

In accordance with Rule 3.35 of the Insolvency (England & Wales) Rules 2016 & Paragraph 49(4) of Schedule B1 to the Insolvency Act 1986

AM03

Notice of administrator's proposals



Companies House

SATURDAY



A12 *A8HE0KTV* 02/11/2019 #231
COMPANIES HOUSE

1 Company details

Company number **F E 0 0 0 0 0 0 2**
Company name in full **Hadlow College**

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

2 Administrator's name

Full forename(s) **William Matthew Humphries**
Surname **Tait**

3 Administrator's address

Building name/number **55**
Street **Baker Street**
London

Post town

County/Region

Postcode **W 1 U 7 E U**

Country

4 Administrator's name ①

Full forename(s) **Danny Nicolaas William**
Surname **Dartnail**

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

5 Administrator's address ②

Building name/number **Thames Tower, Level 12**
Street **Station Road, Reading**
Berkshire

Post town

County/Region

Postcode **R G 1 1 L X**

Country

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

Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**
 Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ¹
 Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**
 You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**
 Please complete in typescript or in bold black capitals.
 All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

- Administrator
- Administrative receiver
- Receiver
- Manager
- Nominee
- Supervisor
- Liquidator
- Provisional liquidator

- ¹ You can use this continuation page with the following forms:
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
 - CVA1, CVA3, CVA4
 - AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
 - REC1, REC2, REC3
 - LIQ2, LIQ3, LIQ05, LIQ13, LIQ14,
 - WU07, WU15
 - COM1, COM2, COM3, COM4
 - NDISC

2 Insolvency practitioner's name

Full forename(s) Francis Graham
 Surname Newton

3 Insolvency practitioner's address

Building name/number Central Square
 Street 29 Wellington Street
 Post town Leeds
 County/Region
 Postcode L S 1 4 D L
 Country

AM03
Notice of Administrator's Proposals

6 Statement of proposals



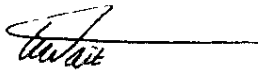
I attach a copy of the statement of proposals

7 Sign and date

Administrator's
Signature

Signature

X



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Signature date

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11

2014



**The Corporation of Hadlow College
In Education Administration**

Statement of Proposals

under Paragraph 49 of Schedule B1 to the Insolvency Act 1986 as modified by paragraph 13 of
Schedule 3 to the Technical and Further Education Act 2017

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THE CORPORATION OF HADLOW COLLEGE - IN EDUCATION ADMINISTRATION

Registered address at Hadlow College, Tonbridge Road, Hadlow, Tonbridge, Kent TN11 0AL

In the High Court of Justice
Business and Property Courts of England and Wales
Insolvency and Companies List (ChD)
Court Ref: 003244 of 2019

1. Introduction and why this document has been prepared

On 14 May 2019, the Secretary of State for Education filed a petition at the High Court of Justice, Business and Property Courts of England and Wales, for an order placing The Corporation of Hadlow College ("the College") into Education Administration. At a hearing held on 22 May 2019, the Court handed down such an order ("the Order") placing the College into Education Administration and appointing Graham Newton, Danny Dartnaill and Matthew Tait as Joint Education Administrators ("JEAs").

Full details of the JEAs are as follows:

William Matthew Humphries Tait (officeholder number: 9564) of BDO LLP, 55 Baker Street, London, W1U 7EU, licensed and authorised by the Institute of Chartered Accountants in England & Wales in the UK;

Francis Graham Newton (officeholder number: 9310) of BDO LLP, Central Square, 29 Wellington Street, Leeds, LS1 4DL, licensed and authorised by the Insolvency Practitioners Association in the UK; and

Danny Nicolaas William Dartnaill (officeholder number: 10110) of BDO LLP, Level 12, Thames Tower, Reading, Berkshire, RG1 1LX, licensed and authorised by the Institute of Chartered Accountants in England & Wales in the UK.

Under the provisions of the Order the JEAs carry out their functions jointly and severally meaning any action can be done by one Education Administrator or by all of them.

This is the first Education Administration of a further education college following the introduction of new legislation, The Technical and Further Education Act 2017 ("TFEA 2017") supported by The Education Administration Rules 2018 ("TEAR 2018"). Certain parts of the Insolvency Act 1986 ("IA86") have also been adopted by the TFEA 2017.

In this document I explain why the Order was granted placing the College into Education Administration. I also provide a brief history and summary of the events leading up to our appointment and set out the JEAs' proposals for achieving the objective of the Education Administration.

I also include details of the College's assets and liabilities and explain the likely outcome for each class of creditor.

The College and another local further education college, West Kent and Ashford College ("WKAC"), shared a senior management team and certain other resources, and operated informally as a group, known as the Hadlow Group. WKAC is a separate legal entity and was placed into Education Administration on 16 August 2019; it has the same individuals as JEAs as the College. As the progress of each of these two Education Administration processes is interlinked, WKAC is referenced at various times in this report. However, it is important to note that this report relates only to the Education Administration of Hadlow College and does not provide a full account of matters relating to WKAC. A similar set of Education Administration proposals relating to WKAC will be provided to the creditors of WKAC in due course.

2. The objective of the Education Administration

The objective of an Education Administration, as stated at S.16 TFEA 2017, is to:

- (a) avoid or minimise disruption to the studies of the existing students of the further education body as a whole; and
- (b) ensure that it becomes unnecessary for the body to remain in education administration for that purpose.

The means by which the JEAs may achieve that objective include:

- (a) rescuing the further education body as a going concern,
- (b) transferring some or all of its undertaking to another body,
- (c) keeping it going until existing students have completed their studies, or
- (d) making arrangements for existing students to complete their studies at another institution.

At this stage, I expect that the objective will be achieved by transferring all of the College's undertaking to another body or bodies that will be either a designated further education institution or a further education corporation as defined by S.5 TFEA 2017.

Under S.24 (4) TFEA 2017, the JEAs must also carry out their functions in a way that achieves the best result for the College's body of creditors as a whole, but only so far as that is consistent with the objective of the Education Administration as detailed above.

The Education Administration therefore differs from an Administration where the Administrator(s) must perform their functions in the interest of the creditors as a whole in achieving the objective. The prioritisation of the learner protection objective over the JEAs' other functions is of paramount importance with regard to the realisation of the College's assets. Further explanation on this point is provided in section 7 of this report.

The JEAs are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this appointment. A copy of the code is at <http://www.icaew.com/technical/insolvency/sips-regulations-and-guidance>.

3. Brief history of events leading up to the appointment of the Joint Education Administrators

The College is a body corporate established on 28 September 1992 under section 15 of the Further and Higher Education Act 1992. It operates as a 'land based' further and higher education college with its primary educational site at Tonbridge Road, Hadlow, Kent, TN11 0AL ("the Hadlow Campus"). Provision is also delivered at sites in Mottingham, Canterbury and Greenwich.

The College operates certain other businesses from the Hadlow Campus including a children's day nursery, a garden centre, a florist and a farm shop.

The College has interests in the following subsidiaries and joint ventures:

- Hadlow Rural Community School Ltd, a free school academy also based at the Hadlow Campus and operating independently of the College. This is a private company limited by guarantee of which the College is the sole member;

- Grove Farm Park Ltd, a 100% owned subsidiary that leases agricultural and residential premises to the College for the purposes of teaching provision to College learners;
- Betteshanger Country Park Ltd, a 100% owned subsidiary that operates a c.260 acre country park;
- Betteshanger Sustainable Park Ltd, a 100% owned subsidiary that operates a c.80 acre business park;
- The UK Sales Academy Ltd, a company limited by guarantee that was dormant, having never traded, and was dissolved on 20 August 2019;
- Pet Grooming School Ltd (formerly Hadlow PIF Ltd), a company limited by guarantee in which the College holds an equal interest in a joint venture with Pet industry Federation Ltd. The company provides dog grooming education & services; and
- Produced in Kent Ltd, a company limited by guarantee in which the College holds an equal interest in a joint venture with Kent County Council. The company provides marketing for Kent producers.

On 27 June 2018, BDO LLP was engaged by the College acting by its governing board to undertake an independent financial review of the College's historical, current and forecast financial position. The purpose was to provide support to the College in developing its application to the Department for Education's ("DfE") Transactions Unit (now part of the DfE's Provider Market Oversight - "PMO"), for funding for a merger with WKAC. This work could not be concluded as senior management holding office at that time were unable to provide relevant information and explanation to BDO's satisfaction. An application to the Transaction Unit was produced by the College on its own account and was subsequently rejected in December 2018. An intervention report prepared by the Further Education Commissioner ("FEC") advised that this was due to concerns about the assumptions used by the College in its financial models and a lack of transparency regarding certain transactions.

In late February 2019 the College's Principal and Deputy Principal resigned, followed shortly thereafter by a number of the board of governors of each of the College and WKAC. This included each of the chairpersons.

An Interim Principal and Interim CFO were appointed to manage the day to day operations of each of the two colleges and separate chairpersons were appointed to each of the board of governors.

