

AM03

Notice of administrator's proposals



Companies House

WEDNESDAY



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12/04/2017

#455

COMPANIES HOUSE

1 Company details

Company number 0 4 1 1 3 3 7 0

Company name in full Cofton (Wales) Limited

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

2 Administrator's name

Full forename(s) Gerard Anthony

Surname Friar

3 Administrator's address

Building name/number Saltire Court

Street 20 Castle Terrace

Post town Edinburgh

County/Region

Postcode E H 1 2 E G

Country

4 Administrator's name ①

Full forename(s) Blair Carnegie

Surname Nimmo

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

5 Administrator's address ②

Building name/number Saltire Court

Street 20 Castle Terrace

Post town Edinburgh

County/Region

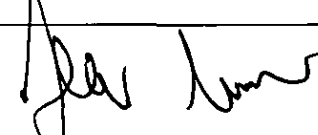
Postcode E H 1 2 E G

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	Sign and date	
Administrator's Signature	<div>Signature</div> <div>×</div> 	

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 **Charlotte Burnham-Stevens**

Company name **KPMG LLP**

Address **Saltire Court**

20 Castle Terrace

Post town **Edinburgh**

County/Region

Postcode **E H 1 2 E G**

Country

DX

Telephone **Tel +44 (0) 131 222 2000**



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- ☐ 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.



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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



Joint Administrators' proposals

Cofton (Wales) Limited - in
Administration

10 April 2017

Notice to creditors

We have made this document available to you to set out the purpose of the administration and to explain how we propose to achieve it.

We have also explained why the Company entered administration and how likely it is that we will be able to pay each class of creditor.

You will find other important information in the document such as the proposed basis of our remuneration.

A glossary of the abbreviations used throughout this document is attached (Appendix 7).

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following website, <http://www.insolvency-kpmg.co.uk/case+KPMG+CH210B4350.html>. We hope this is helpful to you.

Please also note that an important legal notice about this statement of proposals is attached (Appendix 8).



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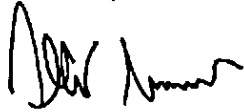
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1 Executive summary

- The Company was incorporated in 2000 and operates as a property development company for a single development site located at Llanilid, South Wales ("the Site"), most of which comprises a former open cast coal mine. The total Site comprises approximately 900 acres of which 550 acres are owned by the Company, with the balance being owned by Westair Properties Limited (in administration). Part of the Site benefits from planning consent having been granted for 1,850 residential properties, with the rest being allocated for a range of employment uses.
- The Bank of Scotland plc ("the Bank") holds a first ranking charge over the Site and a first ranking debenture. On 15 February 2017 the Bank lodged a notice of appointment of administrators at the High Court Leeds District Registry, and Blair Nimmo and Tony Friar were subsequently appointed as Joint Administrators to the Company. (Section 2 - Background and events leading to the administration).
- Our initial strategy has been to take control of the Site and to manage the processes necessary to ensure compliance with the Company's environmental responsibilities. We have also ingathered a large quantity of documentation and reports relevant to the Site and have engaged property agents and solicitors to develop our understanding of the Site and formulate a disposal strategy. (Section 3 - Strategy and progress of the administration to date).
- We estimate that the Bank will receive a distribution under its legal charge and its debenture, however it is not clear at this time whether there will be funds available for distribution to Mr Philip Ambrose and HCC International Insurance Company plc ("HCC") as second and third ranking secured creditors. The outcome for Mr Ambrose and HCC will depend on the value achieved for the Company's assets in comparison to the Bank's indebtedness. (Section 4.1 - Dividend prospects).
- At the date of administration the Company only had one employee and preferential claims will be approximately £1,000. (Section 4.2 - Dividend prospects).
- Based on current estimates, it is uncertain whether there will be a dividend to unsecured creditors via the prescribed part. This will depend on whether the debt due by Westair is subject to the Bank's fixed charge security or floating charge security in its debenture. It is uncertain whether there will be a dividend to unsecured creditors other than potentially under the terms of the prescribed part. The outcome will depend on the sales values achieved for the Site, the level of operational and sale costs, and the secured creditors' debt including accrued interest and costs. (Section 4.3 - Dividend prospects).
- Our proposals consider the various routes by which the administration may be ended, however we expect the most likely to be that the Company is moved to dissolution. (Section 5 - Ending the administration).
- We are seeking approval of the administrators' proposals via deemed consent, as it appears that the Company has insufficient property to enable us to make a distribution to unsecured creditors – other than by virtue of the prescribed part. (Section 6 – Approval of proposals).
- We will seek approval from the secured creditors (the Bank, Mr Ambrose and HCC) and the preferential creditors for our remuneration (which we are seeking on the basis of time properly given by us and our staff in accordance with the fees estimate provided in Appendix 3) and disbursements (as set out in Appendix 5). We also provide an estimate

for the expenses of the administration at Appendix 4. (Section 7 - Joint Administrators' remuneration and disbursements).

- This document in its entirety is our statement of proposals. A summary list of the proposals is shown in Section 8 together with all relevant statutory information included by way of appendices. Unless stated otherwise, all amounts in the proposals and appendices are stated net of VAT.



Blair Nimmo
Joint Administrator

2 Background and events leading to the administration

2.1 Background information

The Company was incorporated on 23 November 2000 with company name Filbuk 640 Limited. It was controlled by a wider group of companies known as the Cofton Group, who acted as property developers for sites at a number of locations across the United Kingdom, and was set up for a specific development project.

In March 2001, the Company acquired a substantial landholding (approximately 900 acres) in Llanilid, South Wales, ("the Site") from Celtic Energy Limited ("CEL") and subsequently changed its name to Cofton (Wales) Limited. The Company was originally a 50/50 Joint Venture between CEL and the Cofton Group, however CEL were subsequently bought out and the Company's majority shareholder became the Cofton Group, with minor shareholdings held by certain Company directors.

The principal activity of the Company is the management, development and sale of the Site, which predominantly comprises brownfield land which had previously been used for opencast coal mining, although there are material greenfield areas which are used for agricultural purposes. Following the initial land purchase, the Company acquired further adjacent tranches of land, and have also sold tranches of the Site.

The Company's broad strategy had been to add value to the Site by obtaining a change of planning use for a mix of general employment uses (to include film studios, theme park, business park, hotels, conference centre, golf course, offices and restaurants) and residential purposes. The Company would then enter into a series of sales to developers who would proceed to get detailed planning permission for specific uses. Common infrastructure was proposed to be performed by the Company with land buyers acquiring serviced sites.

