	Sheepscar Grove	Leeds	LS7 1AH	251.6
Little Critters Brewing Co	Unit 5	Neepsend Industrial Estate	80 Parkwood Road	Sheffield	S3 8AG	0
Live Band Entertainment	21 Newlands Avenue	Yeadon	Leeds		LS19 7PQ	0
Malcolm Michaels Quality Butch	Unit 39	Crossgates Shopping Centre	Crossgates	Leeds	LS15 8DT	0
Marshall Catering Services Ltd	Unit 8 Mantree Business Park	St James Business Park	Knaresborough		HG5 8FA	0
Matthew Algie	16 Lawmoor Road	Glasgow			GS 0UL	319.32

Appendices

Appendix F

Creditor listing – Retail

Creditor listing - Retail

Name	Address 1	Address 2	Address 3	Address 4	Address 5	Outstanding Balance
Merchant Rentals	Galway Crescent	Haydock			WA11 0GR	335.28
Merrin Electrical Ltd	C3 Sycamore Business Park	Copt Hewick	North Yorkshire		HG4 5DF	7094.5
Miss Theresa O Terzonie	T&K Singer					0
Mosaic Board Print	Units 1-2 Pytchley Lodge Rd	Pytchley Lodge Rd Ind Estate	Kettering	Northamptonshire	NN15 6JQ	0
Mph Enterprises Ltd	Oaktree Business Park	Limewood Court	Leeds		LS14 1NF	6477.9
Nisbets	Fourth Way	Avonmouth	Bristol		BS11 8TB	2458.64
North Yorkshire Council 5132	Po Box 787	Harrogate	North Yorkshire		HG1 9RW	430.75
Oakfield Leasing	99 Wood Lane		Altrincham		WA15 7PG	0
Oileco Scotland	Unit 6	Palacecraig Street	Coatbridge		ML5 4RY	930.54
Opus Energy Ltd	Opus Energy House	8/10 The Lakes	Northampton		NN4 7YD	789.29
Outstanding Map Distrib Ltd	Unit 7	Callywith Gate Ind Estate	Launceston Road	Bodmin	PL31 2RQ	418.42
P Francis	Chalkboard Writer	Longridge Ave	Cochrane Park		NE7 7LB	0
Penine Brewing Co	Well Hall Farm	Well	Bedeale		DL8 2PX	0
Pivovar Ltd	Station Yard	Elvington	North Yorkshire		YO41 4EL	7919.2
Play Brew Co	Play Ltd	8 Cannon Way	Middlesbrough	Teesside	TS1 5JU	0
Ppl Pns Ltd	Mercury Place	St George Street	Lilcester		LE1 1QG	4492.67
R & J Yorkshires Finest	Wateredge	Longswales Lane	Kirkby Malzeard	Ripon	HG4 3RJ	4279
Rachel Denton	31 Pike Pulse Lane	Richmond	North Yorkshire		DL1 4PS	176.7
Rajapack Ltd	Unit 1	Marston	Ridgemont	Bedford	MK43 0YL	533.4
Rentokil Initial Uk Ltd	Ebony House	Castlegate Way	Dudley	A/C No K51/70017327/C	DY1 4TA	213.61
Richard Lang & Son	1 Little Chester Park	Affretton Road	Derby		DE21 4AA	612.98
Robert Wellock	Unit 4A	Ouzledale Foundry	Long Ing Lane	Barnoldswick	BB18 6BJ	1050
Rooster'S Brewery Ltd	Unit H5, Fifth Avenue	Hombeam Park	Harrogate	North Yorkshire	HG2 9QT	177.9
Rosebud Preserves	Healey	Masham	North Yorkshire		HG4 4LH	129
Rudgate Brewery Ltd	Unit 2 Centre Park	Marston Business Park	Tockwith	York	YO26 7QF	0
Ruscombe Artisan T/A Made For	Po Box 8276	Reading			RG6 9UH	0
S4 Labour (Catton Hospitality)	F170-177 Cherwell Bus Village	Southam Road	Banbury	Oxon	OX16 2SP	1105.75
Salt Beer	199 Bingley Road	Saltaire	Bradford		BD18 4DH	207.36
Saltire Brewery Ltd	103 Dockfield Road	Shipley	West Yorkshire		BD17 7AR	0
Simon Hirst T/A Sg Solutions	956 Bradford Road	East Bierley	Bradford		BD4 6PB	0
Sky Business (Tv)	Po Box 1805	Livingston	West Lothian		EH54 7XG	2097.91
Step & Pickle	N22 Pebble Ltd	107 Kirkgate	Leeds		LS1 6DP	2677.33
Small Beer Ltd	Unit 1 Churchill Business Park	Bracebridge Heath	Lincoln		LN4 2FF	54280.88
Spirit Of Yorkshire Ltd	The Distillery	Unit 1 Hunmanby Ind Estate	Hunmanby	North Yorkshire	YO14 0PH	0
Sse Energy	Po Box 3158	Cardiff			CF30 0EY	1878.54
Stapleton Waterhouse	2 Bar Lane		York		YO1 6JU	6721.41
Stockcheck Ltd (S Baudsch)	49 Woodlands Drive	Harrogate	North Yorkshire		HG2 7AX	0
Stubbee	22 Harry Street	Bradford			BD4 9PH	96
Switch Networks Ltd (Tms)	Unit 3	Park Farm Courtyard	Easthorpe	North Yorkshire	YO17 6QX	184.3



Appendices
Appendix F

Creditor listing – Retail

Creditor listing - Retail

Name	Address 1	Address 2	Address 3	Address 4	Address 5	Outstanding Balance
The Cotton Textile Company Ltd	26 Tallon Road	Hutton Ind Est	Brentwood	Essex	CM13 1TJ	478.8
The Durham Brewery Ltd	Unit 6A Lindsey Park	Bowburn North Ind Estate	Bowburn	County Durham	DH6 5PF	223.2
The Jar House	The Menise	40 The Avenue	Middlesborough	North Yorks	TS5 6PD	270
The Only Way Togo Ltd (Eazy)	3Rd Floor, Holmfield Mills	Holdsworth Road	Halifax	West Yorkshire	HX2 9DF	0
The Redundancy Payments Office (Nail Ins Fund)	Po Box 16685	Birmingham	B2 2LX			0
Thirst Class Ale Ltd	Unit 1, Station Rd Ind Est	Raddish	Stockport		SK5 6ND	0
Three Brothers Brewing Co	Unit 4 C	Clayton Court	Stockton-On-Tees		TS18 3QX	299.82
Timothy Taylor's	Knowle Spring Brewery	Kelghley	West Yorkshire		BD21 1AW	0
Tony H Music & Events						450
Tuining Point Brew Co Ltd	Unit 3	Grimbald Park Ind Estate	Wetherby Road	Knaresborough	HG5 8LJ	1378.1
Twc Facilities Ltd	The Stables	Grizzlefield House	Felixkirk Road	Thirsk	YO7 2ED	528.94
U Name It Promotions	Unit 2B	Sycamore Business Park	Ripon	North Yorkshire	HG4 5DF	2089.2
Up North Plumbing						0
W Rodney Plant Hire	3 Meadow View	Masham	Ripon	North Yorkshire	HG4 4HU	0
Waterguard Fm Ltd	Gower House	Rudcar Lane	Waithill	York	YO19 5TL	0
Wensleydale Brewery Ltd	Unit 4, Badger Court	Leyburn	N Yorks		DL8 5BF	716.4
Westgas	22 Mossdale Grove	Guldborough			TS14 8JB	90.24
Wharfedale Refitgeration	Unit 5	Cross Lane Ind Estate	Upper Wortley Rd	Leeds	LS12 4JA	0
Wine Box Co Ltd (Wbc)	125 Bessemer Park	250 Milkwood Road	London		SE24 0HG	1588.68
York City Council	West Offices	York	YO1 6GA			6516
Yorkshire Crisp Co Ltd	Units 1-4 Waleswood Ind Estate	Mansfield Road	Wales Bar	South Yorkshire	S26 5PY	262.95
Yorkshire Dales Meat Co	Mill Close Farm	Patrick Brompton	North Yorkshire		DL8 1JY	650.03
Yorkshire Vintners Ltd	Ripon Business Park	Charter Road	Ripon		HG4 1AJ	14731.92
Total 140						336,210.78



Appendices
Appendix G

SIP 16 Statement

Our SIP 16 Statement dated 23 May 2023 has been uploaded and is available for viewing and download from the case website at www.ips-docs.com. A copy will also be filed at Companies House with our Proposals.