On 27 February 2019, the College approached the Education and Skills Funding Agency ("ESFA") to request Exceptional Financial Support. Over the course of the next 2 months the ESFA provided the College with £2.83m of exceptional funding to allow for an assessment of the College's financial position and establish whether it was financially viable in its present form.

In April 2019, the FEC commenced an options review with the objective of identifying the most suitable solution for the College, both in terms of ongoing provision of education and financial sustainability. In view of the interconnectivity between the two colleges, WKAC was included within this review.

During April 2019 the College experienced significant creditor pressure. On 30 April 2019, BDO LLP was engaged by the DfE to review the financial position of the College and prepare contingency plans in the event that it was necessary to place the College into Education Administration.

On 1 May 2019, the College received a letter threatening winding-up proceedings if a debt of a material value was not settled within 14 days. On 8 May 2019, a provider of grant funding advised that it was seeking repayment of funds advanced on the grounds that these had not been used for the intended purpose.

Absent an irrevocable commitment for additional and significant emergency funding, the College was unable to conclude that it could meet its liabilities as and when they fell due. In consequence, the College acting by its governing board invited the Secretary of State for Education to make an application for the making of an Education Administration order. The objective of this was to protect the provision of education to existing learners, which could not be confirmed if the winding up proceedings or other insolvency process had been permitted to continue.

On 14 May 2019, the Secretary of State for Education lodged a petition in the High Court of Justice, Business and Property Courts England and Wales, for the College to be placed into Education Administration. On 22 May 2019, the Court handed down the Order placing the College into Education Administration and appointing Matthew Tait, Graham Newton and Danny Dartnaill as JEAs.

4. Steps taken to meet the statutory objective

4.1 Consideration of objective

Prior to the appointment of the JEAs, the FEC commenced a review of options as to the securing of a financially viable and sustainable future for the College, in a manner that promoted continuity of the learning provision as a whole. The FEC identified eight further education colleges and one university that were invited to participate in this review process.

Six of those further education colleges, the university and one other college (together "the Interested Colleges") that had subsequently approached the FEC, participated in the options review process as potential acquirers. This was predicated on detailed criteria which included quality of education provision, financial and geographical considerations. In order to present a counter-factual case, a separate FEC team ("the Standalone Team") was engaged to develop a financial and operational model for the continuation of the College, in substantially the same form ("the Standalone Option"). Whilst objectively a credible proposal in its own right, the Standalone Option presents a counter-factual challenge to the proposals of the Interested Colleges.

To facilitate this options review, the College created an online data room to provide both financial and non-financial information to the Interested Colleges and the Standalone Team. This information was provided to enable the Interested Colleges and the Standalone Team to prepare the necessary financial forecasts supporting the acquisition proposals.

In the engagement between BDO LLP and DfE, dated 30 April 2019, part of the scope was to observe the FEC review process by attending various meetings with the Interested Colleges and Standalone Team and to comment on the level of detail required in their acquisition proposals. As the outcome of the FEC review would likely inform any Education Administration strategy, in particular the achievement of the learner protection objective, regular dialogue was held with the FEC throughout this process.

Following these meetings, five of the Interested Colleges continued in the options review, one of which subsequently declined to pursue an acquisition and withdrew.

Acquisition proposals were received from four of the Interested Colleges as well as a proposal from the Standalone Team. Following a period during which clarifications were sought, the FEC then made his recommendation on 10 July 2019 simultaneously to the Secretary of State, the JEAs and the Board of Governors of WKAC. The FEC recommendation was based primarily upon the educational merits of the acquisition proposals and achieving a sustainable solution. The recommendation remained subject to final approval of funding by the DfE.

The FEC's recommended option was that three of the Interested Colleges ("the Preferred Bidders") acquired the assets and education provision of specific campuses of each of the College and WKAC (the "Proposed Merger Transactions") rather than pursuing the Standalone Option. Specifically, the FEC recommended that:

- Capel Manor College should acquire the College's Mottingham provision/facilities.
- East Kent College Group should acquire the College's Spring Lane (Canterbury) provision/facilities and WKAC's Ashford provision/facilities.
- North Kent College should acquire the College's provision/facilities at Hadlow, Princess Christian's Farm and Greenwich and WKAC's provision/facilities in Tonbridge.

The JEAs are not bound to follow the FEC recommendation. Notwithstanding, the FEC is the independent government affiliated sector expert on educational provision and college structuring. The JEAs have taken the FEC recommendation into full account when making their decisions as to how best to achieve the statutory objective. Having given this due consideration, including the Standalone Team's financial and operational model for the continuation of the College in substantially the same form, the JEAs are pursuing the Proposed Merger Transactions as recommended by the FEC.

The Preferred Bidders are now conducting detailed due diligence in respect of the College and WKAC. The JEAs will perform their own targeted due diligence exercise in relation to each of the Preferred Bidders. The purpose of the JEAs' due diligence is to enable the JEAs to satisfy themselves that the Proposed Merger Transactions provides a sustainable solution for the College's education provision and minimises disruption to the studies of the existing learners.

It is anticipated that, following completion of the due diligence exercises, there will then follow a negotiation of contractual terms (including acquisition price and agreement of the assets that are to be excluded from the sale, as not being necessary for the future education provision). Culmination of all of the Proposed Merger Transactions is not currently expected to be completed before early 2020.

4.2 Initial Actions

In the period leading up to the Order, we conducted a review of the affairs of the College with particular regard to its ongoing operational and financial requirements. The objective of this was to prepare a detailed operational strategy for an Education Administration.

The actions outlined below are not intended to be an exhaustive list, but highlight the key actions that were undertaken:

- Working with the College's senior management team, we engaged with the staff of the College to keep them informed of the objective and progress of the Education Administration. Staff meetings were held at each of the three principal College sites in the days immediately after the JEAs' appointment and several further meetings have been held to update staff on the progress of the most pertinent matters affecting the College, the staff and the Education Administration generally. The intention is to continue these update meetings, whilst the College remains under the control of the JEAs.
- To ensure the College operations were able to continue with minimal disruption, a grant funding agreement was entered into between the JEAs and the ESFA to provide ongoing financial support to the College, if necessary, during the Education Administration. The College's cash flow forecasts and those of its subsidiaries were reviewed and updated for assumptions relating to the Education Administration. We

continue to hold regular dialogue with and report to the ESFA regarding the funding needs of the College.

- The JEAs team is based at the College. This team met with the Interim Principal and Interim CFO as well as the main support functions of the College including the Finance team, HR team, Estates Management, Facilities Management and the Media and PR teams. As a result of these meetings the JEAs were quickly able to gain an understanding of the most pertinent issues immediately facing the College from an operational perspective. As a land based further education college, we placed particular focus on ensuring that robust health and safety policies and practices were in place. Following appointment, this preparation work enabled us to implement financial controls, identify and address any critical requirements and ensure that we were able to engage with the College's suppliers.
- The JEAs have established a senior advisory group comprising members of the College's leadership, the JEAs and their solicitors, two leaders in educational governance and an observer from the FEC. The purpose of this group is to provide guidance and challenge to the JEAs and the senior management team on matters regarding the academic and operational functions of the College, in particular identify and manage risks associated with the Education Administration, to ensure financial competency in the use of College funds during the Education Administration and to receive outputs and advice from the interim working group (see below). Whilst the advisory group has no statutory or legal standing, it was considered appropriate to implement a governance structure that meets the specific circumstances of the Education Administration and at the same time meets the standards expected of the further education sector. This advisory group meets on a monthly basis.
- A separate interim working group, including the same members of the leadership team as participate in the senior advisory group, has also been established to advise the JEAs on operational matters, to consider the risks associated with delivering the statutory objective and the aims of the Education Administration and to provide support and challenge to the JEAs.
- In conjunction with the College's support teams, all learners/students/parents/guardians (and the parents/guardians of any prospective learners) were written to and informed that teaching/provision would continue as normal and that enrolment for the upcoming 2019/20 academic year would continue as planned.
- We engaged with numerous key external stakeholders, including local governmental authorities, grant providers, university partners to the College and the College's bankers to keep them informed of the Education Administration; this was with the objective of securing their assistance with ongoing trading and preserving relationships for the future benefit of the College.
- We worked with the College's communications team in responding to media enquiries that were being received around the time of the application for the Education Administration and shortly after the Order was made.
- Legal assistance was engaged from Brachers LLP ("Brachers") and Womble Bond Dickinson LLP ("WBD").

Within a month of the implementation of the Education Administration, the College had an Ofsted monitoring visit that concluded that the JEAs, advisory group and the senior leaders have "made sure that the education of students at the college has not been adversely affected. Leaders and managers have made sure that actions they have taken have a beneficial impact on their students". The overall judgment of 'reasonable progress' was as expected. Given the financial situation in which the College found itself, this was considered to be a positive outcome.

4.3 Trading during the Education Administration

Our strategy has been to adopt a 'business as usual' approach working in combination with the senior management team and staff.