A major tranche sale took place in 2004, when approximately 350 acres were sold to Westair Properties Limited ("Westair") who proposed to construct film studios, known as the "Silent Stages" together with a film-themed entertainment park and associated hotel, restaurant and leisure facilities. This was seen as an important step as the presence of such a high profile development would encourage other development to occur.

Planning consent for the Westair development proposal was granted, and the Company was engaged to build the Silent Stages and certain infrastructure works, however prior to completion of the construction, two partners in PricewaterhouseCoopers LLP ("PwC") were appointed as joint administrators of Westair in March 2008. The Company was left with a large sum due by Westair in relation to sums unpaid under the terms of the construction contract. This debt is secured by means of a first ranking legal charge over part of the site owned by Westair. The Company also benefits from a restrictive covenant which prevents Westair (and its successors as owners of that site) from obtaining planning consent for residential purposes on that site.

In March 2009 the Cofton Group entered administration with two partners in Deloitte LLP appointed as joint administrators over the other group entities, however the Company continued to trade free from formal insolvency proceedings under the control of its directors.

In 2010 an external funder, Mr Philip Ambrose, injected £2.25 million of debt finance. As part of this transaction, Mr Ambrose acquired 20% of the Company's shares, and the Company's main secured creditor, Bank of Scotland plc ("the Bank") provided new facilities.

This funding enabled the Company to continue to pursue its core development strategy, although there was no funding available for speculative infrastructure spend and instead the Company's focus was to progress the planning status of the Site and to seek out tranche sales of land. Of the Site currently owned by the Company, part is zoned for residential development ("the Residential site") with permission granted for 1,850 units subject to terms of a s.106 agreement, and the remainder is zoned for employment use ("the Employment site"). At the time of our appointment, the Company had been in discussions with four parties for tranche sales, which would have seen the sale of all of the Westair site (with PwC acting as vendors but the Company a beneficiary under the charge held over part of the Westair site), all of the Employment site, and for part of the Residential site.

The Company trades from an office and compound located on the Site but at the date of the administration it only had one employee and one labour-only contractor whose roles are to manage the Site including compliance with the environmental obligations which attach to a former coal mining site. Responsibility for progressing the property development lay with directors and certain consultants who operated out of offices both on the Site and in Birmingham. All administrative functions such as accounting and payroll were outsourced.

2.2 Funding and financial position of the Company

Since its initial acquisition of the Site, the Company has been funded by secured lending provided by the Bank by way of term loans and overdraft facilities. The current debt amounts to approximately £25.4 million with interest and charges continuing to accrue. The Bank holds a first ranking fixed charge over the Site and a first ranking debenture.

Mr Philip Ambrose provided debt finance in 2010, and the balance currently due of approximately £2.9 million is secured by way of a second ranking legal charge over the Site and a second ranking debenture.

In 2006 the Company entered into a bonding arrangement with HCC International Insurance Company plc ("HCC") to secure payment for certain infrastructure works to be performed by Welsh Water. When the Company failed to make payments to Welsh Water, the bond was called, and HCC has been making payments to Welsh Water. We understand HCC's debt is approximately £4.6 million, and is secured by a third ranking legal charge over the Residential site.

The annual accounts show that the Company has recorded a loss each year since 2008. The management accounts to 31 January 2017 showed the Company to have net liabilities of £15.4 million.

The Company only has limited income from agricultural grazing leases and from a mobile phone telecommunication mast lease, which are not sufficient to meet its ongoing operating costs. For a period following the 2010 restructure, the funding provided by Mr Ambrose was used to fund the Company's operational costs, however when this funding was exhausted, the Bank met certain costs, with other consultants and suppliers working under informal "standstill" arrangements whereby their debts were deferred until such time as land sales were achieved, and payment expected to be made out of proceeds of sale. Accordingly there are a significant level of unsecured creditors of the Company, with the directors' Statement of Affairs showing total unsecured claims of approximately £7.4 million.

2.3 Events leading to the administration

For many years, the Company has been reliant on the goodwill of its creditors to enable it to continue to trade. This includes various suppliers, who have built up a material level of arrears; and the Bank, who have provided numerous short term extensions of loans and overdraft facilities, with interest due being “rolled up” and a limited amount of funding provided to allow the Company to meet certain costs.

When the most recent short term extension of Bank facilities expired on 31 January 2017, the Bank issued a demand for the Company to repay its debt, and when that debt was not paid, took steps to appoint administrators.

2.4 Appointment of Joint Administrators

The Bank, being the holder of a first ranking qualifying floating charge, lodged a notice of appointment at the High Court Leeds District Registry on 15 February 2017 and Blair Nimmo and Tony Friar were duly appointed as joint administrators on the same day, pursuant to paragraph 14 of Schedule B1 to the Insolvency Act 1986.

Neither we, nor any members of our staff, have had any involvement with the Company or its directors prior to our appointment.

3 Strategy and progress of the administration to date

3.1 Strategy to date

We set out a summary of the actions we have taken to date relating to the management and disposal of the Site.

Environmental

The Site has a number of settlement lagoons that capture and direct the run-off rainwater from the Site and subsequently discharge into nearby natural water courses. Due to the Site's previous mining activities, the coal residue/dust and other debris cause a risk of contaminating the natural water courses. In order to adhere to the Company's license obligations, the amount of residue in the water outflow from the Site must be kept below certain levels, and the lagoons require daily maintenance to monitor and control these levels.

Settlement can take place naturally, or can be aided by the addition of flocculent. The Company has a stock of flocculent which are mixed on site and transported to the flocculation tanks which are located at various points around the site. The flocculent is then released into the lagoons in order to clean the water before it is discharged into the natural water course.

In order to manage this process, we have continued to employ the Company's sole employee and a labour only subcontractor, who have been working on the Site for many years and have an intimate knowledge of the processes required to manage the water quality.

We have also engaged a consultant, PLP Consultancy Limited ("PLP"), who were engaged by the Company prior to the Administration, to provide a programme of works outlining specific requirements for the adequate care and maintenance of the site to comply with license obligations.

We have instructed a Health and Safety audit report from a health and safety consultant at JLT Specialty Limited to provide comments on the procedures in place, areas of risk, and remediation action necessary.

We have contacted Natural Resources Wales ("NRW") to make them aware of the administration and NRW representatives have visited the site. NRW have not raised any concerns at this time.

Property disposal

The Company's only material asset is the Site, and it has a number of complexities such as terms of planning consent and s106 obligations, title issues, security issues, interaction with Westair site and technical matters such as ground conditions and utilities. Further, the Company had also entered into discussions with four parties to sell part of the Site (including the Westair site).