Please contact Vinay Mistry using any of the contact details given on page 4 if you would like to be provided, free of charge, with a hard copy.



Appendices
Important notice

Important Notice

This document has been prepared by the Joint Administrators solely to comply with their statutory duty under paragraph 49 of Schedule B1 of the Act to lay before creditors a statement of their Proposals for achieving the purpose of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

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

Any estimated outcomes for creditors included in this document are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any person that chooses to rely on this document for any purpose or in any context other than under paragraph 49 of Schedule B1 of the Act does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of these Proposals.

The Joint Administrators act as agents of the Companies and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, Teneo Financial Advisory Limited does not assume any responsibility and will not accept any liability to any person in respect of this document or the conduct of the administration.

All licensed Insolvency Practitioners of Teneo Financial Advisory Limited are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England & Wales.





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Teneo Financial Advisory Limited is registered in England & Wales with registered number 13192958 and its registered office at 5th Floor, 6 More London Place London, SE1 2DA, United Kingdom



The Global CEO Advisory Firm

Court Case No. 449 and 450 of 2023
High Court of Justice
Business and Property Courts in Leeds
Company Number: 02686985 and
11299720

Registered Office:
Wellgarth
Masham
Ripon
North Yorkshire
HG4 4EN

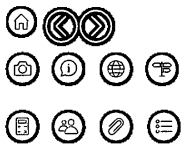
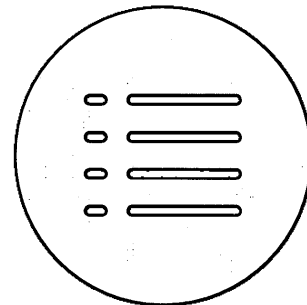
**The Black Sheep Brewery Plc (“BSB”); and
BSB Retail Limited (“Retail”)
– Both In Administration
(together “the Companies”)**

SIP 16 Statement

23 May 2023



SIP 16 Statement



SIP 16 Statement

The Black Sheep Brewery Plc – In Administration (“BSB”) and BSB Retail Limited – In Administration (“Retail”) (together “the Companies”)

The Transaction – Overview

SIP 16 Disclosure

The Transaction – Overview

On 23 May 2023, shortly after their appointment, the Joint Administrators completed a sale of the Companies' business and certain assets (“the Transaction”) to Black Sheep Brewing Company Ltd (a wholly owned subsidiary of Breal Capital (Black Sheep) Holdings Ltd) (“the Purchaser”).

The Purchaser acquired the business and certain assets of the Companies for £5.0m. The Purchaser paid a non-refundable deposit of £0.5m on 16 May-23 in exchange for being granted exclusivity in relation to the Transaction. The balance of the consideration (£4.5m) was settled in full on completion of the Transaction.

BSB is an independent brewery based in Masham, North Yorkshire, brewing, packaging, wholesaling and retailing a range of classic and modern styles of beers, lagers and ciders. Retail operates four leasehold pubs and the retail trade at the Masham Visitor Centre.

The Companies' trading performance suffered during Coronavirus (“COVID-19”) and trading challenges have continued as a result of the current UK economic environment (including the cost of living crisis and inflationary cost pressures). During COVID-19 the Companies accessed additional funding via the Coronavirus Business Interruption Loan Scheme (“CBILS”) and Recovery Loan Scheme (“RLS”). The Companies were highly leveraged and suffering liquidity issues.

BSB instructed advisors, Spark Advisory Partners Ltd (“Spark”) to run an equity raise process in Nov-22, which was unsuccessful. As such, the Companies had a funding requirement which it was unable to meet.

Subsequent to the failed equity raise, all options were considered by Teneo and the Companies, including a merger or acquisition of the Group and an offer period under The Takeover Code commenced on 11 Apr-23. The offer period ceased on 27 Apr-23 following a robust and extensive marketing exercise (led by Teneo) which resulted in no offers for the shares being made, however, four indicative offers to acquire the business and assets were received. Two further offers were received subsequent to the end of the offer period. The Transaction represents the best outcome to all stakeholders from the six offers received.

Following HMRC issuing a default notice of an agreed HMRC Time to Pay (“TTP”) (which had been agreed on 30 Jan-23), and in light of the lack of any solvent offers, the Companies' filed Notice of Intention to Appoint Administrators (“NOI”) on 2 May-23 to provide protection from enforcement action as regards HMRC's c.£1m arrears (including c.£0.34m relating to the formal HMRC TTP agreement). Further NOIs were filed on 17 May-23 to allow time to deliver the Transaction.

We confirm that we have acted with due regard for all creditors' interests and that the outcome achieved was the best available outcome for creditors as a whole in all the circumstances.

The Transaction also offered greater certainty around asset realisations and preservation of employment (and reduced associated liabilities).

Charlene Lyons (director of BSB and Retail), Robert Theakston (director of BSB and Retail) and Jonathan Theakston (director of BSB), will become directors and minority shareholders of the Purchaser, the Transaction is therefore considered a Connected Person Transaction. As such, a qualifying report from an independent Evaluator has been obtained.



SIP 16 Statement

The Black Sheep Brewery Plc – In Administration (“BSB”) and BSB Retail Limited – In Administration (“Retail”) (together “the Companies”) The Transaction – Overview

SIP 16 Disclosure

Statutory Purpose of the administration

The purpose of an administration is split into three parts:

1. To rescue a company as a going concern (in other words, a restructuring which keeps the actual entity intact); and
2. If the first purpose is not reasonably practicable (or the second purpose would clearly be better for the creditors as a whole), then the Administrators must perform their functions with the objective of achieving a better result for creditors as a whole than would be obtained through an immediate liquidation of the company. This would normally envisage a sale of the business and assets as a going concern (or a more orderly sales process than in liquidation).
3. If neither of the first two parts of the purpose are reasonably practicable, the Administrators must perform their functions with the objective of realising property in order to make a distribution to secured and/or preferential creditors as applicable.

As noted on the previous page, the Companies had significant secured and unsecured creditor liabilities and a refinancing of the Companies' debts was not achievable, as such the Joint Administrators concluded that the first option was not possible to achieve.

Accordingly, the purpose of the administrations is to achieve a better result for creditors as a whole than would be obtained through an immediate liquidation of the Companies. The purpose of the administrations has been achieved through the Transaction and the resultant mitigation of creditor claims.

Further details regarding the Transaction are provided over the subsequent pages.

Post appointment – functions and responsibilities

As part of our general duties as Joint Administrators, we are required to manage the Companies' property and business, as set out in our proposals which have also been uploaded to the website set up for the Companies at www.ips-docs.com. Please note that in fulfilling these duties we must act in the best interests of the Companies' creditors as a whole.



SIP 16 Statement

The Black Sheep Brewery Plc – In Administration (“BSB”) and BSB Retail Limited – In Administration (“Retail”) (together “the Companies”) Background Information

SIP 16 Disclosure

Background Information

The Black Sheep Brewery Plc (“BSB”) and its subsidiaries (together “the Group”) comprises of an independent brewery based in Masham, North Yorkshire (established in 1992, brewing a range of classic and modern styles of beers, lagers and ciders) and four leasehold pubs.

BSB’s shares are listed on the multilateral trading facility, Asset Match.

BSB Retail Limited (“Retail”) is an operating subsidiary of BSB which holds and operates the four leasehold pubs and includes the trade from the visitor centre operated from the Masham freehold properties.

In December 2018, Retail acquired elements of the trade and assets of The York Brewery Co. Ltd (company name has since been changed to SHBSM Limited) from it’s administrators, Steven Muncaster and Sarah Helen Bell (both of Duff & Phelps Ltd), for £0.7m, which included the four leasehold pubs detailed above. Teneo was not involved in this transaction.

The Companies are headquartered in Masham, alongside the brewery and visitor centre, with the four pubs located in Leeds and York. BSB has 73 employees and Retail has 73 employees.

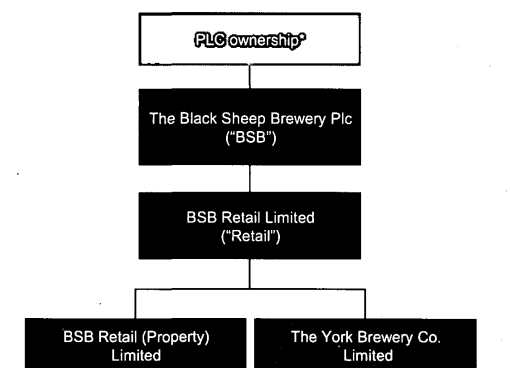
The Companies achieved profitable growth in FY18 and FY19, acquiring four pubs as part of its growth strategy. However, it was severely impacted by COVID-19 and the associated mandated closure of hospitality venues in the following years.