Senior management and staffing arrangements

Under paragraph 64 of Sch. B1 IA86, the JEAs consented to the Interim Principal and the Interim CFO continuing to exercise certain powers that has enabled the College to continue to operate with minimum disruption. Whilst the JEAs consider that decisions regarding academic matters should be made by educationalists, the JEAs have embedded new controls within the pre-existing procedures of the College to maintain control and oversight over all financial and non-academic decisions.

Prior to the JEAs appointment, the College and WKAC had been working towards a formal merger but this failed to progress in late 2018. Nevertheless the College and WKAC were already embedding integrated services and sharing a senior management team. As a result of the collaboration, the College and WKAC operate a number of shared services including IT, finance, MIS and HR and have informal arrangements to share staff. Given the entwined nature of the staffing provision, it has been necessary to manage the challenges of some staff working for the College, who were not directly under the JEAs control until WKAC also entered Education Administration. This required additional communication and management to ensure all staff performing their duties for the benefit of the College understood the implications of the Education Administration.

The shared nature of services and integrated structure adds a layer of complexity to both ongoing operations and to the Proposed Merger Transactions.

All College staff have been retained by the JEAs and continue their duties as normal. Expected levels of staff turnover have continued through the Education Administration, with the College recruiting and filling roles as required. Staff retention and recruitment has not impacted the College's ability to deliver its educational program, which was referenced in the positive outcome of the Ofsted report in June 2019.

Due to the complexity of the shared staffing arrangements between the College and WKAC we have engaged with BDO pension specialists who, together with our legal advisors, have been advising us in relation to the impact of the potential sale/transfer on staff pensions. We are advised that staff accrued pension rights will be unaffected by the Education Administration and any subsequent sale process. We continue to maintain discussions with Kent County Council in relation to the current and historical obligations of the Local Government Pension Scheme ("LGPS") and how such liabilities may be treated in a number of different scenarios.

Supplier contact

The JEAs' team has been in contact with the 300+ suppliers to ensure that there would be no disruption to the operations of the College.

This was not only important as regards the provision of education to the learners but also critical to the welfare of the College's livestock by ensuring that the livestock remained unaffected.

We have resolved a number of creditor positions adjudged to be critical for the operation of the College. In dealing with these creditors we have taken into consideration the need for further supplies and the availability and suitability of alternative suppliers.

Provision of higher education

The College is predominantly a provider of further education, however, there are 270 higher education students. These students enrolled at the College (either directly or under a franchise agreement) with their studies validated by one of the College's university partners.

The College has two university partners; the University of Greenwich and Canterbury Christ Church University. The JEAs' team has met with each of these university partners and discussed the ongoing relationship. Arrangements have been put into place with each of these university partners for the new (2019/20) academic year, such that all higher education students are now studying at the College under franchise arrangements.

The provision of higher education is regulated by the Office for Students ("OfS"). We engaged with the OfS in the days immediately following our appointment and have maintained regular discussions and meetings with various members of the OfS teams in order to keep them fully informed.

Health and safety

AON Risk Services ("AON"), our specialist insolvency insurance broker, have conducted a health and safety inspection of all the College's campuses. This work has enabled the JEAs and the College's senior management team to undertake a thorough review of its processes and procedures and adherence to them, with appropriate action taken as a result.

Due to the higher risks of operating a land based educational facility, the College's health and safety practices continue to be monitored regularly by the JEAs' team and senior management.

We have taken a similar approach to the welfare of the College livestock and the management of the two farms operated by the College, with senior management conducting reviews as necessary, implementing remedial actions and liaising with the JEAs' team as required.

Subsidiaries and other businesses at the Hadlow campus

The JEAs' team has completed a review of each of these subsidiary entities owned or controlled by the College, with particular regard to profitability, cash flow needs, prospect of disruption to learners and any liability falling on the College as a result of continued trading.

We have given consideration to the role that each of these subsidiaries and their assets have in the operations of the College. Where the entity, or its assets, are not required for the future education provision, the JEAs have taken steps to either realise the assets and/or to challenge and reduce any negative cash impact that the subsidiaries may have on the College's cash flow.

Communications - internal and external

Press releases and statements were prepared in advance of the Court hearing at which the Order was made. This enabled us to inform staff, the media, and key stakeholders of our appointment immediately after the Order was made.

We have held frequent meetings with the College's communications team and the PR team at the ESFA, as well as independent specialist media advisors Headland PR Consulting and Chalkstream (advisors to the College).

We have supported the Interim Principal in regular communication with staff throughout the whole process.

In addition to the staff meetings, we have regularly attended various senior manager meetings of staff in order to field and respond to any enquiries that the staff may have more generally regarding the operations of the College. Staff are critical to the success of the Education Administration, together with senior management.

Enrolment

Working with the senior management team we have overseen a successful learner enrolment for the current academic year. Enrolment numbers do not appear to have been impacted by the College operating in Education Administration. For 16-19 year old learners, the College recruited over 95% of its allocation target, which compares favourably with the anticipated 18% downturn according to sectoral data.

5. Receipts and payments

A receipts and payments account for the duration of the Education Administration to 25 October 2019 is provided at Appendix 3. This shows that the College holds cash in hand of c.£922,000.

The receipts and payments account operates on a cash accounting basis, rather than accruals, and this shows that operations during the Education Administration to date have been funded from trading income and cash that was available in the College bank account at the outset of the Education Administration.

At the date of the Order, the College's cash at bank was c.£1.1 million. During the period of the Education Administration there has been a net decrease of approximately £174,000 in funds held by the College.

During the course of the Education Administration, funds totalling c.£8.3 million have been received. This includes £1.1 million of cash held at appointment in the College bank account, approximately £4.5 million received via standard educational funding due to the College from the ESFA and £2.2 million of non-ESFA funded educational income.

Total payments made amount to £7.38 million. This largely relates to the ongoing trading costs of the College and, in particular, payroll costs. Further commentary on the expenses incurred by the JEAs is provided in section 14 and Appendix 7 of these proposals.

As detailed above, the Secretary of State for Education, via the ESFA, has agreed to provide the JEAs with a conditional grant ("the Grant") in order to meet the costs of managing the Education Administration. To date no funding has been required and the JEAs have not made any such requests of the ESFA to drawdown on the Grant.

In due course the JEAs expect to request drawdowns against the Grant funding to meet operational and other costs of the Education Administration. Repayment of the Grant will have priority, ahead of the claims of unsecured creditors, from any realisations made in the Education Administration.

6. Statement of Affairs and statutory information

At Appendix 1 is a record of the statutory information in respect of the College.

Pursuant to paragraph 47 of Sch. B1 to the IA86 (as modified by paragraph 12 of Sch. 3 to TFEA 2017) and Rule 3.2 of TEAR 2018, the JEAs requested that all relevant persons provide them with a statement of affairs.

The JEAs agreed that the Interim CFO was best placed to prepare the statement of affairs and that he would do so on behalf of all individuals requested. The statement of affairs was prepared by Mark Sellis and is currently in draft form pending final confirmation of its completeness. A copy of this draft statement of affairs is provided at Appendix 2.

The statement of affairs sets out the assets and liabilities of the College as at 22 May 2019 based upon financial information extracted from the books and records of the College but without carrying out an audit or detailed verification work at this time. The statement of affairs also states the estimated realisable value of the College's assets and the estimated shortfall to the College's creditors, following a realisation of those assets.

Our comments on the assets and liabilities included in the Statement of Affairs are provided in sections 7 and 8 below.

7. Assets

It is important to note that whilst a number of asset valuations are based upon independent professional valuations, the realisable value of those assets will likely be determined by the need for those assets to be used in the future provision of education.

Land and buildings

The College's land and buildings comprise the following:

- (i) c.£2.8 million book value in relation to the Eastern side of its main Hadlow Campus that is subject to a fixed charge in favour of Barclays Bank plc ("the Bank"). This has an estimated realisable value of £5.575 million. The amount of the loan owing to the Bank as at the date of the JEAs' appointment was c.£5.2 million;
- (ii) c.£1.7 million book value relating to modular buildings and a new glasshouse subject to finance leases. These assets have an estimated realisable value of £728,000. The amounts owing under the finance leases are £917,000; and
- (iii) c.£20 million book value of unpledged properties at the Western side of the Hadlow Campus, Court Lane, Grove Park, Betteshanger, Greenwich, Canterbury, Mottingham and Princess Christian's Farm.

The land and buildings of the College are designated for educational use. To the extent that land and other property assets can be identified as being surplus to the educational delivery requirement, these may be available for sale and realised at market rates.

We have instructed agents to both value the properties and advise of any parts of the portfolio that may not be required for educational purposes such that they are capable of being sold separately on the open market.

Assets under construction

Assets under construction, with a book value of c.£12.3 million, relates to the Betteshanger country park site that is managed by a subsidiary of the College.