There are a large number of possible disposal strategies that could be pursued, and in order to determine our disposal strategy, the following actions have been taken:

- We have met with the Company directors and advisers and written to the Company's solicitors requesting diligence information be provided relating to the history of the property, title of the land and proposed sales;
- We have instructed solicitors to perform a title review of the land and property owned by the Company, including the review of any overage provisions due to previous landowners. We have received a number of claims from creditors and contingent creditors claiming that their debt attaches to the freehold property. These are being assessed by our solicitors;
- We have instructed solicitors to carry out a review on the validity and priority of securities granted by the Company to the various entities;
- We have requested a report on the various planning matters relating to the development of the site, including s.106 agreement, and the conditionality attaching to these;
- We have engaged a firm of property advisors, Cromwell Asset Management UK Limited ("Cromwell") who will assist us to assess our strategic options and to implement the ultimate disposal strategy undertaken;
- We have exchanged correspondence with a number of parties who have expressed an interest in acquiring the Site, or parts of the Site. This includes the four parties with whom the Company had entered negotiations prior to the Administration;
- We have had a number of conversations with PwC as joint administrators of Westair; and
- We have taken out appropriate insurance for the Site.

We are currently assessing the most appropriate strategy to market and sell the property, whether that be marketing the whole site for sale, or conducting tranche sales on or off market.

Other

The Company has a small number of debtor balances due to it under the terms of the grazing and telecommunications leases. We have requested that the directors provide copies of the various leases and will contact the tenants to seek payment.

We applied to the Bank for an overdraft facility from which ongoing operational and property related costs will be met. Prior to the overdraft being applied, the Bank has made certain payments on our behalf. All such post-administration costs will be reimbursed to the Bank, and our overdraft facility repaid, from the proceeds of sale of the Site.

Asset realisations to date

A receipts and payments account is attached at Appendix 2 which shows that there has been one debtor receipt amounting to £2,700. There have been no other asset realisations since our appointment.

Investigations

We are reviewing the affairs of the Company to find out if there are any actions which can be taken against third parties to increase recoveries for creditors.

In this regard, if you wish to bring to our attention any matters which you believe to be relevant, please do so by writing to Charlotte Burnham-Stevens at KPMG LLP, Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EG United Kingdom.

3.2 Costs

An estimate of all the anticipated costs likely to be incurred throughout the duration of the administration is set out in the attached summary of expenses (Appendix 4).

There have been no payments made from the administration bank account from the date of our appointment to 31 March 2017 as set out in the attached receipts and payments account (Appendix 2). Until the overdraft facility was applied to the administration bank account, payments for certain costs were made by the Bank on our behalf. To date, payments totalling £8,785.69 have been paid by the Bank in relation to the employees' payroll and the associated accounting and payroll processing services. These costs will be reimbursed from the administration bank account.

4 Dividend prospects

4.1 Secured creditors

The Company has granted the following securities to the Bank:

- A legal charge dated 29 March 2001 and registered 6 April 2001 over the Site; and

- A Debenture dated 25 October 2006 and registered 1 November 2006 including a fixed and floating charge over all undertakings.

At the date of administration the level of debt due to the Bank, in the form of a term loan and overdraft facilities, amounted to approximately £25.4 million. Interest and charges continue to apply.

The Company has granted the following securities in favour of Mr Philip Ambrose:

- A legal charge created 31 March 2010 and registered 7 April 2010 over part of the Site;
- A legal charge created 20 August 2010 and registered 8 September 2010 over part of the Site; and
- A debenture created 31 March 2010 and registered 7 April 2010 including a fixed and floating charge over all undertakings.

At the date of administration the level of debt due to Mr Ambrose, amounted to approximately £2.9 million. Interest and charges continue to apply.

The Company had granted the following security in favour of HCC:

- A legal charge created 20 December 2016 date and registered 20 December 2016, restricted to the Residential site;
- At the date of administration the level of debt due to HCC stood at approximately £4.6 million.

The Company had granted the following security in favour of Cofton Group Limited ("CGL"), now in administration:

- A legal charge created 29 March 2001 and registered 11 April 2001 over part the Site.

The Company directors have advised that CGL is not a creditor and the administrators of CGL have confirmed this.

The Bank, Mr Ambrose, HCC, CGL and the Company entered into an intercreditor agreement on 20 December 2016 under which terms the secured creditors agreed to rank their security in the following order of priority:

- First the Bank's security for its debt including interest and charges for an unlimited amount;
- Second Mr Ambrose's security for his debt including interest and charges, capped at an aggregate sum of £3.5 million;
- Third HCC's security for its debt including interest and charges for an unlimited amount;

- Fourth CGL's security for its debt including interest and charges for an unlimited amount, albeit we understand that CGL has no debt due by the Company; and
- Fifth, Mr Ambrose's security in respect of any remaining sums due to Mr Ambrose in respect of his debt plus interest and charges.

Our solicitor has reviewed the above security and confirmed that each item of security, together with the ranking agreement, are valid.

We anticipate that there will be a distribution to the Bank as first ranking secured creditor. It is not clear yet whether Philip Ambrose and HCC will receive distributions under their fixed charges as this will be dependent on the sales values achieved for the Site after the operational, sale and relevant administration costs have been met, and the level of the Bank's debt including accrued interest and costs.

The directors' Statement of Affairs shows two material assets not captured by any fixed charge security – the restrictive covenant over the Westair site and the debt due by Westair. We have been advised by our solicitors that the restrictive covenant is attached to the land held by the Company, and as such is not an asset in its own right. Any funds received in relation to lifting the restrictive covenant over the Westair site would be subject to the Bank's legal charge.

We are currently seeking legal advice as to whether the debt due by Westair would be subject to the Bank's fixed charge or floating charge under its debenture. Accordingly, realisations from this asset may fall due under the Bank's debenture, however it is unclear at this stage.

4.2 Preferential creditors

Claims from employees in respect of (1) arrears of wages up to a maximum of £800 per employee, (2) unlimited accrued holiday pay and (3) certain pension benefits, rank preferentially.

There is only one Company employee, and we estimate the amount of preferential claims at the date of our appointment to be approximately £1,000.

A distribution to preferential creditors will depend upon whether any recovery for the debt due by Westair will represent a fixed or floating charge recovery. There are no pension benefits to rank preferentially in this case.

