



For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 5 1 5 0 6 3 1

Company name in full Dalbury Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Adrian Peter

Surname Berry

3 Administrator's address

Building name/number 1 City Square

Street Leeds

Post town West Yorkshire

County/Region

Postcode L S 1 2 A L

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 1 City Square

Street Leeds

Post town West Yorkshire

County/Region

Postcode L S 1 2 A L

Country

② Other administrator

Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6

Period of progress report

From date

1

0

0

4

2

0

2

0

To date

0

9

1

0

2

0

2

0

7

Progress report

☒ I attach a copy of the progress report

8

Sign and date

Administrator's signature

Signature

X

X

Signature date

0

9

1

1

2

0

2

0

**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 **Aaron Banks**

Company name **Deloitte LLP**

Address **Four Brindleyplace
Birmingham**

Post town **B1 2HZ**

County/Region

Postcode

Country

DX

Telephone **+44 121 632 6000**

**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 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



Dalbury Limited
(in Administration)
("the Company")

Progress report to creditors for the period 10 April
2020 to 9 October 2020 pursuant to rules 18.2 to
18.6 inclusive of the Insolvency (England & Wales)
Rules 2016 ("the Rules")

Court Case No. CR-2019-LSD-000429
The Business and Property Court in
Leeds, Company & Insolvency (ChD)

Company Number: 05150631

Registered Office: c/o Deloitte LLP
Four Brindleyplace
Birmingham
B1 2HZ

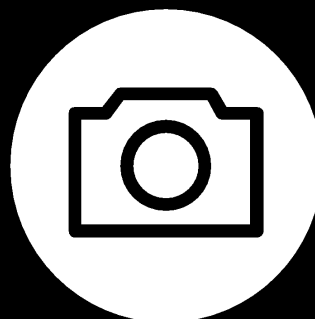
Adrian Peter Berry and Clare Boardman ("the Joint Administrators") were appointed Joint Administrators of Dalbury Limited on 10 April 2019 by Clydesdale Bank Plc ("the Secured Creditor"/"the Bank"). The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability. All licensed Insolvency Practitioners of Deloitte LLP ("Deloitte") 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.

Council Regulation (EU) No 2015/848 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

09 November 2020

Key messages



Key messages

Joint Administrators of the Company

Adrian Peter Berry
Clare Boardman
Deloitte LLP
1 New City Square
Leeds
LS1 2AL

Contact Details

Email: aabanks@deloitte.co.uk
Website: www.ips-docs.com
Login: DALB00D ~ Deloitte LLP
Tel: 0121 695 5827



Commentary

- The purpose of the administration is to achieve a better result for the Company's creditors as a whole than a liquidation.
- Our agents, Fisher German LLP, undertook a marketing process to sell the freehold property at 32 Blencathra Drive, Derby ("Blencathra"). The sale completed on 1 October 2020 for £184,960 and funds have been received.
- Prior to our appointment DAS Law LLP were supporting the Company with a potential claim against a former Joint Venture Partner. We have discussed this matter with the director of the Company, John Laing, and are considering the possible assignment of the claim to Mr Laing.
- The Company has a beneficial interest in East Learmouth Farm for c.£2.4m, which forms part of John Laing's Receivership estate. Any realisation of the Company's interest in this land is dependant upon the progress of realisations in the Receivership estate, which is explained in more detail on page 5.
- Our fees were fixed on a time costs basis by the Secured Creditor on 30 September 2019.
- During the period of this report no fees have been drawn in respect of the Joint Administrators' remuneration.
- Our time costs for the period of the report are £35,865. Please see page 13 for further details.
- There were no disbursements incurred during the report period. Please see page 14 for further details.
- Third party costs and expenses of £15,146 have been incurred in the report period. Please see page 6 for further details.
- Possible Realisation of the beneficial interest in East Learmouth Farm, which is reliant on the realisations in the Receivership.
- Realise the company's interest in a Land Rover motor vehicle.
- Finalise all VAT and tax matters.
- Statutory closing procedures.
- The Secured Creditor will likely be paid in full.
- There are no preferential claims in the administration.
- It is likely that there will be a dividend of less than 10p in the £ to the unsecured creditors via the Prescribed Part, with further returns dependant on realisation of the remaining assets. See page 10 for further details.
- The administration was extended by the Secured Creditor on 24 January 2020 and will now end on or before 10 April 2021, following which it may be necessary to convert to liquidation to enable a distribution to be paid to unsecured creditors. We do not anticipate that it will be necessary to further extend the period of the administration.