This asset is not used in the provision of education and has therefore been successfully marketed for sale on the open market. The JEAs have accepted a third party offer for this land and are currently in the final stages of contractual negotiations. The sale is expected to complete shortly, but until this has occurred we are unable to provide any specific details regarding the expected realisable value of the land.

Stocks, plant, equipment and other chattel assets

As at 22 May 2019 stocks with a book value c.£1.3 million were primarily (£1.1 million) situated at the Hadlow Campus with the remainder distributed amongst the Greenwich, Mottingham and Canterbury campuses and also Princess Christian's Farm.

Plant, equipment and other chattel assets comprised c.£0.4 million of book value subject to finance leases and c.£2.2 million book value not pledged.

As with the property assets, where the stocks, equipment and other chattel assets are required for the ongoing provision of education to the learners of the College, these assets will likely be included in the Proposed Merger Transactions in order that the objective of the Education Administration is achieved.

Debtors

The statement of affairs includes book debt assets with a book value of £1.76 million that have been estimated to realise £1.32 million based upon a review by management.

Cash at bank

At the date of appointment cash at bank was c.£1.1 million and passed to the control of the JEAs.

8. Creditors' claims and distribution prospects*Secured claims of creditors*

The College has the following creditors with security:

Name	Charge date	Security details
Barclays Bank PLC	27 August 2004	Fixed charge over the East side of Hadlow Campus
	29 November 2013	Cross guarantee in respect of the borrowing of Grove Farm Park Ltd

At the date of the JEAs' appointment, the Bank was owed c.£5.2 million in respect of three loans.

As outlined above, the Hadlow Campus, as a whole, is not a readily realisable asset because its designated use is for educational purposes. Furthermore, should the Proposed Merger Transactions progress to completion of a sale then this asset will be included in that sale. The JEAs are required to pursue the statutory objective of the Education Administration and consider the interests of creditors only to the extent that it does not disturb that objective. The interpretation and implementation of the objective and the JEAs' other functions is a complex matter, which the JEAs are further considering with their legal advisors.

Preferential unsecured claims of creditors

There are no preferential creditors.

Non-preferential unsecured claims of creditors

The statement of affairs lists the unsecured creditor claims, at the date of appointment, as c.£35.1 million.

To date we have received 317 unsecured claims totalling £8,317,535. No claims have yet been adjudicated upon.

The JEAs request that any creditors, who believe that they may have a claim, proceed with submitting a proof of debt form (as attached at Appendix 9) providing a detailed account of the sum owing to them as at the date of the Order together with details of any security held.

Distribution prospects for unsecured creditors are uncertain at this stage due to the following factors:

1. The majority of the assets of the College are designated to be for educational purposes and, as such, have a complex relationship with the statutory objective and open market value.
2. The majority of the College's asset portfolio is likely to be necessary for the future educational provision delivered by the College to its learners.
3. Asset realisations are subject to both costs of realisation and what prospective buyers of the education provision offer to pay.
4. The costs of the Education Administration are payable in priority to the claims of creditors.
5. The costs of the Education Administration are addressed from the Grant funding that has been agreed to be made available to the JEAs by the Secretary of State for Education. The Grant funding has priority for repayment ahead of any distributions to unsecured creditors.

Prescribed Part

The provisions of Section 176A IA86 in relation to the Prescribed Part (which concerns setting aside a proportion of realisations subject to a floating charge for the benefit of unsecured creditors) do not apply because the College is a statutory corporation that is unable to grant floating charges.

9. Investigations

Statutory investigations

The JEAs have a duty to investigate the affairs of the College to establish if there are any actions that can be pursued for the benefit of the creditors as a whole and also to report on the conduct of the relevant persons.

In this latter respect, the JEAs must submit a report to the Secretary of State regarding the conduct of all relevant persons during the three years before the Education Administration. I can confirm that, in accordance with the Company Directors Disqualification Act 1986 (as amended), such a report was submitted to the Secretary of State on 22 August 2019.

Further investigations and cooperation with the Insolvency Service

In addition to the statutory investigations mentioned above, the JEAs have engaged BDO LLP's Forensic Services team to carry out focussed forensic investigation work into the affairs of the College. In order to carry out this investigation work, BDO LLP has put in place a team of individuals with specialist forensic financial investigation skills that are working alongside the JEAs and their team.

The JEAs have been notified by the Insolvency Service that it is undertaking enquiries as to the conduct of relevant personnel in the period leading up to the onset of insolvency. Cooperation with the Insolvency Service is a statutory obligation of the JEAs.

At this stage our investigatory work remains confidential and creditors should be advised that, in relation to certain elements of our work and the reports that we submit, this may remain the case. We are therefore currently unable to provide any detail on the specific work that we have performed and the results of that work.

Request to creditors

If any creditors hold information that may be of assistance to the JEAs in our investigations or you wish to bring to our attention any matters that you believe merit investigation by us, please contact the JEAs at BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH using the questionnaire at Appendix 8 as needed.

10. Other matters

The Insolvency Service has established a central gateway for considering complaints in respect of insolvency practitioners. In the event that you make a complaint to the JEAs but are not satisfied with the response that you receive then you should visit

<https://www.gov.uk/complain-about-insolvency-practitioner>

where you will find further information on how you may pursue the complaint.

11. EC Regulations on insolvency proceedings

The College is incorporated under an act of the Parliament of the United Kingdom. Its principal operating address is in England and its main administrative functions are carried out in England. Therefore, we consider that the College's centre of main interests is within England. Consequently, we consider that Regulation (EU) 2015/848 of the European Parliament on insolvency proceedings (recast) applies to these proceedings and that these are the main proceedings as defined in Article 3(1) of that Regulation.

12. Pre-Education Administration costs

Certain costs were incurred in preparing and planning for the Education Administration. These costs do not form part of our proposals, but are being disclosed to creditors in accordance with Rule 3.8(10)(a) of TEAR 2018. Allowable costs fall into the following categories:

- (i) the fees charged by the JEAs;
- (ii) the expenses incurred by the JEAs;
- (iii) the fees charged (to the JEAs' knowledge) by any other person qualified to act as an insolvency practitioner.

Under Rule 3.8(10)(a) of TEAR 2018, the table below summarises the outstanding costs and also, where relevant, records payments received, all net of VAT.

	Costs Incurred (£)	Payments Received (£)	Costs Outstanding (£)
(i)	314,505	Nil	314,505
(ii)	22,638	9,342	13,296
(iii)	Nil	Nil	Nil
TOTAL	337,143	9,342	327,801

It is anticipated that these costs will be paid directly by the DfE and will not be settled from the Education Administration estate.

Below, we explain in more detail the fees incurred.

(i) The fees charged by BDO LLP / the JEAs

As detailed in section 3 above, on 30 April 2019, BDO LLP was engaged by the DfE to evaluate the financial position of the College, observe the FEC options review process, undertake financial and operational planning (contingency planning) and, if it became necessary, assist with placing the College into Education Administration.

Contingency planning included evaluation of the solvency of the College over 12-24 months, with a focus on further requirements for emergency funding from the ESFA, review and comments on the FEC options review and detailed timeline planning for execution of different options.

In the event that an Education Administration did become necessary, BDO LLP was also engaged to assist in the preparation of court documentation together with DfE's legal advisors (WBD) to lodge documentation at and attend Court for the purposes of the appointment of Education Administrators.

As a result of the financial and time pressure arising from the threat of a petition to bring winding up proceedings, it became necessary to assist in preparing for an Education Administration appointment. This required producing documentation in support of a petition for the making of an Education Administration Order.

BDO LLP's fees for this pre-appointment engagement are based on time costs, at rates agreed with the DfE and which are recorded in the BDO Policy document attached at Appendix 6.

The total amount of pre-Education Administration costs incurred by BDO LLP was £314,505. Of that amount, £173,101 related to time incurred in observing the FEC options review process and in advising the DfE in respect of the financial position of the College. The remaining time costs, amounting to £141,404, related to the costs of the contingency planning and steps towards appointment as JEAs. These costs, together with the costs of WBD as pre-appointment legal advisor to the DfE, will be paid directly by the DfE.

(ii) The JEAs' disbursements and other expenses

The JEAs have agreed with the DfE that BDO LLP staff related disbursements (including travel, accommodation and subsistence), will not be directly recharged as part of BDO LLP's pre appointment work.

Prior to the JEAs appointment, the College had engaged Brachers to provide advice on a number of ongoing matters. The JEAs concluded that Brachers continued engagement was beneficial and cost effective where Brachers had significant detailed prior knowledge of the particular matter. Costs totalling £14,457 plus VAT were incurred by Brachers in attending to urgent matters prior to the making of the Order.

Reed Smith LLP was instructed to advise on the Grant funding agreement between the JEAs and the DfE. The costs incurred were £3,500 plus VAT.

£950 plus VAT was incurred by AON, our specialist insolvency insurance broker, in relation to an initial pre-appointment health and safety review of the College, conducted during our contingency planning phase. The review was completed to assist with identifying any health and safety areas we would need to focus on as part of our Education Administration planning.