In mitigation to these challenges and to protect the business, the Companies made use of government schemes including CBILS and RLS funding, made a business interruption insurance claim, increased supply to supermarkets and developed an e-commerce platform to boost sales during the period.

Demand is yet to recover to pre-COVID levels as a result of the UK cost of living crisis. In addition, the Companies have faced cost input inflation and higher borrowing costs.

The Companies have been loss making since FY20. An EBITDA loss of £1.6m was incurred in FY23, with losses forecast to continue into FY24. The financial year end is March.

Group structure



Source: Companies House

*all shareholdings are 100% ownership unless stated

Key:



SIP 16 Statement

The Black Sheep Brewery Plc – In Administration (“BSB”) and BSB Retail Limited – In Administration (“Retail”) (together “the Companies”) Background Information

SIP 16 Disclosure

Debt & security structure

The Companies had £8.3m drawn secured debt facilities, comprising:

Close Brothers Limited (“Close”) – £6.3m

- Mortgage – £1.0m;
- RLS – £1.6m;
- CBILS – £2.5m; and
- Invoicing discounting (“ID”) facility – £4.0m limit, drawn to £1.2m.
- The Close debt is secured by:
 - Legal mortgages against BSB’s freehold properties, created on 16 May-17;
 - Chattels mortgage over specific P&M assets in BSB, created on 19 Mar-21;
 - Debt Purchase Agreement in relation to trade debtors/ID facility, created on 22 Jul-22;
 - Intellectual property charge in BSB, created 16 May-17;
 - Debenture security in BSB, created on 16 May-17;
 - Debenture security in Retail, created on 27 Aug-20; and
 - Cross guarantee between BSB and Retail in relation to BSB debts, created on 22 Jul-22.

The RLS and CBILS loans have the benefit of Government backed guarantees up to 70% and 80% of the outstanding balances respectively (i.e. of the remaining outstanding balances due to Close, after Close has been paid from the realisation of assets).

Lombard North Central Plc (“Lombard”) – £1.5m

Lombard provided asset finance of £1.5m relating to bottling and packaging equipment held by BSB. Lombard had a first ranking chattels mortgage over those specific P&M assets.

Lloyds Bank Plc (“Lloyds”) – c.£30k

Lloyds provided clearing facilities, corporate/business cards and a VAT bond agreement, secured by a second ranking debenture security in BSB (ranking behind Close) created on 8 Nov-17 and a deposit agreement (first ranking over any deposits owed to BSB and held in the Lloyds account), created on 19 Jan-22. Lloyds’ exposure is c.£10k on the corporate/business cards and £20k on the VAT bond.

Dewscope Limited (“Dewscope”) – £0.5m

Dewscope provided loan notes of £0.5m, secured by third ranking debenture security ranking behind Close and Lloyds, created on 26 Jan-23.

Recent activity

COVID-19 and the associated market disruption significantly impacted the Companies, with c.£4.7m of CBILS/RLS facilities required to provide sufficient liquidity through the disrupted period (balance reduced to £4.1m at the date of the Administrators’ appointment). The Companies shifted their strategy to scale the e-commerce business following the mandatory closure of hospitality venues due to COVID-19.

However, demand has not recovered to pre-COVID levels, and the Companies have faced cost input inflation. As a result, the Companies have continued to experience cash flow difficulties.

To assist with liquidity issues, the Companies requested an 18 month repayment holiday from Close in Nov-22, to facilitate a £3m equity investment, which was rejected.

The Companies instructed advisors, Spark, to run an equity raise process in Nov-22, which focussed on high net worth (“HNW”) individuals rather than trade or Private Equity investors and was designed to attract investment via a rights issue for existing shareholders, alongside the opportunity for new shareholders to subscribe to new shares.

This equity raise process was unsuccessful, and as such an accelerated M&A (“AMA”) process was launched in early Apr-23.

The Companies entered into a TTP agreement with HMRC on 30 Jan-23 in relation to c.£0.6m of VAT and beer duty arrears. However, the Companies subsequently defaulted on the TTP in Apr-23 (having paid the initial three TTP instalments of c.£85k each) due to failing to pay the Mar-23 quarter VAT return liabilities and Feb-23/Mar-23 payroll’s PAYE/NIC liabilities.

We updated Close throughout the AMA process. Lombard, Lloyds and Dewscope were updated following filing of the first NOI on 2 May-22 (interaction with Mark Horrocks, a director of Dewscope, was limited until that date due to the Takeover Panel rules, given he is also a shareholder of BSB).

We also advised HMRC of the filing of the NOI and the intention to complete the Transaction. Trade creditors have not directly been consulted with, however, only business critical supplies have been purchased and paid for during the AMA period.



SIP 16 Statement

The Black Sheep Brewery Plc – In Administration (“BSB”) and BSB Retail Limited – In Administration (“Retail”) (together “the Companies”)

Initial Introduction

Pre Appointment Considerations

SIP 16 Disclosure

Initial Introduction

As a result of the Group's liquidity challenges, in Jan-23 we were introduced to the Group by Charlene Lyons, one of the directors of the Companies, to undertake the Phase 1 engagement as below.

Phase 1 – We were engaged by BSB on 20 Jan-23 to consider the possible options available to the Group and review the Group's latest short term cash flow forecast.

We were subsequently asked to enter into a competitive tender to carry out the Phase 2 engagement as below.

Phase 2 – We were engaged by BSB and Close on 4 Apr-23 to undertake a marketing exercise to identify and secure a new owner for BSB/the Group, concurrently with cash flow monitoring and contingency planning in relation to a transaction and/or insolvency.

Please note that we have not provided any advice to the directors in their personal capacity other than advising them to take independent legal advice on their own position.

Prior to the matters identified above we had no prior involvement with the Companies or its directors.

Pre-appointment Considerations

The following alternative options to the Transaction were considered following our appointment as advisers to BSB.

Continued support from Close

Close supporting via a capital repayment holiday whilst the Group sought improved supplier credit terms and reduced costs.

A capital repayment holiday was unlikely to deliver the liquidity needed to fund the strategic changes the Group required.

Sale & leaseback or sale of surplus land

Part or all of the Group's freehold property being sold to a third party and leased back.

Close was unlikely to allow the Group to retain any property sale proceeds, given these assets were core parts on which repayment of certain Close facilities was dependent. Doing so may have invalidated the Government guarantees sat behind the term debt.

Debt raise

New debt would have needed to be introduced ranking behind the Group's existing secured lenders.

The Group is already highly leveraged and the introduction of additional debt appeared challenging given it would be unsecured.

A full refinance would have been challenging as, unlike Close, a new lender would not benefit from the Government guarantees of the CBILS/RLS loans.

Restructuring Plan (“RP”)

A company-led, Court sanctioned process used to agree a formal compromise of secured and unsecured liabilities within the existing legal structure.

A RP alone was unlikely to release sufficient liquidity by compromising creditors and a capital injection would still likely be required.

Solvent M&A

Sale of shares in BSB to a third party with the Group continuing to operate under new ownership.

An offer period under The Takeover Code commenced on 11 Apr-23, an extensive marketing exercise resulted in no offers for the shares being made.

Running a sales process post administration

Administrators appointed to BSB and Retail, with a sales process run in administration whilst trading continues.

There was a lack of available funding (as detailed overleaf) to fund a trading period, and funding would be required as the Companies were loss making. In addition, publicity of administration is likely to destabilise ongoing trading and be potentially destructive to value. Marketing has been undertaken prior to the administration.

Other

Other options considered included: CVA; HMRC Time To Pay; and Retail only insolvency.

HMRC would not have agreed to a further TTP given the previous TTP was in default. None of these options would either generate sufficient additional liquidity to meet the Group's new monies requirement and a capital injection would still likely be required.



SIP 16 Statement
The Black Sheep
Brewery Plc – In
Administration (“BSB”)
and BSB Retail Limited
– In Administration
(“Retail”) (together “the
Companies”)
Initial Introduction

**Pre Appointment
Considerations**

SIP 16 Disclosure
Conclusion

In light of the rejected capital repayment holiday from Close in Nov-22; the failed equity raise; the highly leveraged position; and continued loss making, it was evident that there was no further funding available to the Companies. As such, a sale of the Companies' business and assets was considered the optimal outcome for all stakeholders.