4.3 Unsecured creditors

Based on current estimates, it is uncertain whether there will a dividend to unsecured creditors via the prescribed part. The outcome will depend on whether the sums recovered from the Company's debt due by Westair will be subject to the Bank's fixed charge or floating charge under its debenture.

Based on current estimates, it is uncertain whether there will be a dividend to unsecured creditors other than potentially under the terms of the prescribed part. The outcome will depend on the sales values achieved for the Site, the level of operational, sale and relevant administration costs, and the secured creditors' debt including accrued interest and costs.

5 Ending the administration

5.1 Exit route from administration

We consider it prudent to retain all of the options available to us, as listed in Section 8 to bring the administration to a conclusion in due course.

However, at this stage we anticipate that the most likely exit route will be by dissolution.

5.2 Discharge from liability

We propose to seek approval from the secured creditors and the preferential creditors that we will be discharged from liability in respect of any action as Joint Administrators upon the filing of our final receipts and payments account with the Registrar of Companies.

Discharge does not prevent the exercise of the Court's power in relation to any misfeasance action against us.

Should the circumstances of the administration change and the secured and preferential creditors are repaid in full, we reserve the right to revert to the unsecured creditors in order to obtain discharge from liability.

6 Approval of proposals

6.1 Deemed approval of proposals

The administrators' proposals will be deemed approved, with no requirement to seek deemed consent or use a decision procedure, as it appears that the Company has insufficient property to enable us to make a distribution to the unsecured creditors, other than by virtue of the prescribed part.

On expiry of eight business days from the date our proposals were delivered to the creditors, they will be deemed to have been approved by the creditors unless 10% in value of creditors request that a decision procedure is convened. Further details of the steps to convene a procedure are detailed below.

6.2 Creditors' right to request a decision

We will use a decision making procedure or deemed consent to seek approval of our proposals (1) if asked to do so by creditors whose debts amount to at least 10% of the total debts of the Company, and (2) if the procedures set out below are followed.

Requests for a decision must be made within eight business days of the date on which our proposals were delivered. They must include:

- a statement of the requesting creditor's claim;
- a list of the creditors concurring with the request, (if any) showing the amounts of their respective debts in the administration;
- written confirmation of their concurrence from each concurring creditor (if any); and

- a statement of the purpose of the proposed meeting.

In addition, the expenses of the decision procedure at the request of a creditor must be paid by that creditor. That creditor is required to deposit security for such expenses with us.

If you wish to request a decision, please complete and return the decision requisition form attached to the cover letter.

7 Joint Administrators' remuneration and disbursements

7.1 Approval of the basis of remuneration and disbursements

We propose to seek approval from the secured creditors and the preferential creditors that:

- our remuneration will be drawn on the basis of time properly given by us and the various grades of our staff in accordance with the fees estimate provided in Appendix 3 and the charge-out rates included in Appendix 5;
- disbursements for services provided by KPMG (defined as Category 2 disbursements in Statement of Insolvency Practice 9) will be charged in accordance with KPMG's policy as set out in Appendix 5.

Agreement to the basis of our remuneration and the drawing of Category 2 disbursements is subject to specific approval. It is not part of our proposals.

Should the circumstances of the administration change and the secured creditors are repaid in full, we reserve the right to revert to the unsecured creditors in order to seek approval for the basis of remuneration and the drawing of Category 2 disbursements.

Time costs

From the date of our appointment to 31 March 2017, we have incurred time costs of £187,066.25. These represent 462.25 hours at an average rate of £404.69 per hour.

Disbursements

We have incurred and paid disbursements of £4,362.61 during the period.

Additional information

We have attached (Appendix 5) an analysis of the time spent, the charge-out rates for each grade of staff and the disbursements paid directly by KPMG for the period from our appointment to 31 March 2017. We have also attached our charging and disbursements recovery policy.

8 Summary of proposals

Due to the nature of the Company's business as a single site developer, rescuing the Company in accordance with Paragraph 3(1)(a) is not achievable, with potential acquiring parties only interested in acquiring the Site, rather than the Company.

Therefore our primary objective is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up, in accordance with Paragraph 3(1)(b).

In addition to the specific itemised proposals below, this document in its entirety constitutes our proposals.

We propose the following:

General matters

- to continue to do everything that is reasonable, and to use all our powers appropriately, in order to maximise realisations from the assets of the Company in accordance with the objective as set out above;
- to investigate and, if appropriate, to pursue any claims the Company may have;
- to seek an extension to the administration period if we consider it necessary.

Distributions

- to make distributions to the secured and preferential creditors where funds allow;
- to make distributions to the unsecured creditors if funds become available, and to apply to the Court for authority to do so, where applicable.

Ending the administration

We might use any or a combination of the following exit route strategies in order to bring the administration to an end:

- apply to Court for the administration order to cease to have effect from a specified time and for control of the Company to be returned to the Directors;
- formulate a proposal for either a company voluntary arrangement (CVA) or a scheme of arrangement and put it to meetings of the Company's creditors, shareholders or the Court for approval as appropriate;
- place the Company into creditors' voluntary liquidation. In these circumstances we propose that we, Tony Friar and Blair Nimmo, be appointed as Joint Liquidators of the Company without any further recourse to creditors. If appointed Joint Liquidators, any action required or authorised under any enactment to be taken by us may be taken by us individually or together. The creditors may nominate different persons as the proposed Joint Liquidators, provided the nomination is received before these proposals are approved;
- petition the Court for a winding-up order placing the Company into compulsory liquidation and to consider, if deemed appropriate, appointing us, Tony Friar and Blair Nimmo, as Joint Liquidators of the Company without further recourse to creditors. Any action required or authorised under any enactment to be taken by us as Joint Liquidators may be taken by us individually or together;

- file notice of move from administration to dissolution with the Registrar of Companies if we consider that liquidation is not appropriate because (1) no dividend, or no further dividend will become available to creditors, and (2) there are no other outstanding matters that require to be dealt with in liquidation. The Company will be dissolved three months after the registering of the notice with the Registrar of Companies.

Alternatively, we may allow the administration to end automatically.

Joint Administrators' remuneration

We propose that:

- our remuneration will be drawn on the basis of time properly given by us and the various grades of our staff in accordance with the fees estimate provided in Appendix 3 and the charge-out rates included in Appendix 5;
- disbursements for services provided by KPMG (defined as Category 2 disbursements in Statement of Insolvency Practice 9) will be charged in accordance with KPMG's policy as set out in Appendix 5.

Discharge from liability

We propose that we shall be discharged from liability in respect of any action of ours as Joint Administrators upon the filing of our final receipts and payments account with the Registrar of Companies.