Real Estate Advisory Service Limited ("REAS") is a property advisor experienced at providing tailored property sale strategies for more complex situations. REAS was engaged during the contingency planning phase to advise on the potential sale strategy

for the Betteshanger subsidiaries and the corresponding land owned by the College. The costs incurred pre-appointment totalled £3,731 plus VAT.

Rule 6.11 of TEAR 2018 states that where the JEAs have made a statement of pre-administration costs under rule 3.8(10)(a), they must, before paying such costs, apply to the court for a determination of whether and to what extent the unpaid pre-administration costs are approved for payment.

To date, payments of £5,611 plus VAT and £3,731 plus VAT have been made to Brachers and REAS respectively in relation to the pre-appointment costs outlined above. The JEAs will be seeking retrospective court approval for these payments in addition to court approval for the other pre-appointment expenses.

A table setting out these pre-appointment expenses incurred and paid by the JEAs is included at Appendix 7.

(iii) the fees charged (to the JEAs' knowledge) by any other person qualified to act as an insolvency practitioner (and, if more than one, by each separately)

The JEAs are not aware of any other person qualified to act as an insolvency practitioner having acted in relation to the College immediately preceding the appointment of the JEAs.

13. Joint Education Administrators' remuneration

Rule 6.10 (2) of TEAR 2018 states that the JEAs remuneration should be fixed by reference to the time properly spent by the JEAs and their staff in attending to matters arising in the Education Administration.

The JEAs' remuneration must also, on the JEAs' application, be fixed by the Court.

Creditors will be given fourteen days' notice of any such application to Court and may make representations if they wish which will be reported to the Court as part of the application.

Attached at Appendix 4 is a schedule that summarises the time that has been spent in dealing with the Education Administration up to 11 October 2019. This records total time costs of £627,402, which represents 3,208 hours spent at an average rate of £195.57 per hour. As noted above our charge out rates have been agreed with the DfE.

Attached at Appendix 5 is an estimate of time costs that the JEAs anticipate will be incurred and charged as remuneration for the duration of the Education Administration.

For your guidance, at Appendix 6 we attach a document that outlines the policy of BDO LLP in respect of fees.

14. Joint Education Administrators' disbursements

The JEAs have agreed with the DfE that BDO LLP staff related disbursements will not be directly recharged by the JEAs as this cost is deemed to be embedded within the agreed hourly charge out rates.

15. Expenses of the Education Administration

During the Education Administration, the JEAs have engaged a number of professionals, both general and specialised in their expertise, to provide a range of services to support the College's ongoing operations and to assist with specific education matters and the Proposed Merger Transactions.

We are not required to seek approval for payment of these expenses, which are paid from the Education Administration estate. A table detailing expenses incurred and paid to date is included at Appendix 7. Below is a summary narrative of the purpose and work undertaken in incurring these expenses of the Education Administration.

Insurance

As noted in section 12, AON was engaged to arrange for health and safety reviews across the College campuses and to ensure appropriate insurance continued, covering both assets and the College's ongoing operations. Insurance and health and safety costs incurred to date amount to £254,690 and £5,600 respectively.

Regulation requires the JEAs to hold a bond in relation to the assets of the College. The cost of this bond is £200 and has been paid to AON out of the assets of the estate.

Legal

WBD, as noted above, is providing legal support to the JEAs. The JEAs have required this for a number of reasons:

- This is the first Education Administration under new legislation and without any precedents.
- There were a material number of legal matters that were ongoing at the date of the Order. Many of these actions were integral to the JEAs' ability to continue to operate the College with minimal disruption to learners and therefore this has required the JEAs to continue with these legal actions and continue to receive the ongoing legal support.
- The statutory objective of an Education Administration has required the continued operation of the College. The nature of continuing to operate a residential further education and higher education land based agricultural college with 6 teaching sites and two farms, as well as a number of subsidiary interests and joint venture arrangements, is such that the JEAs faced a large number of matters on which legal opinion and assurance needed to be sought.
- The Proposed Merger Transactions also add additional complexity in that the operations of both the College and WKAC are to be separated on a campus by campus basis, then realigned and, potentially, sold to multiple acquirers. This has meant that a range of legal support and advice has been required by the JEAs.

The legal costs incurred to date by WBD, but not yet paid, for support to the JEAs are £155,205 plus VAT.

Brachers, the College's pre-appointment legal advisers were as noted above, retained to deal with certain legal matters. Given Brachers' pre-existing knowledge, especially in connection with certain property and employee issues, it was deemed most efficient to continue with its service for those specific matters. The costs incurred to date total £65,367 plus VAT of which £59,237 plus VAT has been paid.

Property

Savills UK was engaged to value the College's property, across all campuses, in order to provide an independent view on potential value, taking account of educational designations. It also assisted with completing an inventory at one of the College's residential flats and completed a check out of a former tenant. The costs incurred to date total £33,500 plus VAT, of which £32,500 plus VAT has been paid.

Peter Marsh Consulting Limited ("Peter Marsh") is an education consultant and specialises in estates planning in the education sector. Peter Marsh was engaged to undertake a review of the education provision, specifically the curriculum, with a view

to identifying potential efficiencies that could be achieved, mainly through reviewing the use of property and assets necessary to deliver the education provision. The identification of non-core parts of the property and asset portfolio, enables the JEAs to consider selling these non-core assets for market value without impacting upon learner provision or the Proposed Merger Transactions. The costs incurred to date total £33,175 plus VAT and £11,250 plus VAT has been paid.

REAS, as noted above, was engaged to advise on the potential sale strategy for the Betteshanger subsidiaries and the corresponding land owned by the College. A subsequent sale strategy was agreed and is currently being implemented. The costs incurred post appointment and to date total £22,222 plus VAT and £21,627 plus VAT has been paid.

PR

Headland PR Consultancy LLP are a PR and communications firm providing support to the JEAs. The costs incurred to date total £2,000 plus VAT and £1,400 plus VAT has been paid.

16. Possible outcomes for the Education Administration

The outcome of the Education Administration will depend firstly upon the result of the due diligence that is being undertaken by and in relation to the Preferred Bidders.

If the Proposed Merger Transactions do not complete, either in full or in part, then the JEAs will consider an alternative means of achieving the statutory objective of avoiding or minimising the disruption to the studies of the existing learners.

The manner in which the Education Administration is brought to an end will also in part be determined by the extent to which any College assets are considered not to be required for the ongoing provision of education. Where possible, any such assets will be realised for the benefit of the creditors.

The Education Administration can only end upon an application to the Court by either the Secretary of State for Education, or the JEAs with the approval of the Secretary of State for Education (Para 79 Sch. B1 IA 86 as amended by TEFA 2017).

Once the Education Administration has ended, either the legal entity will be dissolved, or, if it will facilitate further investigations into the College's affairs and asset sales with a view to making a recovery for creditors, an application to the Court may be made to place the Corporation of Hadlow College into compulsory liquidation.

Under Rule 3.13 TEAR 2018, the JEAs are obliged to make progress reports to the creditors at six monthly intervals. These reports will be published on the following website:

brportal.bdo.co.uk/case/00294470/6PnsWfC4

Username: 00294470
Password: 6PnsWfC4

although creditors may request a hard copy of any reports produced by the JEAs either by emailing hadlowcreditors@bdo.co.uk or writing to BDO LLP, 5 Temple Square, Temple Street, Liverpool L2 5RH or calling 0151 237 4500.

17. Statement of proposals under Paragraph 49 of Sch. B1 IA86

Under TFEA 2017, there is no provision for the JEAs to call a meeting of creditors or otherwise seek their consent to the JEAs' proposals. Accordingly, these proposals constitute how the JEAs intend to continue to manage the Education Administration under the supervision of the Court.

Formal Proposals - the JEAs propose that:

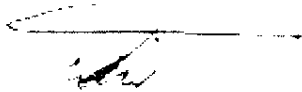
- A. They continue to manage the business, affairs and property of the College to achieve the objective of the Education Administration by either:
 - a. Rescuing the further education body as a going concern,
 - b. Transferring some or all of its undertaking to another body,
 - c. Keeping it going until existing students have completed their studies, or
 - d. Making arrangements for existing students to complete their studies at another institution.

As detailed previously, due to the significant levels of liabilities that the College has, it is unlikely the College could be rescued as a going concern.