Progress of the administration

Summary

Freehold property

Blencathra

32 Blencathra Drive was marketed for sale by online auction at a guide price of £180,000. The marketing process commenced on 3 February 2020 with the auction closing on 12 March 2020.

A number of viewings took place during the marketing phase and the agents received an offer of £170,000, which was rejected. The property was re-launched by way of a private treaty sale process on 16 March 2020 with a guide price of £180,000. A number of viewings took place and several parties submitted offers, which were progressed but did not complete due to withdrawal of interest by the interested party.

An offer of £184,960 was received and recommended by the agent's, and accepted by the Bank on the 29 July 2020.

The sale of the property completed on 1 October 2020 and the completion monies have been received into the administration estate.

East Learmouth Farm

The Company has a beneficial interest in East Learmouth Farm for c.£2.4m. The Bank has first ranking security over the land and Fixed Charge Receivers have been appointed. The claim of the Company to a beneficial interest in the land sits behind the Bank's secured interest.

Any realisation of the Company's interest in this land is dependent upon the outcome of the Receivership which is ongoing.

Further details will be provided to creditors in due course.

Litigation

Prior to our appointment DAS Law LLP were supporting the Company with a potential claim against a former Joint Venture Partner. We have discussed this matter with the director of the Company, John Laing, and we are considering the assignment of the claim to Mr Laing.

Statutory tasks

During the period we have carried out the following tasks which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature:

- Case management actions, including updating the creditor portal for the case, filing and regular diary reviews to ensure compliance matters are dealt with accordingly;
- Statutory reporting, including the preparation of the previous progress report;
- Cashiering functions, including the preparation of monthly bank account reconciliations and various payments and receipts; and
- Interaction with HM Revenue & Customs in respect of VAT and Corporation Tax matters.

These tasks are a necessary part of the engagement but do not generate any direct financial benefit for creditors.



Progress of the administration Summary

The following third party expenses have been incurred during the report period:

- We instructed Gateley Plc, a firm of lawyers with the appropriate expertise and experience dealing with this type of administration, to advise on the following matters:
 - validity of appointment review;
 - review of charges and security held over any property owned by the Company;
 - preparation of sales contracts; and
 - general ad-hoc advice.
- Gateley Plc estimated that their fee for assisting with the above matters would be c.£40,000 plus VAT. During the period, legal fees of £12,370 plus VAT have been paid. To date they have billed a total of £50,130 in respect of their work. Legal costs are higher than originally estimated due to the complicated nature of the Company's assets and the interlinked position with the ongoing receivership. Legal fees continue to be incurred and we have liaised with Gateley who have provided a revised estimate for legal costs of c.£85,000.
- Fisher German LLP was instructed to undertake a marketing process to sell the freehold property at Blencathra. To date they have billed £2,776 plus VAT. No further costs are expected in this regard.

Of these costs, legal fees of £3,500 plus VAT have not yet been paid and will be settled in due course.

All professional costs are reviewed and analysed in detail before payment was approved.



Progress of the administration

Receipts and payments

Joint Administrators' receipts and payments account 10 April 2020 to 09 October 2020

Receipts

Trading Surplus/(Deficit)	B	(4,902)	(3,804)
Sale of Blencathra Drive		184,960	184,960
Sale of Dairy Assets		-	44,000
Administration Funding		-	25,000
Arla Capital Payment		-	100,163
Plant & Machinery		-	535,755
Sundry Refunds		-	2,368
Sale of Cattle		-	162,200
Bank Interest Gross	A	286	1,142
Total receipts	-	180,344	1,051,784

Payments

Machinery Funds to John Laing Receivership		-	323,462
Sale of Cattle - Refund Paid		-	925
Administrators' Fees		-	150,000
Administrators' Expenses		-	1,125
Agents' Fees	F	3,776	15,482
Agents' Expenses		-	283
Legal Fees		8,770	50,130
Legal Expenses		23	23
Irrecoverable VAT	C	-	923
Statutory Advertising		-	87
Bank Charges		9	34
Insurance		4,581	4,581
Total payments		17,159	547,055