Appendix 1 Statutory information

Company information	
Company and Trading name	Cofton (Wales) Limited
Date of incorporation	23 November 2000
Company registration number	04113370
Trading address	Parc Llanilid, Llanharan, Rhondda Cynon Taf, Wales, CF72 9RP
Previous registered office	DeVirgo House, Valepits Road, Garretts Green, Birmingham, B33 0TD
Present registered office	KPMG LLP, 1 Sovereign Square, Sovereign Street, Leeds, LS1 4DA
Company Directors	Stephen Roger Turner Thomas Edward Barnsdall Philip Lambert Ambrose Kenneth Victor Haines Diane Carol Scriven Andrew John Stanton
Company Secretary	Stephen Roger Turner

Administration information	
Administration appointment	The administration appointment granted in High Court Leeds District Registry, 185 of 2017
Appointor	Bank of Scotland plc as Qualifying Charge Holder
Date of appointment	15 February 2017
Joint Administrators	Tony Friar and Blair Nimmo
Purpose of the administration	Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up.
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2).
Current administration expiry date	14 February 2018
Prescribed Part	The Prescribed Part may be applicable on this case. It has been taken into account when determining the dividend prospects for unsecured creditors (Section 4.3).
Estimated values of the Net Property and Prescribed Part	Estimated Net Property is not known at this time. The Prescribed Part is capped at the statutory maximum of £600,000.
Prescribed Part distribution	If funds do become available for a distribution under the Prescribed Part, the Joint Administrators may make a distribution to the unsecured creditors; or if appropriate, may apply to the Court to obtain an order that the Prescribed Part shall not apply on the grounds that the cost of making a distribution to the unsecured creditors would be disproportionate to the benefits. Alternatively, the Prescribed Part will be automatically disapplied if the Net Property is less than £10,000 and the costs of making a distribution would be disproportionate to the benefits
Application of EC Regulations	EC Regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC Regulations.

Appendix 2 Joint Administrators' receipts and payments account

Cofton (Wales) Limited - in Administration			
Abstract of receipts & payments			
Statement of affairs (£)		From 15/02/2017	From 15/02/2017
FIXED CHARGE ASSETS			
37,626,000.00	Freehold property	NIL	NIL
1,000,000.00	Restrictive covenant over Westair site	NIL	NIL
FIXED CHARGE CREDITORS			
(25,408,383.00)	Fixed charge creditor (1) - BOS	NIL	NIL
(2,984,251.00)	Fixed charge creditor (2) - PLA	NIL	NIL
(4,559,398.00)	Fixed charge creditor (3) - HCC	NIL	NIL
		NIL	NIL
ASSET REALISATIONS			
3,225,000.00	Charge over Westair site	NIL	NIL
8,978.00	Book debts	2,700.00	2,700.00
8,089.00	Tax refunds (pre-app'ent)	NIL	NIL
		2,700.00	2,700.00
OTHER REALISATIONS			
150.00	Sundry refunds	NIL	NIL
		NIL	NIL
PREFERENTIAL CREDITORS			
(800.00)	Employees' wage arrears	NIL	NIL
		NIL	NIL
UNSECURED CREDITORS			
(7,462,116.00)	Trade & expense	NIL	NIL
		NIL	NIL
DISTRIBUTIONS			
(1,453,269.00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
		2,700.00	2,700.00
REPRESENTED BY			
	Floating charge current		2,700.00
			2,700.00

To date, payments totalling £8,785.69 have been paid by the Bank in relation to the employees' payroll and the associated accounting and payroll processing services. These costs will be reimbursed from the administration bank account.

Appendix 3 Joint Administrators' fees estimate

Estimated time costs for the engagement			
	Estimated Total hours	Estimated Time cost (£)	Estimated Average hourly rate (£)
Administration & planning			
Bankrupt/Director/Member	17	4,245.00	249.71
Cashiering - processing receipts, payments and bank reconciliations	52	13,370.00	257.12
General - books & records, fees & work in progress	83	18,845.00	227.05
Statutory and compliance - appointment & related formalities, bonding, checklist & reviews, reports to secured creditors, advertising, strategy	278	99,430.00	357.66
Tax - VAT & Corporation tax, initial reviews, pre and post appointment tax	90	26,850.00	298.33
Creditors			
Creditors and claims - general correspondence, notification of appointment, statutory reports	135	44,425.00	329.07
Employees - correspondence	32	8,520.00	266.25
Investigation			
Directors - correspondence, statement of affairs, questionnaires	85	29,100.00	342.35
Investigations - director conduct and affairs of the Company	17	4,245.00	249.71
Realisation of assets			
Asset Realisation - including insurance of assets	1,313.00	474,495.00	361.38
Trading			
Trading - purchases, sales, cash projections	100	27,400.00	274
Total	2,202.00	750,925.00	341.02

In the event that additional work is necessary due to a change in the circumstances of the administration, we may need to increase our fees estimate and request approval to draw additional remuneration.

The basis of our remuneration and drawing of specific fees are subject to approval from the secured creditors and preferential creditors of the Company.

Appendix 4 Joint Administrators' expenses estimate

Summary of Expenses from appointment	
Expenses (£)	Initial Estimates (£ 000)
Legal fees	250
Agents fees	500
Marketing outlays	15
Administrative costs (Payroll, IT, etc)	20
Insurance	30
Health & Safety protective works	10
Site investigation reports	200
Leased equipment	44
Security	7
Employees payroll costs	60
Other costs (including provision)	114
Total	1,250

This is an initial indicative high-level estimate of expenses which is subject to change as the administration progresses.

Appendix 5 Joint Administrators' charging and disbursements policy

Joint Administrators' charging policy

The time charged to the administration is by reference to the time properly given by us and our staff in attending to matters arising in the administration. This includes work undertaken in respect of tax, VAT, employee, pensions and health and safety advice from KPMG in-house specialists.

Our policy is to delegate tasks in the administration to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

A copy of "A Creditors' Guide to Joint Administrators Fees" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available at:

<https://www.r3.org.uk/what-we-do/publications/professional/fees/administrators-fees>

If you are unable to access this guide and would like a copy, please contact Charlotte Burnham-Stevens on 0131 527 6695.

Hourly rates

Set out below are the relevant hourly charge-out rates for the grades of our staff actually or likely to be involved on this administration. Time is charged by reference to actual work carried out on the administration, using a minimum time unit of six minutes.

All staff who have worked on the administration, including cashiers and secretarial staff, have charged time directly to the administration and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the administration but is reflected in the general level of charge-out rates.