- B. The JEAs will continue to investigate and, if appropriate, pursue any claims that the JEAs believe that the College may have under all legislation relevant to the management and affairs of the College. In addition, the JEAs shall do all such other things and generally exercise all their powers as Joint Education Administrators as they in their discretion consider desirable in order to achieve the objective of the Education Administration or to protect and preserve the assets of the College or to maximise their realisations or for any other purpose incidental to these proposals.
- C. If the JEAs consider that funds will become available in respect to the unsecured claims of creditors, the JEAs may at their discretion establish in principle the claims of unsecured creditors for adjudication in the Education Administration or a subsequent liquidation and may apply to Court for the costs of doing so to be met as a cost of the Education Administration.
- D. If the JEAs consider that sufficient funds will become available to enable a distribution to be made to the unsecured creditors, the JEAs may at their discretion make an application to Court for permission to make a distribution to unsecured creditors under Paragraph 65(3) Sch. B1 IA86.
- E. Once the objective of the Education Administration is achieved, the JEAs will either request of the Secretary of State for Education to petition, or seek the consent of the Secretary of State for Education for the JEAs to petition, the Court for the following orders:
 - a. that the Education Administration be brought to an end and the JEAs be discharged from office on such terms as the Court shall determine; and
 - b. either that The Corporation of Hadlow College be dissolved or, that it be placed into compulsory liquidation and, if the Court thinks fit, the former JEAs be appointed as Joint Liquidators.

- F. The JEAs shall be discharged from liability pursuant to Paragraph 98(1) Sch. B1 IA86 in respect of any action of theirs as Education Administrators at a time determined by the Court.

Dated: 1 November 2019



.....
William Matthew Humphries Tait
Joint Education Administrator

William Matthew Humphries Tait, Francis Graham Newton and Danny Nicolaas William Dartnaill were appointed Joint Education Administrators of the College on 22 May 2019.

W M H Tait and D N W Dartnaill are authorised by the Institute of Chartered Accountants in England and Wales in the UK. F G Newton is authorised by the Insolvency Practitioners Association in the UK.

The Joint Education Administrators act as agents to the College and contract without personal liability.

The Corporation of Hadlow College - In Education Administration

Statutory Information

Registered number: Not applicable - this is a statutory corporation

UKPRN: 10002843

Date of incorporation: 28 September 1992

Address of registered office: Hadlow College
Tonbridge Road
Hadlow
Tonbridge
TN11 0AL

Trading names:
Hadlow Group

		<i>Position</i>	<i>Appointed</i>	<i>Resigned</i>
Relevant officers:	Graham Morley	Interim Principal	15/02/2019	-
	Mark Sellis	Interim CFO	08/04/2019	15/09/2019
	Susan Evans	Interim CFO	15/09/2019	-

College governance webpage: <https://www.hadlow.ac.uk/about-us/governors-governance>

Relevant officers interests in the College: None other than by virtue of being an employee under a contract for services

Trading Results before actuarial gains/losses in respect of pension schemes:

Year End	Total income £000	Total Expenditure £000	Surplus/(deficit) before other gains & losses £000	Gain on disposal of assets £000	Surplus/(deficit) for the year £000
31 July 2016	23,976	23,875	101	94	195
31 July 2017	21,718	23,343	(1,625)	599	(1,026)
31 July 2018**	21,979	24,673	(2,694)	5,342	2,648

**per management accounts

The Corporation of Hadlow College - In Education Administration

Statement of Affairs (draft) as at 22 May 2019

	Book Value £000	Estimated to Realise £000
Pledged assets		
Hadlow main campus, East	2,801	5,575
Less: due to fixed charge creditor	(5,183)	(5,183)
		<u>392</u>
Buildings, equipment, vehicles	2,112	728
Less: due under finance leases	(917)	(917)
		<u>(189)</u>
		<u>392</u>
Total pledged assets		<u>392</u>
Unpledged assets		
Land & Buildings	20,001	12,660
Assets under construction	12,296	uncertain
Plant & Equipment	2,242	561
Stock	1,302	651
Debtors	1,759	1,319
Cash	1,077	1,077
	<u>38,677</u>	<u>16,268</u>
Total unpledged assets	<u>38,677</u>	<u>16,268</u>

cont...

The Corporation of Hadlow College - In Education Administration**Statement of Affairs (draft) as at 22 May 2019**

Preferential unsecured creditors	Nil
Prescribed part	Nil
Debts secured by floating charge	Nil
Non-preferential unsecured creditors	
Employees	
arrears	(474)
Funding bodies	(13,757)
Loans - third party	
Wesleyan Bank	(258)
Salix	(576)
Kent Mining Heritage Fund	(24)
University of Greenwich	(336)
Loans - related party	
West Kent & Ashford College	(3,867)
Hadlow PIF Ltd	(101)
HMRC	
VAT	(1,597)
PAYE & NI	(454)
Pensions	
Arrears of contributions	(178)
LGPS defined benefit scheme deficit	(9,094)
Deposits	(124)
Trade creditors	(3,092)
Accruals	(1,067)
Deferred income	(142)
Total unsecured creditors	<u>(35,141)</u>
Estimated deficiency as regards creditors	<u>uncertain</u>

NAME	VALUE £	ADDRESS
BOC LIMITED	104.40	P O BOX 12 Priestley Road Worsley Manchester M28 2UT
Business Stream	97,962.43	P O BOX 41 WORTHING BN13 3NZ
KM Media Group Limited	500.00	MEDWAY HOUSE GINSBURY CLOSE, ST THOMAS LONGLE MEDWAY CITY ESTATE ME2 4DU
Royal Mail Group Plc	144.02	PAYMENT PROCESSING CENTRE ROWLAND HILL HOUSE BOYTHORPE RD S49 1HQ
John Parker & Son Ltd	391.77	Vauxhall Road Canterbury Kent CT11 1HD
South East Water	6,303.25	CUSTOMER SERVICE DEPARTMENT SNODLAND ME6 5AH
City & Guilds	12,778.90	FINANCE DEPT, PO BOX 899 1 GILTSPUR STREET LONDON EC1A 9EY
Hall Refrigeration W/Sale Ltd	642.43	Unit 1 Palace Industrial Estate Bircholt Road Maidstone Kent ME15 0
Sage (UK) Ltd	32.40	NORTH PARK NEWCASTLE UPON TYNE NE13 9AA
Jobs in Kent	420.00	58 The High Street Maidstone Kent ME14 1SY
Westways Vending Ltd	114.20	UNIT 2 APEX PARK DIPLOCKS WAY HAILSHAM BN27 3JU
The University of Greenwich	8,630.00	Southwood House Avery Hill Road Eltham London SE9 0
Initial Washroom Solutions	612.08	2 CITY PLACE BEEHIVE RING ROAD WEST SUSSEX RH6 0HA
NUS STUDENTS UNION CHARITABLE SERVICES	60.00	NUS STUDENT UNION CHARITABLE NUS SERVICES LIMITED SNAPE ROAD CHESHIRE SK10 2NZ
FE Associates	62,033.40	9 Apex Court Woodlands Bristol BS32 4JT
Tonbridge & Malling Borough Council	66,727.62	TONBRIDGE AND MALLING BOROUGH CO GIBSON BUILDING, GIBSON DRIVE KINGS HILL ME19 4LZ
Edmundson Electrical	30.58	Hannover Place 8 Church Road Tunbridge Wells Kent TN1 1JP
FMP Payroll Services	2,937.64	Warwick House 48 Collingwood Road Witham Essex CN8 2DZ
S.G Media Publications Ltd	570.00	Publications House 39 Little Mount Sion Tunbridge Wells Kent TN1 1YS
Brachers Solicitors	79,717.08	SOMERFIELD HOUSE 59 LONDON ROAD MAIDSTONE ME16 8JH
Association of Colleges	23,976.00	2-5 Stedham Place London WC1A 1HU
Softlink Europe Ltd	3,670.01	OAK COURT NORTH LEIGH WITNEY OXON OX29 6SW
Agricare	347.90	COOTING ROAD AYLESHAM INDUSTRIAL ESTATE CANTERBURY CT3 3EP
M&C Energy Group	1,834.12	ENTERPRISE WAY DUNFERMLINE KY11 8PY
EDF Energy Customer Field Services DD	462.79	PAYMENT PROCESSING CENTRE PO BOX 3956 PLYMOUTH PL3 5XQ
Unit Hire Ltd	104.58	FLEXIBLE HOUSE RIVERSIDE INDUSTRIAL ESTATE WATSON CLOSE RM20 3EF
RSW	60,380.00	25 High Street Crawley Sussex RH10 1BG
Prenax Ltd	1,303.56	89 Sherborne Road Yeovil BA21 4HE
Green Hippo Print Ltd	1,254.00	UNIT 36 Chapman Way TUNBRIDGE WELLS TN2 3EF
Kings Hill Garage Limited	4,316.34	NORTH LODGE 584 MALLING ROAD WEST MALLING ME19 4PU