Functions and Responsibilities

Our role during the initial pre administration/advisory phases was primarily to act as advisor to BSB and Close and entailed considering the possible options available, undertaking a marketing exercise to identify and secure a new owner, cash flow monitoring and contingency planning.

Following our appointment as Joint Administrators we have a statutory obligation to perform our functions in the interests of the Companies' creditors as a whole.



SIP 16 Statement
The Black Sheep
Brewery Plc – In
Administration (“BSB”)
and BSB Retail Limited
– In Administration
(“Retail”) (together “the
Companies”)
Marketing



SIP 16 Disclosure

Marketing of the Business and Assets

Where a pre-packaged sale is being conducted, we are required to ensure that the marketing process conforms with the Marketing Essentials as set out in SIP 16. Any deviation from these principles must be explained to show how the different strategy adopted delivered the best available outcome and why we relied upon the marketing conducted.

Overview of the M&A Process

Prior to our engagement, the Companies went to market for c.5 months (from Nov-22) seeking equity investment using Spark, in an attempt to alleviate liquidity pressures, which proved unsuccessful.

Teneo was initially engaged by BSB on 20 Jan-23 to review its available options. On 4 Apr-23 Teneo was further engaged by BSB to assist with planning for and launching an Accelerated M&A process with a view to potentially executing a Transaction, should this be deemed the optimal solution.

Given BSB is a UK-registered Plc, a sale of its shares is governed by the City Code on Takeovers and Mergers (the “Takeover Code”). Accordingly, in order to market the business to a sufficiently wide universe of potential investors, it was decided to publicly announce a strategic review, which meant that Teneo could approach as many parties as it liked. The announcement specifically referred to a merger or an acquisition of the Group, in whole or in part, as a potential outcome.

Being in an offer period did, however, bring with it some restrictions on communicating with shareholders, notably Mark Horrocks, who is also a director of BSB’s secured creditor, Dewscope. BSB and Teneo contacted Mark Horrocks on the evening of 10 Apr-23 to notify him of the strategic review announcement the following day, to make him aware that an offer period would be commencing and the implications thereof.

Teneo’s PLC Advisory team, who have significant experience in UK Public M&A, communicated with the Takeover Panel with regards to the case and an RNS announcement was released commencing an offer period under the Takeover Code on 11 Apr-23.

After an extensive initial marketing exercise, it was decided to end the offer period on 27 Apr-23 as no offers for the shares had been received. However, four indicative offers to acquire the business and assets were received. By ending the offer period, the Takeover Code no longer applied to BSB and Takeover Code restrictions on sharing information with shareholders fell away, although inside information regulations still applied.

Teneo marketed the opportunity to acquire the Group to an extensive group of buyers, leveraging our broad knowledge of the sector over an initial period of c.3 weeks.

The key stages of the preparation and marketing process (which were undertaken in respect of the Companies) included:

Identification and agreement of a list of potential purchasers, including strategic, financial and HNW parties. The list included parties introduced by the Companies, Teneo sector experts as well as desktop research conducted by Teneo;

Contacting those purchasers identified, to speed up the process this was done via a call where possible, if not this was done by email;

Inviting inbound expressions of interest in the Companies via the RNS announcement on 11 Apr-23 and following up with interested parties;

Issuing the Non-Disclosure Agreement (“NDA”) to those parties who expressed interest;

Following receipt of a signed NDA, interested parties were provided with a process letter and Information Memorandum (“IM”) for the Companies that had been prepared by Management with assistance from Teneo. The process letter invited initial offers by 12.00pm on 21 Apr-23;

All parties in receipt of the IM were invited to make an offer on a sale of shares, or business and assets of the Companies;

The offer period ceased on 27 Apr-23 given that no solvent offers had been received and BSB wished to respond to an information request from secured creditor, Dewscope. The extensive initial marketing exercise involved approaching 97 parties, comprising of 90 approaches to potential acquirers and 7 inbound enquiries;

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Overview of the M&A Process (continued)

- Of the 97 parties contacted:
 - 41 parties were strategic;
 - 30 parties were financial; and
 - 26 parties were HNW individuals
- Of these parties, 32 parties signed an NDA and received the IM (13 strategic, 15 financial and 4 HNW);
- No offers for the shares were made;
- However, four first round indicative offers to acquire the business and assets of the Companies were received during the offer period and each of these parties were progressed to the second round of bidding;
- The progressing parties were provided access to an online data room from 26 Apr-23 and offered the opportunity for a site visit and meeting with key members of the Management team;
- The progressing parties were invited to make a final offer based on their preferred transaction structure by 12.00pm on 5 May-23, along with a marked-up asset purchase agreement (“APA”);
- In addition to the progressing parties, we have continued to engage with other interested parties. Such parties include those that indicated an interest in the business and assets but declined to make an initial offer while solvent offers were invited, as well as further inbound interest from a variety of sources; and
- After the Companies filed their intention to appoint administrators on 2 May-23, Teneo responded to an additional 22 inbound enquiries. Many of the inbound enquiries came from individuals, family offices or small strategic parties seeking to acquire certain assets of the Group. 12 parties signed an NDA and 2 strategic parties made a subsequent indicative offer for the business and assets.

The IM provided an appropriate level of detail for each potential purchaser to evaluate its preliminary interest for the Companies and submit an indicative bid within the timetable. This was balanced against the commercial sensitivity of sharing more detailed proprietary information with competitors, and the impact on delaying the timetable of preparing further information ahead of process launch.

Trade buyers were identified following detailed research, discussions with the Companies' Management team and with input from Teneo sector experts. The list included parties from across the UK, Ireland and overseas and included direct competitors in both the brewing and pub estate space.

The list of financial parties was compiled following discussions with Teneo's Special Situations M&A team, who are experienced in dealing with transactions of this type and timeline. The list included those investors most likely to be interested in the sector and those capable of meeting the accelerated timetable.

HNW individuals were identified by both the Companies' Management team and Teneo's network. The list predominantly included those with an interest in the sector and those with an affinity to the brand and locality.

Overview of our engagement with interested parties

- Engaged 119 parties, comprising of 90 approaches to potential acquirers and 29 inbound enquiries;
- Of the 119 parties:
 - 59 parties were strategic;
 - 34 parties were financial; and
 - 26 parties were HNW individuals
- Of these parties, 44 parties signed an NDA and received the IM (23 strategic, 17 financial and 4 HNW);
- No offers for the shares were made;
- Four first round indicative offers to acquire the business and assets of the Companies were received during the offer period (one strategic party and three financial parties) with headline values of: £5.0m (Party A); £4.7m (the Purchaser); £3.9m (Party C); and £2.5m (Party D);



SIP 16 Statement The Black Sheep Brewery Plc – In Administration (“BSB”) and BSB Retail Limited – In Administration (“Retail”) (together “the Companies”) Marketing

SIP 16 Disclosure

Overview of our engagement with interested parties (continued)

- All four parties progressed to round 2 and received access to the data room, conducted a site visit and held meetings with Management (one strategic party and three financial parties);
- Final offers were received from three financial parties on the 5 May-23 deadline, with headline values of £4.75m (Party A); £4.695m (the Purchaser); and £4.0m (Party C);
- The Purchaser revised its headline offer to £5.0m on 12 May-23, Party C increased its headline offer to £5.1m on 12 May-23 following a site visit and Party D withdrew from the process on 27 Apr-23, indicating it was unable to make an offer in excess of c.£3.0m and recognised its bid was insufficiently competitive to progress;
- Post the Notice of Intention to Appoint Administrators (“NOI”) being filed on 2 May-23, two additional offers were received from strategic parties. Party E made an initial offer on 9 May-23 with a headline value of £3.95m, and access to the data room was provided on 11 May-23. No second-round offer was received from Party E. Party F made an initial offer on 11 May-23 with a headline value of £3.3m on a like-for-like basis (revised to £4.53m on a like-for-like basis on 15 May-23);
- As parties E and F entered the process at a later stage than many other parties, they, as with all parties, were made aware of the accelerated timelines for a transaction to be completed throughout their involvement in the process.

Common reasons for parties declining the opportunity included having existing excess brewing capacity, poor geographic fit, cost of living crisis affecting the sector, risky turnaround and an inability to transact in the available timeframe.