Charge-out rates (£) for: Cofton (Wales) Limited – in Administration	
Grade	From 01 Nov 2016 £/hr
Partner	625
Director	560
Senior Manager	510
Manager	425
Senior Administrator	295
Administrator	215
Support	131

The charge-out rates used by us might periodically rise (for example to cover annual inflationary cost increases) over the period of the administration. In our next statutory report, we will inform creditors of any material amendments to these rates.

Policy for the recovery of disbursements

Where funds permit the officeholders will seek to recover both Category 1 and Category 2 disbursements from the estate. For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

Category 1 disbursements: These are costs where there is specific expenditure directly referable to both the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

Category 2 disbursements: These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Category 2 disbursements charged by KPMG Restructuring include mileage. This is calculated as follows:

Mileage claims fall into three categories:

- Use of privately-owned vehicle or car cash alternative – 45p per mile.
- Use of company car – 60p per mile.
- Use of partner's car – 60p per mile.

For all of the above car types, when carrying KPMG passengers an additional 5p per mile per passenger will also be charged where appropriate.

We have incurred the following disbursements during the period 15 February 2017 to 31 March 2017.

SIP 9 - Disbursements					
Disbursements	Category 1		Category 2		Totals (£)
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)	
Accommodation	635.00		NIL		635.00
Meals	329.56		NIL		329.56
Bonding	950.00		NIL		950.00
Travel	2,448.05		NIL		2,448.05
Total	4,362.61		NIL		4,362.61

We have the authority to pay Category 1 disbursements without the need for any prior approval from the creditors of the Company.

Category 2 disbursements are to be approved in the same manner as our remuneration.

Narrative of work carried out for the period 15 February 2017 to 31 March 2017

The key areas of work have been:

Statutory and compliance	<ul style="list-style-type: none"> ■ collating initial information to enable us to carry out our statutory duties, including creditor information, details of assets and information relating to the licences; ■ providing initial statutory notifications of our appointment to the Registrar of Companies, creditors and other stakeholders, and advertising our appointment; ■ responding to regular press enquiries and posting information on a dedicated web page; ■ preparing statutory receipts and payments accounts; ■ arranging bonding and complying with statutory requirements; ■ ensuring compliance with all statutory obligations within the relevant timescales.
Strategy documents, Checklist and reviews	<ul style="list-style-type: none"> ■ formulating, monitoring and reviewing the administration strategy, including the decision to trade and meetings with internal and external parties to agree the same; ■ briefing of our staff on the administration strategy and matters in relation to various work-streams; ■ regular case management and reviewing of progress, including regular team update meetings and calls; ■ reviewing and authorising junior staff correspondence and other work, ■ dealing with queries arising during the appointment; ■ reviewing matters affecting the outcome of the administration; ■ allocating and managing staff/case resourcing and budgeting exercises and reviews; ■ liaising with legal advisors regarding the various instructions, including agreeing content of engagement letters; ■ complying with internal filing and information recording practices, including documenting strategy decisions.
Reports to debenture holders	<ul style="list-style-type: none"> ■ providing written and oral updates to representatives of the secured creditors regarding the progress of the administration and case strategy.
Cashiering	<ul style="list-style-type: none"> ■ setting up administration bank accounts and dealing with the Company's pre-appointment accounts; ■ corresponding with the Bank in relation to the application to obtain an overdraft facility; ■ preparing and processing vouchers for the payment of post-appointment invoices; ■ creating remittances and sending payments to settle post-appointment invoices; ■ preparing payroll payments for retained staff, dealing with salary related queries and confirming payments with the employee's banks; ■ reviewing and processing employee expense requests; ■ ensuring compliance with appropriate risk management procedures in respect of receipts and payments.
Tax	<ul style="list-style-type: none"> ■ gathering initial information from the Company's records in relation to the taxation position of the Company; ■ submitting relevant initial notifications to HM Revenue and Customs; ■ reviewing the Company's pre-appointment corporation tax and VAT position; ■ analysing and considering the tax effects of various sale options, tax planning for efficient use of tax assets and to maximise realisations; ■ working initially on tax returns relating to the periods affected by the administration; ■ analysing VAT related transactions; ■ reviewing the Company's duty position to ensure compliance with duty requirements; ■ dealing with post appointment tax compliance.
Shareholders	<ul style="list-style-type: none"> ■ providing notification of our appointment; ■ responding to enquiries from shareholders regarding the administration; ■ providing copies of statutory reports to the shareholders.
General	<ul style="list-style-type: none"> ■ reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9; ■ locating relevant Company books and records.
Trading	<ul style="list-style-type: none"> ■ preparing cash flow statements to monitor the cash position; ■ attending to supplier and customer queries and correspondence; ■ raising, approving and monitoring purchase orders and setting up control systems for trading; ■ negotiating and making direct contact with various suppliers as necessary to provide additional information and undertakings, including agreeing terms and conditions, in order to ensure continued support; ■ dealing with issues in relation to stock and other assets required for trading; ■ communicating and negotiating with customers regarding ongoing supplies, including agreeing terms and conditions; ■ ensuring ongoing provision of emergency and other essential services to site.

Asset realisations	<ul style="list-style-type: none"> ■ collating information from the Company's records regarding the assets; ■ liaising with agents regarding the sale of assets; ■ reviewing outstanding debtors and management of debt collection strategy;
Property matters	<ul style="list-style-type: none"> ■ gathering information relating to the freehold property and analysing the various documentation; ■ dealing with queries from interested parties and managing the information flow to potential purchasers; ■ planning the strategy for the sale of the business and assets, including instruction and liaison with professional advisers;
Health and safety	<ul style="list-style-type: none"> ■ liaising with health and safety specialists in order to manage all health and safety issues and environmental issues, including ensuring that legal and licensing obligations are complied with; ■ liaising with Natural Resources Wales regarding the administration and ongoing health and safety compliance.
Open cover insurance	<ul style="list-style-type: none"> ■ arranging ongoing insurance cover for the Company's business and assets; ■ liaising with the post-appointment insurance brokers to provide information, assess risks and ensure appropriate cover in place; ■ assessing the level of insurance premiums.
Employees	<ul style="list-style-type: none"> ■ dealing with queries from employees regarding various matters relating to the administration and their employment; ■ dealing with statutory employment related matters, including statutory notices to employees and making statutory submissions to the relevant government departments; ■ holding employee briefing meetings to update employees on progress in the administration and our strategy; ■ administering the Company's payroll, including associated taxation and other deductions, and preparing PAYE and NIC returns; ■ communicating and corresponding with HM Revenue and Customs; ■ ensuring security of assets held by employees.
Pensions	<ul style="list-style-type: none"> ■ collating information and reviewing the Company's pension schemes; ■ calculating employee pension contributions; ■ arranging for the remaining employee to be enrolled in a pension scheme; ■ ensuring compliance with our duties to issue statutory notices; ■ ensuring death-in-service cover for employees remains in place; ■ communicating with employees representatives concerning the effect of the administration on pensions and dealing with employee queries.
Creditors and claims	<ul style="list-style-type: none"> ■ drafting and circulating our proposals; ■ creating and updating the list of unsecured creditors; ■ responding to enquiries from creditors regarding the administration and submission of their claims; ■ reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records;
Investigations/ directors	<ul style="list-style-type: none"> ■ reviewing Company and directorship searches and advising the directors of the effect of the administration; ■ liaising with the directors to produce the Statement of Affairs and filing this document with the Registrar of Companies; ■ reviewing the questionnaires submitted by the Directors of the Company;