ABM Catering Limited	17,195.85	63-67 Saltsford Warwick CV34 4AF
Pugh Computers Ltd	21,903.40	Denver House Llanon Aberystwyth SY23 5LP
Babcock 4S Limited	107.80	Finance Shared Service Centre 1000 Lakeside, North Harbour Cosham PO6 3EN
Switchshop Limited	1,173.57	SwitchShop Limited Enterprise Park Kimpton Hitchin SG4 8HP
Canterbury City Council	5,193.52	FINANCE AND OFFICE SERVICES COUNCIL OFFICES MILITARY ROAD CT1 1YW
Three R's Teacher Recruitment	1,246.80	Head Office 8 Highpoint Business Village Henwood, Ashford TN24 8DH
Gilbert and Stampel Limited	22,762.39	Jubilee Cottage Drayton Road Tonbridge Kent TN9 2BE
Marpaul Southern Limited (*)	1,331,350.97	THE OFFICES THE SQUARE HADLOW TN11 0DD
Ward Security Limited	522.20	SECOND FLOOR THE FITTED RIGGING WAREHOUSE ANCHOR WHARF CHATHAM KENT ME4 4TZ
Focus Group	2,620.30	Europa House Southwick Square Southwick West Sussex BN42 4FJ
Limagrain The Exotic Food and Spice Company	6,142.00	ROTHWELL MARKET RASEN LINCOLNSHIRE LN7 6DT
ARJ CRE8 Ltd	922.66	9 The Enterprise Centre Lords Wood Chatham Kent ME5 4NP
Otter House Ltd	106,069.20	28 Valley Road Plympton Devon PL71RF PL7 1RF
GPB Construction Ltd	1,682.70	Exe Box Matford Exeter EX28FD EX2 8FD
Pearson Education Limited	78,972.93	Halland Park Farm Halland Nr East Hothly BN8 6RB
Westland Horticulture Limited Wealden Agricultural Marketing Ltd	1,091.75	80 The Strand London WC2R 0RL
Green Olive Firewood Company	1,410.00	14 Granville Road Dungannon Ireland BT70 1NJ
Ardula Ltd	10,835.50	The Stable Yard 4/5 North Road Bodle Street Green BN27 4RG
Tusker Direct	796.02	Unit 5 & 6 Ridge Farm Rowhook Nr Horsham RH12 3BQ
Bottomline Technologies	414.00	BARN OAST WOODFALLS INDUSTRIAL EST GRAVELLY WAYS, LADDINFORD ME18 6DA
Macintyre Hudson	4,462.67	2 Marlins Meadow Unit 7-9 Croxley Green Business Park Watford Herts WD18 8YA
Crest Garden Limited	44.56	Bottomline Technologies 115 Chatham Street Reading Berkshire RG1 7JX
M T Coleman	146,580.00	Macintyre Hudson New Bridge Street House 30-34 New Bridge Street London EC4V 6BJ
Cundall	512.74	14 Granville Road Co Tyrone Northern Ireland BT70 1NJ
Westfield Health	614.00	Great Weddington Farm Ash Canterbury Kent CT3 2AR
HEVER COUNTRYSIDE SERVICES	5,040.00	Cundall 4th Floor Partnership House Gosforth Newcastle-Upon-Tyne NE3 3AF
Kent county Agricultural Society	2,058.70	Westfield Health Westfield House 87 Division Street Sheffield South Yorkshire S1 1HT
SOUTHERN FARMERS LTD	1,200.00	HEVER COUNTRYSIDE SERVICES NEW HOUSE FARM BUNGALOW HEVER KENT TN8 7ER
MARINE NUTRITION	8,520.00	Kent Showground Maidstone Kent ME14 3JF
	14,029.44	SOUTHERN FARMERS LTD WINDMILL FARM ROLVENDEN CRANBROOK KENT TN17 4PF
	413.40	MARINE NUTRITION UNITS 4-6 HAVEN LIGHT IND. EST. GRIMSBY N.E LINGS DN13 2SL

GEOFF BOORMAN FUELS THE KENT AND SUSSEX TEA AND COFFEE COMPANY	1,739.70	GEOFF BOORMAN FUELS LLP BURNT OAK FARM HEVER ROAD EDENBRIDGE KENT TN8 5DJ
LUNCHBOX KENT LIMITED	74.82	THE KENT AND SUSSEX TEA AND COFFEE COMPANY PIVINGTON MILL ASHFORD KENT TN27 0PG
Lyreco UK Ltd	3,891.90	LUNCHBOX KENT LIMITED 63 DOVER STREET CANTERBURY KENT CT2 3HD
Further Education Partnership Ltd	731.28	Lyreco UK Ltd PO BOX Okengates 468 Telford Shropshire TF2 7WR
ARKAS Ltd	2,456.40	1 Park Gardens Yeovil Somerset BA20 1DW
RKC Industrial Roofing and Cladding Limited	774.00	ARKAS Ltd Headcorn Road Sutton Valence Kent ME17 3EH
Smart Garden Products	29,166.00	Shingle Barn Smiths Hill West Farleigh Maidstone Kent ME15 0PH
GWF Nutrition	480.73	2 Pentagon South Barton Lane Abingdon OX14 3PZ
Best Water Technology (BWT)	102.18	Hercules Way Bowerhill Est Melksham Wiltshire SN12 6TS
Joseph Woodcock	126.56	Unit 2 The Gateway Centre Coronation Road Bucks HP12 3SU
Colchester Zoo	150.00	36 Eaglesfield Road Shooters Hill London SE18 3BU
Brambledown (Kent) Ltd	180.99	Maldon Road Stanway Colchester Essex CO3 0SL
Lady Dane Veterinary Centre	615.92	Brambledown Farm Shop and Animal Brambledown Minster Isle of Sheppey Kent ME12 3SU
Functional Communication	41.26	Graveney Road Faversham Kent ME18 8UR
Eastill	4,286.67	5 Brooklands Close Fordwich Canterbury Kent CT2 0BT
Frametec	2,016.00	Ibex House Ferro Fields Scaldwell Road Brixworth Northamptonshire NN6 9UA
Lamberhurst Engineering Limited	6,270.00	Gravelly Barn Gravelly Bottom Road Kingswood Maidstone Kent ME17 3NX
Hugh Lowe Farms Ltd	361.64	Priory Farm Parsonage Lane Lamberhurst Kent TN3 8DS
Overt Software Solutions Limited	794.00	Hugh Lowe Farms Ltd Barons Place Mereworth Kent ME18 5NF
Richard Abel Landscapes	1,680.00	Unit 2 Hawford Business Centre Hawford Worcester Worcs WR3 7SG
Medway Council	396.00	The Straw Shed Hulberry Farm Eynsford Kent DA4 0JG
Vivid Arts Ltd	3,575.00	Medway Council Gun Wharf Dock Road Chatham Kent ME4 4TR
North Kent College	769.69	Viscount House River Lane Saltney Cheshire CH4 8RH
South East Farmer	15,000.00	Dartford Campus Oakfield Lane Dartford Kent DA1 2JT
Askews and Holts	649.00	Spicer House Lympe Business Park Hythe Kent CT21 4LR
Jon Sarsfield Ltd	209.08	218-222 North Road Preston Lancashire PR1 1SY
The Real Coffee Company	520.00	Byways Quarry Heath Penridge Stafford ST19 5RT
Newsquest Media Group	60.32	2nd Floor 272 London Road Wallington Surrey SM6 7DJ
Hazle McCormack Young LLP	580.00	Accounts Department South Wales Argus Cardiff Road Newport South Wales NP20 3QN
Ofsted	6,000.00	Leap House Frog Lane Tunbridge Wells Kent TN1 1YT
	1,561.00	Cashiering Team Ofsted Piccadilly Gate Manchester M1 2WD