Balance

504,729

Made up of:

VAT Receivable	C	14,599
Floating Chge Deposit A/c	A	507,600
Funds due to John Laing Receivership		(446)
Trade Creditors	D	(1,025)
VAT Payable - Held in Escrow	E	(16,000)
Balance in hand		504,729

A receipts and payments account together with a separate trading account is provided opposite and on the next page, detailing the transactions during the report period.

Notes to receipts and payments account

Note A - All funds are held in an interest bearing account. The associated corporation tax on interest received will be accounted for to HM Revenue & Customs ("HMRC").

Note B - A trading account has been prepared to reflect the trading sales and payments made to date. An overall net surplus trading position is expected.

Note C - All sums are shown net of VAT, which is recoverable and will be accounted for to HMRC in due course. £923 of VAT is irrecoverable as it relates to invoices raised prior to our appointment, for which we can not reclaim the VAT.

Note D - Invoices received are logged, recorded and posted to the cash book on an accruals basis, the balance noted represents invoices received and posted to the cash book but not yet paid from the bank accounts.

Note E - A portion of VAT payable on plant and machinery sales has been held in escrow whilst the Company's VAT position is confirmed with HMRC. Any VAT payable will be accounted for to HMRC in due course.

Note F - Agent's fees of £1,000 have been reallocated from the trading account to the receipts and payments account.

Statement of Affairs

No statement of affairs was provided for the Company, accordingly we are unable to provide comparative figures based on estimated to realise values.

Rounding note

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



Progress of the administration

Receipts and payments

Joint Administrators' trading account 10 April 2019 to 6 June 2019

Receipts		
Milk sales	-	83,049
Sales	-	537
Rent Receipts	-	2,299
Trading Recharges to JAL	-	4,761
Total receipts	-	90,646
Payments		
Cost Of Sales	A	- 21,868
Sub Contractors	-	4,320
Direct Labour	4,638	24,247
Direct Expenses	-	9,362
Indirect Labour	-	11,894
Rates	474	474
Heat & Light	-	145
Telephone	-	2,735
Insurance	581	7,801
Professional Fees	210	3,010
Hire of Equipment	-	1,120
Repairs & Maintenance	-	559
Vet fees	-	3,404
Agents' fees	B	(1,000) 840
Repairs and Maintenance	-	2,425
Water Rates	-	248
Total payments		4,902 94,450
Trading surplus/(deficit)		(4,902) (3,804)

Notes to trading account

The trading account shown in the column opposite has been prepared on a cash basis. Trading ceased on 6 June 2019. We anticipate that once outstanding sales receipts have been collected and trading costs including the recharge of wages to the Fixed Charge Receivership have been settled, that there will be a small trading surplus of c.£6,500.

Note A – Within costs of sales is a ransom payment made to a creditor for a critical supply.

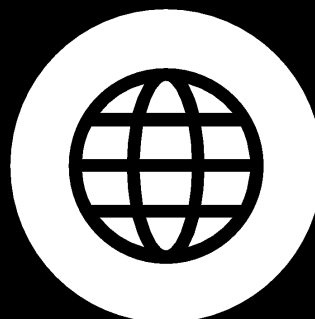
Note B – Agent's fees of £1,000 have been reallocated from the trading account to the receipts and payments account.



Information for creditors

Outcome

10



Information for creditors

Outcome



Secured Creditor

The Secured Creditor, Clydesdale Bank Plc, was owed c.£2m at the date of our appointment in relation to the Company with additional indebtedness in relation to John Laing which is subject to a Fixed Charge Receivership.

These amounts are secured by way of fixed and floating charges granted by the Company on 22 August 2011.

We consider that there will be sufficient asset realisations to repay the Secured Creditor in full from the administration estate. We will review and consider the Bank's claim along with the beneficial interest and the progress of realisations in the Receivership.

Preferential creditors

Preferential claims consist of amounts owed to employees for arrears of wages/salaries, holiday pay, and pension contributions.