Evaluation of the Marketing Process

Teneo and the Companies contacted 119 parties comprising of 59 strategic parties, 34 financial parties and 26 HNW parties.

The strategic parties approached were identified by both Teneo and the Companies’ Management team, who each had significant knowledge in the sector.

The financial parties were identified by Teneo’s Special Situations M&A team and the Companies’ Management team and had an interest in the sector and/or an ability to transact in short timeframes.

All inbound interest was followed up, be it interest from strategic or financial parties.

The number of parties expressing interest in the Transaction is an appropriate number on which to form a view on market value and includes representation of the types of buyers that would be included in a broader buyer universe for an asset of this nature.

Financial, trade and HNW parties were approached during the AMA marketing exercise for the purposes of attempting to maximise the value and deliverability of a transaction through either a solvent or insolvent process.

The Group’s directors were informed of each of the parties approached or responded to throughout the process.

The M&A process utilised Teneo’s PLC Advisory experts and complied with the requirements of the Takeover Code.

The information provided to interested parties was appropriate for potential buyers to evaluate their preliminary interest.

The timing of the process was appropriate given the cash position of the business. HMRC is owed c.£1.3m by the Group and the Group was not in a position to propose a revised TTP arrangement. This meant the NOIs were filed on 2 May-23 and provided up to 10 business days protection from creditor enforcement action. We were working towards delivering a prepack sale before the end of the NOI period (i.e. 16 May-23). However, in order to allow time for the Purchaser to be granted an Alcohol Wholesaler Registration Scheme (“AWRS”) licence, to enable trading to continue immediately completion, the Companies filed second NOIs on 17 May-23. At this stage exclusivity had been granted to the Purchaser and the APA was being negotiated.

Buyers were informed of the anticipated timing of a transaction at the beginning of the AMA process and were kept updated throughout.



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The Black Sheep Brewery Plc – In Administration (“BSB”) and BSB Retail Limited – In Administration (“Retail”) (together “the Companies”)

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Evaluation of the Marketing Process (continued)

Prior to the commencement of the AMA marketing process, the Companies went to market, via its incumbent adviser Spark, for a period of c.5 months (between 6 Dec-22 and 9 Apr-23) in an attempt to raise equity investment. No firm interest was received in the Group from this process.

The Group had incurred significant losses resulting from COVID-19 and the hospitality sector is facing significant challenges as a result of the cost-of-living crisis dampening demand in the sector and a rising cost base as a result of inflationary pressures in the supply chain, which increased the potential transaction risks for the Group to achieve its growth targets. In addition, a significant amount of funding would have been required on day 1 in order to right size the working capital requirements, which impacted investor's ability to make target returns.

The IM presented appropriate marketing materials on which potential buyers could base their preliminary interest and the data room provided appropriate detail for progressing buyers to make a final offer.

The information initially provided to the parties approached was limited in areas such as forecast financial information as a result of the short timetable and new finance team, although significant work was undertaken by the Group to update and improve this information prior to final offers. Given the accelerated circumstances, an appropriate level of information and Management time was provided to the parties throughout the process.

The marketing process resulted in:

- Six initial offers for the business and assets of the Companies; and
- Four final offers for the business and assets of the Companies.

Following clarification of the offers, it was concluded that the Purchaser's offer provided the greatest combination of deliverability and value for the creditors of the Companies compared to the alternatives and it was afforded a period of exclusivity in which to commit resources to complete the Transaction.

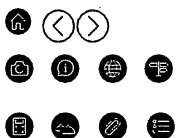
Although Party C's headline offer was c.£80k higher, a period of exclusivity was provided to the Purchaser on 16 May-23 for various reasons, including:

- The Purchaser's offer was considered the most deliverable, given extensive due diligence had already been undertaken (including discussions for the Purchaser obtaining an AWRS licence post-transaction being well progressed), thereby reducing a key transaction risk in the limited timeframe available to complete a transaction;
- The Purchaser was the only party to provide a marked-up APA by 12 May-23;
- The risk of value leakage from the Purchaser's headline offer price was deemed the lowest of all offers, given the extent of due diligence already completed. Conversely, having commenced due diligence at a later stage than the Purchaser, Party C's offer was subject to a number of outstanding due diligence queries, including those regarding licencing;
- The Purchaser offered to provide a non-refundable £0.5m deposit in exchange for exclusivity, subject to successfully obtaining the necessary AWRS licence; demonstrating its commitment; and
- Eliminated the risk of the Purchaser withdrawing its offer, should exclusivity not have been offered prior to the Purchaser incurring additional costs, at such a late stage in the process.

Close, as first ranking secured creditor, would suffer a shortfall under both the Transaction and Party C's offer. The above strategy to provide exclusivity to the Purchaser and complete the Transaction was discussed and agreed with Close.

Conclusion

Based on the work performed, the Joint Administrators considered that a comprehensive and appropriate marketing exercise targeted at financial, trade and HNW buyers had been conducted within the time available and under the circumstances faced by the Group, and the Transaction achieved the best price reasonably obtainable in the circumstances.



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Marketing

SIP 16 Disclosure
Offer Summary

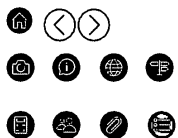
Number of parties	Strategic	Financial	HNW
Contact made			
Initial marketing period	41	30	26
Post-NOI announcement	18	4	0
Total	59	34	26
Stage of process			
Signed NDA & received marketing materials	23	17	4
Made indicative offer	3	3	0
Made final offer	0	3	0

Headline offer value / date	Party A	the Purchaser	Party C	Party D	Party E	Party F
Offer stage						
First round	Value: £5.0m Date: 21-Apr	Value: £4.7m Date: 21-Apr	Value: £3.9m Date: 26-Apr	Value: £2.5m Date: 26-Apr	Value: £3.95m Date: 9-May	Value: £3.3m Date: 11-May
Second round	Value: £4.75m Date: 5-May	Value: £4.7m Date: 5-May	Value: £4.0m Date: 5-May	Value: n/a Date: n/a	Value: n/a Date: n/a	Value: n/a Date: n/a
Final	Value: £4.75m Date: 5-May	Value: £5.0m Date: 12-May	Value: £5.1m Date: 12-May	Value: n/a Date: n/a	Value: n/a Date: n/a	Value: £4.53m Date: 15-May

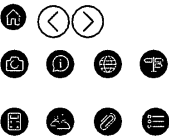
Note 1: In order to compare offers on a like-for-like basis, adjustments have been made to assume HP asset finance (provided by Lombard) remains in place post-transaction

Note 2: Party F revised its initial offer on 15 May-23 without formally progressing to round 2 or accessing the data room

Note 3: Figures for the Purchaser are subject to rounding and its final offer is based on an offer of 79p/£ for the gross debtor balance, which based on best estimates is assumed to total £2.0m at completion for the purpose of the figures represented



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Valuation



SIP 16 Disclosure

Valuation of the Business and Assets

Following a competitive proposal of valuation agents with appropriate qualifications, experience and knowledge of the sector, SIA Group Asset Ingenuity Limited (“SIA”) was instructed by BSB on 24 Apr-23 to value the P&M and stock on the basis of market value in-situ and ex-situ.

SIA are registered and audited by NAVA (National Association of Valuers and Auctioneers) and members of SIA have achieved RICS / NAVA accreditation, which ensures that SIA complies with the appropriate Code of Practice providing professional services at a required standard.

SIA confirmed its independence and that it carries adequate professional indemnity insurance. SIA has appropriate experience of the sector to undertake the valuation.

The appraisal was carried out by Simon Jones, Mark Rowlands ASA and Neil Evans MRICS and overseen by Matt Earl MRICS.

Sanderson Weatherall LLP (“SW”) undertook a valuation on behalf of Close in relation to the Group’s freehold property and development land in May-22.

The Valuation was prepared in accordance with the RICS Valuation - Global Standards (January 2022), published by the Royal Institution of Chartered Surveyors and the IVSC International Valuation Standards.

The appraisal was carried out by Craig Watson MRICS and Neil Bestwick MRICS.

As SW had undertaken the valuation in May-22, and therefore had prior knowledge, it was considered appropriate to contact SW for an updated view on the value of the Group’s properties. On 20 Apr-23, SW confirmed that it considered it unlikely that there would be any significant change to its May-22 valuation of the property and land.

SW confirmed its independence and that it carries adequate professional indemnity insurance. SW has appropriate experience of the sector to undertake the valuation.