Time costs

SIP 9 –Time costs analysis (15/02/2017 to 31/03/2017)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning			
Bankrupt/Director/Member			
Notification of appointment	0.75	382.50	510.00
Cashiering			
Fund management	1.20	612.00	510.00
General (Cashiering)	1.50	378.50	252.33
Reconciliations (& IPS accounting reviews)	1.50	765.00	510.00
General			
Books and records	0.40	118.00	295.00
Statutory and compliance			
Appointment and related formalities	18.00	6,828.50	379.36
Bonding and bordereau	1.10	437.50	397.73
Reports to debenture holders	29.55	13,076.25	442.51
Strategy documents	18.50	9,649.50	521.59
Tax			
Initial reviews - CT and VAT	9.35	3,831.50	409.79
Post appointment corporation tax	5.00	1,540.00	308.00
Post appointment VAT	6.05	2,413.75	398.97
Creditors			
Creditors and claims			
General correspondence	3.40	1,262.00	371.18
Notification of appointment	1.80	387.00	215.00
Pre-appointment VAT / PAYE / CT	0.80	236.00	295.00
Secured creditors	0.80	172.00	215.00
Statutory reports	33.50	11,448.50	341.75
Employees			
Correspondence	7.00	2,251.00	321.57
Pensions reviews	4.70	1,325.50	282.02
Investigation			
Directors			
Correspondence with directors	26.45	7,744.75	292.81
Directors' questionnaire / checklist	0.40	204.00	510.00
Statement of affairs	3.20	1,632.00	510.00
Realisation of assets			

SIP 9 –Time costs analysis (15/02/2017 to 31/03/2017)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Asset Realisation			
Debtors	5.60	2,797.00	499.46
Freehold property	226.10	97,397.50	430.77
Health & safety	33.80	14,398.00	425.98
Open cover insurance	2.60	765.50	294.42
Plant and machinery	0.20	102.00	510.00
Sale of business	1.10	324.50	295.00
Trading			
Cash & profit projections & strategy	13.15	3,033.75	230.70
Purchases and trading costs	4.75	1,552.25	326.79
Total in period	462.25	187,066.25	404.69
Brought forward time (appointment date to SIP 9 period start date)	0.00	0.00	
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	462.25	187,066.25	
Carry forward time (appointment date to SIP 9 period end date)	462.25	187,066.25	

Appendix 6 Statement of Affairs, including creditor list

This is the Statement of Affairs for the Company as at the date of our appointment. The Statement of Affairs was provided by Thomas Edward Barnsdall. We have received signed statements of concurrence from all of the directors.

We have not carried out anything in the nature of an audit on the information provided. The figures do not take into account the costs of the administration.

Rule 2.29

Form 2.14B

Statement of affairs

Name of Company
Cofton (Wales) Limited

Company number
04113370

In the
High Court Leeds District Registry
[full name of court]

Court case number
185 of 2017

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

Statement as to the affairs of (a) Cofton (Wales) Limited of DeVirgo House, Valepits Road, Garretts Green, Birmingham B33 0TD

(b) Insert date

on the (b) 15th February 2017 _____, the date that the company entered administration.

Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named company as at (b) 15th February 2017 _____, the date that the company entered administration.

Full name Thomas Edward Barnsdall _____

Signed 

Dated 27th Feb 2017

A – Summary of Assets

Assets

	Book Value £	Estimated to Realise £
Assets subject to fixed charge:		
Land at Parc Llanilid, Pontyclun	2,820,616	} 37,626,000
Work-in-progress, installed infrastructure	17,512,774	
Amounts owed:		
Bank of Scotland	(25,408,383)	(25,408,383)
Philip Lambert Ambrose	(2,984,251)	(2,984,251)
HCC International Insurance	(4,559,398)	(4,559,398)
Assets subject to floating charge:		
Charge over Westair film studio land	3,225,000	3,225,000
Restrictive covenant over Westair land	-	1,000,000
Uncharged assets:		
Sales ledger	8,978	8,978
HMRC Land Remediation Claim 31/03/16	8,089	8,089
Other	150	150
Estimated total assets available for preferential creditors	(9,376,425)	8,916,185

Signature  Date 27th Feb 17

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A1 – Summary of Liabilities

	£	Estimated to realise £
Estimated total assets available for preferential creditors (carried from page A)		8,916,185
Liabilities		
Preferential creditors:-	800	
Estimated deficiency/surplus as regards preferential creditors		8,915,385
<i>Estimated prescribed part of net property where applicable (to carry forward)</i>	600,000	
Estimated total assets available for floating charge holders		8,315,385
Debts secured by floating charges	-	
Estimated deficiency/surplus of assets after floating charges		8,315,385
<i>Estimated prescribed part of net property where applicable (brought down)</i>	600,000	
Total assets available to unsecured creditors		8,915,385
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	7,462,116	
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)		1,453,269
Shortfall to floating charge holders (brought down)	-	
Estimated deficiency/surplus as regards creditors		1,453,269
Issued and called up capital	100	
Estimated total deficiency/surplus as regards members		1,453,169