There are no preferential creditors in the administration as the sole employee's arrears have been paid as part of our trading account.

Prescribed Part

As detailed in the Proposals, we anticipate that there will be a Prescribed Part fund available for distribution to unsecured creditors. On present information the expected dividend will be less than 10p in the £.

Please note that in accordance with Rule 3.50 the costs associated with the Prescribed Part (which would chiefly comprise our costs incurred in adjudicating and processing claims) must be paid out of the Prescribed Part fund.

Unsecured creditors

Initial information from the Company identified 73 creditors are owed in the region of £152k.

We were subsequently notified by John Laing's advisors that he has an estimated unsecured claim of c.£1.9m in the administration, which we are currently reviewing.

To date claims totalling c.£2.0m have been received from 12 creditors.

Based on present information, depending on the level of funds realised from the beneficial interest, sufficient funds may be realised to enable a dividend to be paid to unsecured creditors, in addition to the prescribed part distribution referred to above.

Creditors with debts of £1,000 or less

You do not need to prove your debt for dividend purposes if the amount you are owed, according to the Company's books and records, is £1,000 or less. Instead, we will notify you if funds become available for dividend purposes and provide you with details of the amount at which your claim has been admitted. If you disagree with that amount, you will be provided with an opportunity to notify us of the correct amount.

Please note that should you wish to vote in a decision procedure, you will then need to submit a proof of claim to us.

Creditors with debts of more than £1,000

Unsecured creditors with claims of more than £1,000 are invited to submit their claims to us either directly via the case website at www.ips-docs.com or by downloading and completing a proof of debt form from the case website and which should be sent to the address on the cover page. Alternatively, a hard copy proof of debt form will be provided free of charge on request.

The administration was extended by the Secured Creditor on 24 January 2020 and will now end on or before 10 April 2021. We do not anticipate that it will be necessary to further extend the period of the administration.

As detailed in our Proposals, we consider dissolution to be the most appropriate exit route from administration. Should there be sufficient realisations to enable a further distribution to unsecured creditors, it may be appropriate to exit to creditors' voluntary liquidation.

Remuneration and expenses

Joint Administrators' remuneration

"A Creditors' Guide to Remuneration" is available for download at www.ips-docs.com.

Should you require a paper copy, please send your request in writing to us at the address on the cover page and this will be provided to you at no cost.

Basis of remuneration

The basis of our remuneration was fixed by the Secured Creditor on 30 September 2019 by reference to the time properly given by the Joint Administrators and their staff, plus VAT thereon.

Fees drawn to date

Since our appointment fees totalling £150,000 have been drawn in respect of the Joint Administrators' remuneration.

Please refer to page 13 where we have updated the Fees Estimate to provide details of our actual time costs for the period of the report and also summarised here:

Our total time costs for the report period to 8 October 2020 are £35,865 made up of 67.3 hours at a blended charge out rate of £533 per hour across all grades of staff.

Our total time costs since the date of our appointment are £478,624 made up of 834 hours at a blended charge out rate of £574 per hour across all grades of staff.

Our actual time costs are thus higher than we anticipated, and for the reasons set out below:

- Lengthy and complex negotiations with suppliers to enable trading to continue required more senior input than initially provided for.
- Costs in relation to monitoring trading have exceeded our initial estimates, due to higher than expected trading activity and the need to manage and pay suppliers, in order to continue with operations of the business.
- Additional work was required in relation to the recovery of assets and property related matters.

Although our actual time costs to date are higher than we anticipated, we do not intend to draw fees in excess of our Fee Estimate.



Fees Estimate and Joint Administrators' time costs for the period of the report and for the entire period of the appointment