Cerberus Capital Management L.P. (“Cerberus”) was instructed by Close in May-23 to undertake insolvent wind down recovery analysis in relation to the debtor ledger. The Transaction exceeds the estimated outcome from the Cerberus analysis.

The Transaction exceeds the combined ex situ valuations obtained.

Valuation and Transaction Consideration

£’000	In situ	Ex situ	Transaction
BSB			
Fixed charge realisations			
Freehold property	3,500	3,000	2,625
Brand	-	-	320
Plant & machinery	796	288	199
Trade debtors	1,385	1,385	1,611
	5,681	4,673	4,755
Floating charge realisations			
Unencumbered plant & machinery	16	8	4
Stock	385	118	269
	401	126	273
Retail			
Floating charge realisations			
Cash floats	-	-	6
Stock	22	4	4
	22	4	10
Total consideration	6,104	4,802	5,038

Source: SIA, SW and Cerberus valuations and the Purchaser’s offer

Notes:

- The In situ valuations are theoretical only and can only be delivered through a sale of the business. The wide and thorough marketing process has demonstrated that the Purchaser’s offer is the best obtainable in the circumstances.
- The relevant comparison to the Transaction is therefore the ex situ valuations, as being the only alternative to the Transaction.
- The Transaction provides better recoveries overall, specifically, better value for the floating charge assets, which are the only assets which could have benefited the wider body of unsecured creditors.
- The only party with an economic interest in the fixed charge proceeds at this level is Close, who has been consulted and consented to the Transaction.
- Cerberus provided a low (£1,187k), mid (£1,385k) and high (£1,572) estimated returns. We have shown the mid return above.

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The Purchaser and
Related Parties

Relevant Property
Sales Consideration



SIP 16 Disclosure
Purchaser and Related Parties

The Transaction effected a sale of the Companies' business and certain assets to Black Sheep Brewing Company Ltd (a wholly owned subsidiary of Breal Capital (Black Sheep) Holdings Ltd).
No directors/former directors, shareholders or secured creditors of the Companies were involved in the management or ownership of the Purchaser prior to / at the time of the Transaction.
However, Charlene Lyons (director of BSB and Retail), Robert Theakston (director of BSB and Retail) and Jonathan Theakston (director of BSB) will become directors and minority shareholders of the Purchaser. The Transaction is therefore considered a Connected Person Transaction.

Relevant Property and Sale Consideration

The Purchaser acquired the business and certain assets of the Companies, for total consideration of £5.0m.
The allocation of the consideration by asset category and entity is provided in the table opposite.
The Purchaser also put the Administrators in funds to settle £80k payroll deductions to the relevant third parties, in relation to BSB's May-23 payroll which was processed by BSB pre-appointment, with the Purchaser to pay the net payroll payments to BSB employees post completion of the Transaction.

Terms of the Transaction and any relevant circumstances

The Purchaser paid a non-refundable deposit of £0.5m on 16 May-23 in exchange for being granted exclusivity in relation to the Transaction. The balance of the consideration (£4.5m) was settled in full on completion.
There are no options, buy-back agreements, deferred consideration or other conditions attached to the contract of sale.

Consideration

£'000	
BSB	
Fixed charge realisations	
Freehold property	2,625
Brand	320
Plant & machinery	199
Trade debtors	1,611
	4,755
Floating charge realisations	
Unencumbered plant & machinery	4
Stock (WIP & raw materials)	73
Stock (finished goods)	196
	273
Retail	
Floating charge realisations	
Cash floats	6
Stock	4
	10
Total consideration	5,038

Source: Teneo analysis and the Purchaser's offer
Note: Consideration also includes: Customer contracts £1; Goodwill £1; and Transferred records £1

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Connected Person Transactions

SIP 16 Disclosure

Connected Person Transactions

Conditions and requirements in relation to substantial disposals to a Connected Person (“CP”)

The Administration (Restrictions on Disposal etc. to Connected
Persons) Regulations 2021 (“the Regulations”) prohibit the
following disposals:

- where all or a substantial part of the Company’s business or
assets
- is disposed of, hired out or sold to one or more CPs
- during the period of 8 weeks beginning with the start of the
administration
- (i.e. “a substantial disposal”)

Unless, either of the following conditions is met:

- (a) a qualifying report in respect of the disposal has been
obtained; or
- (b) approval of the company’s creditors for the making of the
disposal has been obtained in accordance with the Regulations.

As has been described in the preceding pages, the Purchaser is
a CP and the Transaction is for the sale of all of the Companies’
business and certain assets. Accordingly, in order to allow the
Transaction to proceed, the following action has been taken.

(a) Qualifying Report

On 11 May-23, the Purchaser approached an independent
Evaluator to obtain a qualifying report on the substantial
disposal.

A copy of the qualifying report (“the Report”) dated 16 May-23
and authenticated by the Evaluator was provided in writing to us,
as proposed administrators, on the same day.

Case Made Opinion – The Report contained a statement made
by the Evaluator that they are satisfied that the consideration to
be provided for the relevant property and the grounds for the
substantial disposal are reasonable in the circumstances.

We also discussed with Purchaser the benefits of preparing a
viability statement. The Purchaser confirmed it has not prepared
a viability statement.

Notification requirements

The Report has been appended to the copy of our Proposals as
filed at Companies House and is also available for viewing and
download from the case website at www.ips-docs.com. Please
also note that you can request hard or soft copies of these
reports to be provided to you (free of charge) on request to
Vinay Mistry on Vinay.Mistry@Teneo.com.

We are satisfied in relation to the Report that the requirements
of regulations 6 and 7 of the Regulations have been met,
specifically:

- (i) that from the statement made in their report, the Evaluator
had sufficient relevant knowledge and experience to make
a qualifying report; and
- (ii) that there have been no material changes, since the
Report was made to:
 - the relevant property;
 - the terms of the substantial disposal; or
 - any circumstances relating to the substantial disposal.



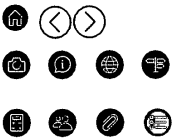
SIP 16 Statement

The Black Sheep
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Evaluator Report

SIP 16 Disclosure
Evaluator Report

Please see the next pages for the Evaluator Report.





EVALUATOR'S REPORT

Pursuant to The Administration (Restrictions on Disposal etc. to
Connected Persons) Regulations 2021

The Black Sheep Brewery PLC and BSB Retail Limited

Date of Report: 16 May 2023

Prepared by:
Compass Evaluator Reports Limited
James House, Yew Tree Way
Golborne, Warrington
WA3 3JD

Company Number 13288603

Kevin Murphy
kevin@compassevaluatorreports.co.uk



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Contents

1. Introduction and Background
2. Executive Summary
3. The Requirements for Acting as Evaluator
4. The Connected Person(s)
5. The Relevant Property
6. The Evaluator's Decision
7. Previous Evaluator Reports

Appendices

- Appendix 1 Evaluator Bio

Abbreviations

The following abbreviations or references are used in this report:

The Act:	The Insolvency Act 1986
The Regulations:	The Administration (Restrictions on Disposal etc. to Connected Persons) Regulations 2021. Unless otherwise stated, any reference made to 'Regulation' within this document means this legislation.
The Companies:	The Black Sheep Brewery PLC (Company Number 02686985) and BSB Retail Limited (Company Number 11299720). Also referred to within the Report as 'The Group.' BSB Retail Limited is a wholly owned subsidiary of The Black Sheep Brewery PLC.
Substantial disposal:	This has the meaning given within Regulation 3. It means a disposal, hiring out or sale to one or more connected persons during the period of 8 weeks beginning with the day on which the company enters administration of what is, in the administrator's opinion, all or a substantial part of the company's business or assets and includes a disposal which is effected by a series of transactions.
Relevant property:	This means the property being disposed of, hired out or sold by the substantial disposal as defined in Regulation 2.
Connected Person(s):	As defined in paragraph 60A (3) of Schedule B1 of the Act. (See Section 4).
Proposed Administrators:	Clare Boardman and Kristian Shuttleworth from Teneo who are licenced Insolvency Practitioners, authorised and regulated by the ICAEW.
Valuation agents:	<p>Matt Earl (MRICS) and Neil Evans (MRICS) from SIA Group Asset Ingenuity valued the Companies' tangible (non-property) assets.</p> <p>Craig Watson (MRICS) and Neil Bestwick (MRICS) of Sanderson Weatherall LLP valued the Companies' industrial property and development land.</p> <p>The valuation agents are from Industry specialist valuation and asset realisation businesses who possess the requisite knowledge of the market for the type of asset being valued and the skills and understanding necessary to undertake the valuation competently.</p>
Purchaser:	Black Sheep Brewing Company Ltd.
Secured Creditors:	Close Brothers Limited, Lloyds Bank PLC, Dewscope Limited.
TUPE:	Transfer of Undertaking (Protection of Employment) Regulations 2006.