Signature



Date

27th Feb 2017

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COMPANY CREDITORS

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

Name of creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
Bank of Scotland	Major CRE Edinburgh, Client Asset Management, 4 th Floor, New Superior House, 1 Earl Grey Street, Edinburgh EH3 9BN	25,408,383	First legal charge Debenture	29/03/2001 25/10/2006	All monies All monies
Philip Lambert Ambrose	14A Egremont Street, Ely, Cambridgeshire CB6 1AE	2,984,251	Second legal charge Debenture Second legal charge	31/03/2010 31/03/2010 20/08/2010	} up to £3,500,000
HCC International Insurance Company PLC	The Grange, Rearsby, Leicester LE7 4FY	4,559,398	Third legal charge over residential land except for Excluded Land	20/12/2016	
David Karl Schubert / BPM Technology Corporation Ltd	Baglan Villa, Penybryn, Pyle, Bridgend, CF33 6RB	1,108,714	Land Registry Unilateral Notice re Deed dated 22/12/2006	27/07/2009	Principal sum £900,000 plus interest @ Barclays Base Rate + 4% pa
SSE Power Distribution Ltd	PO Box 2004, Branksome, Poole, Dorset BH12 1YT	2,133,849			

Company Name: [REDACTED]

HMRC - VAT	Mark Platt, Higher Officer, VAT Individuals and Small Business Compliance (ISBC) Small and Medium Enterprises 6th Floor, City Centre House, 30 Union Street, Birmingham B2 4AD Input tax clawback assessment less : VAT Control s/c reclaim balance	207,705 (10,227)			
HMRC	Tax ref : 068/WZ14085 Accounts office ref : 068PX00117560	PAYE 418 NIC 316 CIS 225			
Peter Evans (2 weeks wages)	Llyswerfa, Hamilton Street, Mountain Ash, Mid Glamorgan CF45 3RH	933			
Welsh European Funding Office (WEFO)	Merthyr Tydfil Office, Rhydyar, Merthyr Tydfil CF48 1DU	205,973			
Glamorgan Law	The Pavilion, 60 Eastgate, Cowbridge CF71 7AB	2,400			
Wayne Purfitt	c/o JW Purfitt & Sons Ltd, 55 Golwg-y-Bryn, Main Road, Onllwyn, Nr. Neath, West Glamorgan SA101 9NH	1,500			

Company Name: [REDACTED]

Llanmor Development Co Ltd	63-65 Talbot Road, Talbot Green, Pontyclun, Rhondda Cynon Taff CF72 8AE.	23,295			
Other trade creditors (per Creditors Breakdown schedule)		3,777,587			

Signature  Date 27th Feb 2017

COMPANY SHAREHOLDERS

Name of Shareholder	Address (with postcode)	No. of shares held	Nominal Value	Details of Shares held
Coflon Group Limited – in administration	c/o Deloitte LLP, 4 Brindley Place, Birmingham B1 2HZ	58	£58	'A' Ordinary shares of £1 each
Thomas Edward Barnsdall	5 Arden Oak, 581 Warwick Road, Solihull B91 1AW	17	£17	'B' Ordinary shares of £1 each
Diane Carol Scriven	78 Cropthorne Road, Shirley, Solihull, West Midlands B90 3JN	5	£5	'B' Ordinary shares of £1 each
Philip Lambert Ambrose	14A Egremont Street, Ely, Cambridgeshire CB6 1AE	20	£20	'C' Ordinary shares of £1 each
TOTALS		100	£100	

Signature  Date 27th Feb 2017

Unsecured Creditors**(£)**

Aon Limited	15,274.80
Aspire Consulting Ltd	431.68
CJ Associates Geotechnical	2,487.10
David Clements Ecology	1,336.44
Davies Landscape Architects	31,002.60
Devirgo Limited	872,312.30
Eversheds	174,611.36
Geriant John Planning Ltd	1,852.14
Heath Lambert Ltd	108,096.44
Hedgcroft Services	810.00
H L Contracts	142,618.31
Hugh James	40.00
Insite Corporate Management Ltd	378,404.05
Integral Geotechnique	53,640.00
Jelf Beaumonts	547.50
Kennson Ltd	134,422.45
Jones Lang LaSalle Ltd	9,000.00
Land UK Projects Ltd	159,342.94
Moore Stephens LLP	8,750.00
Nite Lite Security Regency Factors (for Nitelite)	47,806.97
Opus International	118,237.04
Pricewaterhouse Coopers LLP	4,450.00
PLP Consultancy Ltd	788,312.50
Savills (L&P) Ltd	58,611.57
Southern Electric	1,894.04
Valad Management Services	17,000.00
Walker Morris	11,816.16
Apex Drilling Services Ltd	40,334.21
Dawnus Construction Ltd	144,106.88
Alun Griffiths (Contractors) Ltd	449,977.42
Pickett Glass Company	60.17
SSE Power Distribution	2,133,848.96
VAT assessment	207,704.68
HMRC - PAYE	418.40
HMRC - National Insurance	679.00
HMRC - NI Employment Allowance	(362.74)
HMRC - CIS Tax	224.91
Employee wages - Peter Evans	133.42
Karl Schubert	1,108,714.14
WEFO	205,973.00
Glamorgan Law	2,400.00
Wayne Parfitt (Nitelite) loan	1,500.00
Llanmoor Development Co Ltd	23,295.00
	7,462,115.84

Appendix 7 Glossary

Bank	Bank of Scotland plc
Company	Cofton (Wales) Limited - in Administration
Joint Administrators/we/our/us	Tony Friar and Blair Nimmo
KPMG	KPMG LLP
Secured creditors	Bank of Scotland plc Philip Lambert Ambrose HCC International Insurance Company plc
Solicitors	Walker Morris LLP
Mr Ambrose	Philip Lambert Ambrose
HCC	HCC International Insurance Company plc
The Site	The Company's freehold property located at Llanilid, South Wales.
Westair	Westair Properties Limited – in administration

Any references in these proposals to sections, paragraphs and rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency Rules (England and Wales) 2016 respectively.

Appendix 8 · Notice: About this statement of proposals

This statement of proposals ('proposals') has been prepared by Tony Friar and Blair Nimmo, the Joint Administrators of Cofton (Wales) Limited – in Administration (the 'Company'), solely to comply with their statutory duty under Paragraph 49, Schedule B1 of the Insolvency Act 1986 to lay before creditors a statement of their proposals for achieving the purposes of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

These proposals have not been prepared in contemplation of them being used, and are not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company.

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

Any person that chooses to rely on these proposals for any purpose or in any context other than under Paragraph 49, Schedule B1 of the Insolvency Act 1986 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.

Gerard Anthony Friar and Blair Carnegie Nimmo are authorised to act as insolvency practitioners by the Institute of Chartered Accountants of Scotland.

We are bound by the Insolvency Code of Ethics.

The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of these proposals or the conduct of the administration.

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