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

Administrative activities	Cashiering	30.0	590	17,700	22.0	369	8,128	131.1	376	49,260
	Case supervision	35.6	587	20,896	7.0	534	3,740	83.3	705	58,729
	Case reviews	8.4	483	4,056	-	-	-	0.8	500	400
	Case closure matters	8.5	522	4,435	-	-	-	1.0	350	350
Statutory & compliance	Compliance & IPS diary	12.0	642	7,704	0.2	465	93	8.8	533	4,687
	Insurance	11.5	599	6,890	-	-	-	8.4	655	5,466
	General reporting	61.6	533	32,840	7.8	636	4,962	89.5	658	58,853
	Regulatory & other legislation	3.0	510	1,530	-	-	-	6.0	750	4,500
	Court applications	10.5	742	7,788	-	-	-	-	-	-
	Appointment matters	7.2	465	3,348	-	-	-	12.5	456	5,678
Initial actions	Securing assets	7.2	697	5,018	-	-	-	-	-	-
	Notifications	22.2	524	11,628	-	-	-	6.6	465	3,068
Investigations	CDDA reporting	11.5	610	7,015	-	-	-	3.1	667	2,069
	Investigations	11.5	680	7,825	-	-	-	3.4	865	2,940
Total of above categories		240.7	576	139,673	37.0	457	16,923	354.4	-	195,999
Taxation	Tax	18.7	707	13,227	0.6	750	413	86.0	585	50,328
	VAT	17.5	419	7,333	1.1	735	772	15.2	659	10,047
Asset realisations	Third party assets	-	-	-	-	-	-	18.4	361	6,623
	Book debts	3.0	643	1,930	-	-	-	-	-	-
	Chattel assets	-	-	-	-	-	-	2.3	750	1,725
	Other assets	5.0	773	3,865	-	-	-	64.2	629	40,376
	Property	12.5	595	7,440	17.7	739	13,075	41.0	637	26,093
	Sale of business	-	-	-	-	-	-	8.8	898	7,900
	Antecedent transactions	-	-	-	-	-	-	0.5	350	175
Trading	Day 1 control of trading	38.5	740	28,505	-	-	-	39.9	765	30,505
	Ongoing trading	73.0	572	41,750	-	-	-	114.6	533	61,071
	Monitoring trading	38.0	607	23,060	-	-	-	29.8	525	15,613
	Closure of trade	7.0	624	4,370	9.9	434	4,298	24.6	603	14,843
Employees	Consultation	-	-	-	-	-	-	1.1	465	512
	Correspondence	0.4	465	186	-	-	-	2.2	465	1,023
	Pensions	0.5	465	233	-	-	-	-	-	-
Correspondence	Creditors	16.5	464	7,650	1.1	350	385	29.9	510	15,231
	Shareholders	0.1	465	47	-	-	-	-	-	-
Distributions	Secured creditors	2.8	773	2,166	-	-	-	0.2	590	118
	Unsecured creditors	-	-	-	-	-	-	1.0	446	446
Total fees estimate		474.2	591	280,433	67.3	533	35,865	834.0	574	478,624
Distribution*		19.5	442	8,625	-	-	-	-	-	-

Remuneration and expenses

Detailed information

Category 1 Disbursements

These are payments made by us direct to third parties and for which no approval is required.

Category 2 Disbursements

These are costs and expenses initially paid by us and which are not generally made to a third party, for example, reimbursement to staff engaged on the case for their mileage costs. These may also include shared or allocated costs.

Details of all disbursements are given below and from which it can be seen that we have not recovered our disbursements in full.

Category 2 Disbursements

Specific approval is required before these costs and expenses can be drawn from the administration estate and was given by the Secured Creditor on 30 September 2019.

Mileage is calculated at the prevailing standard mileage rate of up to 45p used by Deloitte at the time when the mileage is incurred.

Category 1 disbursements

Travel	200	-	406	-
Accommodation	700	-	425	-
Subsistence	238	-	64	-
Telephone	20	-	-	-
Postage/Couriers	100	-	-	-
Specific Penalty Bond	230	-	230	-
Total disbursements	1,488	-	1,125	-

Category 2 disbursements

Mileage	590	-	190	190
Total disbursements	590	-	190	190

Any Secured Creditor or unsecured creditor (with the support of at least 5% in value of the unsecured creditors or with leave of the Court) may, in writing, request us to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 18.9 of the Rules.

Any secured creditor or unsecured creditor (with the support of at least 10% in value of the unsecured creditors or with leave of the Court) may apply to the Court for one or more orders (in accordance with Rule 18.34 of the Rules), reducing the amount or the basis of remuneration which we are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within eight weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 18.34(3) of the Rules.

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.



Deloitte

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