1. INTRODUCTION AND BACKGROUND

- 1.1. I, Kevin Murphy, Managing Director of Compass Evaluator Reports Limited, confirm that I meet the requirements for acting as an Evaluator specified in Part 3 of the Regulations. (See further detail in Section 3.)
- 1.2. This report has been requested by the Purchaser. See Section 4 for details of all those identified as connected persons of the Companies in relation to the substantial disposal.
- 1.3. I am required to determine whether I am satisfied that the consideration to be provided for the relevant property and the grounds for the substantial disposal are reasonable in the circumstances.
- 1.4. The Black Sheep Brewery PLC was incorporated on 7 February 1992 and BSB Retail Limited was incorporated on 9 April 2018. The Companies trade in the Brewing industry, brewing award-winning beers from a freehold site in Masham, Yorkshire, where they also have a visitor centre and a distribution and packaging facility.
- 1.5. The Group achieved profitable growth in FY18 and FY19, acquiring four pubs as part of its growth strategy. However, it was severely impacted by COVID-19 and the associated mandated closure of hospitality venues in the following years. Demand is yet to recover to pre-COVID levels as a result of the cost-of-living crisis. In addition, the Group has faced cost input inflation and higher borrowing costs.
- 1.6. The Group's management made use of government schemes including CBILS / RLS funding, increased supply to supermarkets and developed an e-commerce platform to boost sales during the period. The Group has been loss making since FY20. An EBITDA loss of £1.2m is expected in FY23, with losses forecast to continue into FY24.
- 1.7. Management instructed professional advisors to run an equity raise process in November 2022, which was unsuccessful. After the failed equity raise, the Group engaged Teneo to undertake a strategic review of its options in April 2023, including exploring a solvent M&A transaction; new capital injection with continued support from Close Brothers; sale & leaseback or sale of surplus land; debt raise; restructuring plan; de-listing; Company Voluntary Arrangements; Time To Pay with HMRC; and BSB Retail only insolvency. However, none of these options were able to generate sufficient additional liquidity to meet the Group's new monies requirement.
- 1.8. The Companies are currently unable to pay their debts as and when they fall due, and the directors of the Companies have concluded that the Companies are no longer able to continue trading as going concerns. A Notice of Intention to Appoint an Administrator has been filed in Court in respect of each of the Companies and the appointment of the Proposed Administrators is imminent.
- 1.9. From 20 January 2023 to 10 March 2023, Teneo was engaged by The Black Sheep Brewery Plc to consider the possible options available to the Companies and review the Companies' latest short term cash flow forecast. Clare Boardman, a Senior Managing Director of Teneo, was involved in leading the engagement and Kristian Shuttleworth was also involved in the engagement.
- 1.10. From 4 April 2023, Teneo was engaged by The Black Sheep Brewery Plc and Close Brothers Limited to undertake a marketing exercise to identify and secure a new owner for the

Companies, concurrently with cash flow monitoring and contingency planning in relation to a transaction and/or insolvency. Clare Boardman was involved in leading the engagement and Kristian Shuttleworth was also involved in the engagement. The Proposed Administrators have been seeking to maximise realisations from the assets of the Companies and maximise the funds available to creditors of the Companies.

- 1.11. As a UK-registered PLC, the Black Sheep Brewery PLC is subject to the City Code on Takeovers and Mergers (the Takeover Code), which required various steps to be taken during April 2023 to seek to achieve a solvent solution. The inability to achieve a solvent solution then enabled steps to be taken by the Proposed Administrators to market the business to an extensive group of potential buyers, which included 119 strategic/financial/ high net worth parties.
- 1.12. This marketing process resulted in four initial offers and six final offers for the business and assets of the Companies. One offer, from the Purchaser - that includes persons connected with the Companies (see Section 4), is considered the best achievable in the circumstances and in the interests of creditors.

2. EXECUTIVE SUMMARY

- 2.1 I have reached the following conclusion in this case:

CASE MADE

I **AM SATISFIED** that the consideration to be provided for the relevant property and the grounds for the substantial disposal are reasonable in the circumstances.

- 2.2 The factors considered in forming this opinion are detailed in full within my report at section 6.

3. THE REQUIREMENTS FOR ACTING AS EVALUATOR

- 3.1. I confirm that I meet the requirements for acting as an Evaluator set out in Part 3 of the Regulations.
- 3.2. I am satisfied that I have the relevant knowledge and experience required to act as Evaluator.
- 3.3. A summary of my qualifications and experience is attached at Appendix 1 to this report.
- 3.4. The Proposed Administrators have not raised any objections to my suitability as an Evaluator.
- 3.5. I confirm that I meet the requirements of independence within Regulation 12, as follows:
 - I am not connected with the Companies.
 - I am not an associate of the connected person or connected with the connected person.
 - I do not know of or have reason to believe that I have a conflict of interest with respect to the substantial disposal.

- I have not, at any time during the period of 12 months ending with the date on which this report is made provided advice to, and in respect of, the Companies or a connected person in relation to the Companies –
 - In connection with, or in anticipation of, the commencement of an insolvency procedure under Parts A1 to 5 of the Act, or
 - In relation to corporate rescue or restructuring

3.6. I am not excluded from acting as an Evaluator for any of the reasons outlined in Regulation 13.

3.7. I confirm that I meet the requirements as to insurance specified in Regulation 11.

3.8. Details of the professional indemnity insurance for Compass Evaluator Reports Limited are as follows:

- Axa Insurance Plc.
- Policy number AC SPI 4331301.
- Expiry date 22 August 2023.
- Professional indemnity cover limit of £1,000,000 for any one claim.
- Risks covered: Misc Professional Indemnity breach of professional duty.
- Exclusions from cover: Misc to include Directors' and Officers' liabilities, deliberate acts and omissions, virus exclusion, dishonesty, and fraud. (Full details available on request.)

4. THE CONNECTED PERSON(S)

4.1. Connected persons include the following:

Name of connected person	Nature of the connection under Para 60A (3) of Schedule B1
Robert Joseph Theakston	Director and shareholder of both the Purchaser and the Companies.
Charlene Lyons	Director and shareholder of both the Purchaser and the Companies.
Jonathan Francis Theakston	Director and shareholder of the Purchaser and The Black Sheep Brewery PLC.

It is worthy of note that the majority owner of the Purchaser has had no previous involvement with the Companies, but the report is required as the former directors and shareholders of the Companies will become directors and minority shareholders of the Purchaser.

5. THE RELEVANT PROPERTY

5.1. The assets being sold are considered a substantial disposal pursuant to Regulation 3. The assets have been professionally valued by the valuation agents appointed by the Companies.

5.2. The assets which the Purchaser is acquiring are as follows:

- Freehold properties at Wellgarth, Masham, HG4 4EN; Fearby Road, Masham, HG4 4ES; and development land at Fearby Road, Masham, HG4 4ES.
- Goodwill (including the brand names, trademarks, recipes, contracts, and intellectual property rights).
- Finished inventory and raw materials, work in progress and packaging (subject to any valid retention of title claims)
- Tangible non financed assets, including plant and equipment, vehicles, fixtures and fittings, office furniture.
- Equity, if any, in financed assets.

Total consideration for the above is stated to be £3,325,052 payable in full upon completion.

In addition, the Purchaser will acquire the debtors for a sum representing 79% of the gross ledger value, estimated to be c£1,500,000.

£500K is payable by way of a non-refundable deposit (in exchange for exclusivity) with the balance on completion.

5.3. The Purchaser will continue to occupy the Company's 4 leasehold public houses under licences to occupy for three months, to be paid in advance. Longer term occupation of the public houses will be subject to ongoing negotiations with the landlords.

5.4. The Purchaser will continue to use the Companies leased assets and seek an assignment of existing lease/HP agreements and in the process avoid a significant claim from the finance creditor in the insolvent estates.

6. THE EVALUATOR'S DECISION

6.1 In accordance with Regulation 7, I am satisfied that the consideration to be provided for the relevant property and the grounds for the substantial disposal are reasonable in the circumstances.

6.2 My principal reasons for this opinion are as follows:

- 6.2.1 The assets have been professionally valued by the valuation agents appointed by the Companies, who possess the requisite knowledge of the market for the type of asset being valued. The valuation agents are recognised professionals in the industry and are regulated by the industry professional bodies.
- 6.2.2 The Proposed Administrators have been seeking to maximise realisations from the Companies' assets prior to the date of Administration. The Proposed Administrators and their valuation agents have carried out an extensive marketing exercise in relation to the business and assets of the Companies.
- 6.2.3 In the timescale available to the Proposed Administrators - necessitated by the Companies' financial position; its legal position as UK-registered PLC (which has required compliance with the Takeover Code) and the need to provide certainty to all stakeholders - an offer has been received from a Purchaser that includes several connected persons. This offer is considered the best achievable in the circumstances by the Proposed Administrators after an extensive marketing campaign.
- 6.2.4 Whilst the consideration offered for all the assets is below the valuation agents' opinion of the market value of the assets on an ex-situ / cessation of trading basis, (prior to significant holding costs and disposal costs and an increased level of uncertainty of outcome), the offer received was in excess of any of the other offers received (prior to 12 May 2023) after an extensive marketing period. On 12 May, a further offer was received which was slightly higher than the offer from the Purchaser, but that offer was not sufficiently progressed with diligence and licence requirements to be accepted over and above the offer from the Purchaser. The offer from the Purchaser was, in return for a non refundable deposit of £500K being paid, then granted a period of exclusivity by the Proposed Administrators (supported by Close Brothers as secured creditor) as it was deemed more deliverable, and representing the best outcome for creditors in the circumstances. In the event of a piecemeal disposal of all assets, there would be additional significant additional claims against the Companies.
- 6.2.5 Based on a review of the Proposed Administrators' Estimated Outcome Statement, the proposed deal provides a better outcome for the secured and preferential creditors, as well as the employees and finance creditors.
- 6.2.6 The 79 employees of BSB Retail Limited and the 73 employees of The Black Sheep Brewery PLC associated with the businesses being acquired will transfer under TUPE to the Purchaser, avoiding significant claims of c£163K and c£690K respectively being made against the National Insurance Fund.

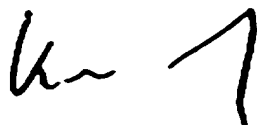
- 6.2.7 The alternatives to the current sale are for either: (A) the assets to be sold to one of the other bidders, but each of those offers will either result in a worse outcome for creditors and a significant reduction in value for the business and assets of the Companies, or (B) in the case of the offer received on 12 May 2023 which is slightly higher in value, but not considered sufficiently well progressed in terms of diligence and licence requirements to dislodge the offer from the Purchaser given the nature of the Companies' activities, or (C) alternatively a wind down and cessation of trading which will lead to increased holding and disposal costs, as well as significantly increased claims from employees and finance creditors.
- 6.2.8 The offer includes a sum of 79% of the gross ledger value of book debts at completion, and continuity of operations going forward will maximise recoveries.
- 6.2.9 The Purchaser will continue to occupy the Companies' leasehold premises under licence and, in the process, look to mitigate claims from the landlords in respect of rent and dilapidations.
- 6.2.10 The Purchaser proposes to continue to use the Group's financed assets and seek an assignment of existing HP/lease agreements which should mitigate a potentially significant shortfall which would otherwise be a creditor of the Companies and increase creditor claims.
- 6.2.11 £500K of the agreed consideration is payable by way of a non-refundable deposit (in exchange for exclusivity) with the balance on completion. Given this, I have not been provided with projections or a viability statement for the Purchaser. The Purchaser is however part of a privately owned investment business set up in 2014 which supports acquisition targets through a combination of Turnaround and Growth funding and hands on operational and finance resource from their experienced team of industry leading restructuring professionals. The Purchaser will be provided with significant new investment to provide the necessary working capital.
- 6.2.12 I offer no opinion on the viability of the Purchaser.
- 6.2.13 In forming my opinion, I have relied on my discussions with, and information provided by, the connected persons, the Proposed Administrators, and the valuation agents instructed by the Companies. In particular, I have relied on the following:
- Compass Evaluator Reports application/information request form
 - Valuation report from the agents
 - Offer letter
 - Company financial information
 - Financial information for the Purchaser
 - Correspondence with the Proposed Administrators
 - Estimated Outcome Statement and summary of the marketing undertaken.
- 6.2.14 I have also relied on freely available information in the public domain. I have not carried out an audit of the information received.

6.2.15 I have relied upon the accuracy of the information as provided to me in forming my opinion. The Proposed Administrators are licenced Insolvency Practitioners with legal duties and obligations to creditors and their regulatory body, as such the decision whether to enter into the sale is for them to determine. As such, I offer no opinion on the decision to enter into the sale.

7. PREVIOUS EVALUATOR REPORTS

7.1 Regulation 8 does not apply, as I am advised that no previous report exists in relation to this substantial disposal, and I have no reason to believe that this statement is incorrect.

**For and on behalf of
Compass Evaluator Reports Limited**

A handwritten signature in black ink, appearing to read 'Kevin Murphy', followed by a large, stylized checkmark or flourish.

**Kevin Murphy
Evaluator**

Date: 16 May 2023

Appendix 1

Kevin Murphy Bio

- Kevin originally trained as a lawyer, undertaking a law degree where he achieved a 2:1 classification. He also successfully completed the Law Society Final Exams.
- Kevin subsequently entered the insolvency profession and is a licensed Insolvency Practitioner (currently non-appointment-taking). Kevin has over 25 years of experience of dealing with a wide range of insolvency matters.
- Spending much of his career with a national firm of insolvency specialists, Kevin progressed to Director of Insolvency, where he gained extensive experience of turnaround work, focussing on Company Voluntary Arrangements and Administration. Latterly, he headed up the firm's Administration team in the Manchester office.
- Kevin was responsible for many complex and challenging matters and had to navigate the issues of ensuring cases were progressed in an efficient manner, whilst remaining compliant with regulation and legislation.
- Utilising the extensive skill set developed as a result of his experience of turnaround and insolvency work, Kevin decided to focus his skills on solvent acquisitions and since 2017 has been an advisor to a buy and build acquisitions group.

Glossary

AMA	Accelerated Merger and Acquisition	NOI	Notice of Intention to Appoint Administrators
APA	Asset purchase agreement	PAYE	Pay as you earn
AWRS	Alcohol Wholesaler Registration Scheme	the Regulations	The Administration (Restrictions on Disposal etc. to Connected Persons) Regulations 2021
BSB	The Black Sheep Brewery Plc	the Report	Qualifying report by Compass Evaluator Reports Limited dated 16 May-23
CBILS	Coronavirus Business Interruption Loan Scheme	Retail	BSB Retail Limited
Cerberus	Cerberus Capital Management L.P.	RLS	Recovery Loan Scheme
Close	Close Brother Limited	RP	Restructuring Plan
the Companies	The Black Sheep Brewery Plc and BSB Retail Limited	the Purchaser	Black Sheep Brewing Company Ltd, a wholly owned subsidiary of Breal Capital (Black Sheep) Holdings Ltd
COVID-19	Coronavirus	SIA	SIA Group Asset Ingenuity Limited
CP	Connected person	Spark	Spark Advisory Partners Limited
CVA	Company voluntary arrangement	SW	Sanderson Weatherall LLP
Dewscope	Dewscope Limited	the Takeover Code	The City Code on Takeovers and Mergers
FY18, FY19, FY20, FY21, FY22	Year ended 31 March 2018, 2019, 2020, 2021, 2022	Teneo, us, we	Teneo Financial Advisory Limited
FY23	Outturn forecast for the year ending 31 March 2023 (11 months actual, one month forecast)	the Transaction	The sale of the Companies' business and certain assets to the Purchaser
FY24	Forecast for the year ending 31 March 2024	TTP	Time to Pay
the Group	The Black Sheep Brewery Plc and its subsidiaries	TUPE	Transfer of Undertakings (Protection of Employment)
HMRC	His Majesty's Revenue & Customs	VAT	Value added tax
HNW	High net worth		
ID	Invoice discounting		
IM	Information memorandum		
Lloyds	Lloyds Bank Plc		
Lombard	Lombard North Central Plc		
Management	Senior Management of the Group		
NDA	Non-disclosure agreement		
NIC	National Insurance Contributions		





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