Claig Company Limited	8,849.95	106 Grierson Road Honor Oak Park London SE23 1NX
Sussex Plants Ltd	951.90	Park Road Nursery Park Road Hellingly BN27 1PB
Dataserve Uk	256.02	Scottish Power General Admin 10th Floor 320 St Vincent Street Glasgow G2 5AD
Wisepay	2,802.38	30 St John's Road Woking Surrey GU21 7SA
Kent First Aid training Ltd	900.00	6 Honiton Road Weiling Kent DA16 3LB
Shear Ease	33.60	Cae Ucharf Rhoxybol Amlwch Angesey LL68 9TR
Munchies Cafe	2,896.50	89 Mottingham Road Mottingham SE9 4TJ
Bamford Tree Management	1,100.00	181 London Road Hailsham East Sussex BN27 3AP
Royal Mail 0481375000 DD account Channel Facilities Management Limited	2,983.52	Payment Processing Centre Rowland Hill House Boythorpe Road S49 1HQ
Scientific and Chemical Supplies	2,532.06	Almond House Betteshanger Road Betteshanger Kent CT14 0EN
Browns Books For Students	496.08	Carlton House Livingstone Road Bilston West Midlands WV14 0QZ
Rent a Cherry Tree	3,899.10	Accounts Department 22-28 George Street Hull HU1 3AP
ARW Kirk	68.40	Cooks Yard Farm New Road Northiam TN31 6HS
Vera Foreman	1,600.00	Hornbrook Farmhouse Woodchurch Ashford Kent TN23 3TH
P A Hollingworth and Co	1,445.65	Oosterbeek Brightlingsea Thorrington Essex CO7 8JH
Decco Ltd	8,182.99	Foxborough Hill Woodnesborough Sandwich Kent CT13 0NY
M B F Hygiene Systems Limited	793.77	Unit 1 Votec House Hambridge Lane Newbury Berks RG14 5TN
Complete Mechanical Services	126,454.46	Unit 22 Regents Trade Park Barwell Lane Gosport Hants PO13 0EQ
Cambridge Glasshouse Co Limited	2,034.00	Frith Farm Cottage Dean Street East Farleigh Maidstone Kent ME15 0PR
Playerthree Limited	145,560.00	Wallingfen Business Park 236 Main road Newport Brough East Yorkshire HU15 2RH
Fabrick	3,500.00	Unit 1 156 Bermondsey Street London SE1 3TQ
Thorne Rainwater Systems Ltd	3,600.00	Palace Court 15-17 London Road Maidstone Kent ME16 8JE
Shakeshaft Landscape	1,820.84	1 Pontfaen Cardiff CF23 7DU
Southwark News	5,000.00	1 Russell Mews Paddock Wood Kent TN12 6DW
BBC Fire Protection Ltd	495.00	Tower Bridge Business Complex Unit A 302 Clements Road SE16 4DG
Shell UK Oil Products Limited	367.20	St Florian House Aytton Road Wymondham Norfolk NR18 0QH
AAC Group	958.80	Shell Centre London SE1 7NA
Peter Williams TV International	804.00	Unit 15, Connect 10 Ashford Business Park Foster Road Ashfors kent TN24 0FE
Petti Rossi UK Ltd	2,821.09	The Studio Key Cottage South Street Boughton Faversham ME13 9NR
Carole Baker	861.84	7 Ellerbeck Way Stokesley Business Park Stokesly N Yorkshire TS9 5JZ
	175.00	55 Lapins Lane Kings Hill West Malling Kent ME19 4LE

Decrem	4,720.94	33 Meadow Way Heston Hounslow Middlesex TW5 9EY
Asi Ltd	26,829.70	Unit 9 Ladycross Business Park Hollow Lane Dormansland Surrey RH7 6PB
J.M Cladding Ltd	8,349.82	15 Donnahay Road Ramsgate Kent CT12 6RW
Queen Alfred Cakes	503.00	Wadhurst East Sussex TN5 6NU
Elbow Productions	18,038.40	The Glass Room 35-47 Bethnal Green Road London E1 6LA
Ascentis	884.00	Office 4 Lancaster Business Park 8 Mannin Way Lancaster LA1 3SW
Jon Allen Consultancy	23,478.00	Offices 8 Access House Cray Avenue Orpington Kent BR5 3QB
Routes to Retail	16.77	Stuart House (first floor) St Johns Street Peterborough PE1 5DD
Raynor Foods Ltd	248.31	Farrow Road Wifford Industrial Estate Chelmsford Essex CM1 3TH
Westland Horticulture T/A Gardman	3,027.04	Broad oak Bakewell Road Orton Southgate PE2 6YS
Chippie Contracts Limited	6,360.00	55 Atkinson Road Hawkinge Folkestone Kent CT18 7SB
Shire Integrated Systems Ltd	15,908.93	88-90 high Street Staple hill Bristol BS16 5HL
Kimberley Carey Art	96.75	23 Higham Lane Tonbridge Kent TN10 0AL
Albion Fencing and Construction	12,000.00	Zeila Farm High Street Garinge Margate Kent CT9 5NA
Danny Vaughan	40.00	49 Eythorne Road Shepherdswell Dover Kent CT15 7PG
Doverhay Consulting	800.00	Doverhay House 32 Wray Common Road Reigate Surrey RH2 0ND
Kent School of Veterinary Nursing	3,547.55	71-75 Shelton Street Covent Garden London WC2H 9JQ
Richard Murphy	600.00	Woodpeckers Ley Hill Chesham Bucks HP5 3QR
Grounds Training Solutions	500.00	Whitbread Farm Whitbread Lane Beckley East Sussex TN31 6UA
BDO LLP	29,988.88	55 Baker Street London W1U 7EU
TCS CAD & BIM Solutions Limited	67.01	Unit F Yorkway Mandale Ind Estate Thornaby Stockton on Tees TS17 6BX
Evershed Sutherland	561.60	Kett House Station Road Cambridge CB1 2JY
ADF Accounts	3,972.54	91 High Street Blunston Swindon Wilts SN26 7AG
Hays Specialist Recruitment Limited	21,909.40	Hays house 40-44 Coombe road New Malden Surrey KT3 4QF
Hipefficient Surveys Ltd	540.00	The Old Mill Northgrove Road Kent TN18 4AP
West Kent and Ashford College	13,488.23	Brook Street Tonbridge Kent TN9 2PW
Canterbury Cathedral Lodge	625.00	The Precincts Canterbury Cathedral Canterbury Kent CT1 2EH
InLinkUK	270.00	The MET Building 22 Percy Street London W1T 2BU
Real Estate Advisory Services Limited	4,477.20	Elm House 10 Fountain Court New Lease Bristol BS32 4LA
Mark James Golf Academy	560.00	Tonbridge Golf Centre Cannon Lane Tonbridge Kent TN9 1PP
Remarkable Things	2,795.40	1 Gillham Wood Avenue Bexhill on Sea Sussex TN39 3BW

			#/N/A	
Bloomfields	1,800.00			
A. Eastwood	59,574.60			1 LINTON VIEW, 87 BUSH ROAD EAST PECKHAM TONBRIDGE TN12 5LJ
AgriLine Products Limited	28.80			UNIT 12 HARRIS BUSINESS PARK HANBURY ROAD B60 4DJ
Auguste Noel Limited	774.59			Unit B7 Medway Valley Park Saxon Place ME2 2NW
Ball Colegrave Ltd	1,402.77			WEST ADDERBURY BANBURY OXFORDSHIRE OX17 3EY
Barnsfold Nurseries Ltd	4,505.63			TISMANS COMMON RUDGWICK WEST SUSSEX RH12 3BP
Barradale Eggs	656.00			Barradale Eggs Maidstone Road Headcorn TN27 9PJ
Bell Equine Veterinary Clinic [3560]	921.22			MEREWORTH NEAR MAIDSTONE KENT ME18 5GS
Bell House Foods Ltd	486.40			BELL LANE BIDDENDEN TN27 8LD
Ben Walker	100.00			47 CHURCH STREET BOUGHTON MONCHELSEA ME17 4HN
Bishops Office Products Ltd	175.37			UNIT 33 CHAPMAN WAY TUNBRIDGE WELLS TN2 3EF
Bord Na Mona	3,381.24			Polden Business Centre Bristol Road Bridgewater TA6 4AW
Braeforge Ltd T/A Pensworth [2540]	1,753.83			Unit 6&7 Spelmonden Farm Estate Goudhurst TN17 1HE
Broadfeed Limited	3,260.75			UNIT 6 SPA INDUSTRIAL PARK LONGFIELD ROAD TUNBRIDGE WELLS TN2 3EN
C & S Packaging	177.84			UNIT 1 BLOCK THREE VESTRY INDUSTRIAL ESTATE TN14 5EL
C J Love	5,625.15			57 NORTH CRAY ROAD SIDCUP KENT DA14 5EU
Calor Gas Ltd (Direct Debit)	200.08			Athena Drive Tachbrook Park Warwick CV34 6RL
Chippings Tree Surgery	696.00			SUES COTTAGE BENOVER ROAD YALDING ME18 6EX
Contract Security Services Ltd	576.00			Challenger House 125 Gunnersbury Lane London W3 8LH
Cotswold Fayre Ltd	328.25			UNIT 14 Tessa Road Reading RG1 8HH
Creative Active Reading	237.51			1 CASTLE TERRACE HIGH STREET TN11 0BX
Curd & Cure	1,022.72			UNIT 2B LITTLE DALE WORKSHOPS COLLIERS GREEN TN17 2LS
DM Houghton Wholesale	258.45			12 BOURNE WAY HAYES KENT BR2 7HA
David Catt & Sons Ltd	6,347.93			EAST HALL FARM BOUGHTON MONCHELSEA MAIDSTONE KENT ME17 4JT
David Howell Dwrcl	588.40			30 STEVENS LANE CLAYGATE KT10 0TE
Dumbrells	133.18			UNIT 16 BARTON BUSINESS PARK NEW DOVER ROAD CT1 3AA
Edgar's Water	144.72			CONWAY HOUSE PATTENDEN LANE MARDEN KENT TN12 9QJ
Fargro Ltd	1,291.80			TODDINGTON LANE LITTLEHAMPTON WEST SUSSEX BN17 7PP
Farplants Sales Limited	9,996.97			YAPTON LANE WALBERTON WEST SUSSEX BN18 0AS
Gillett Cook Ltd	719.13			WILLOW FARM HANSLITTS LANE FAVERSHAM ME13 0RS
Guest & Sons Ltd	572.97			CHERRY TREES DELMOLDEN ROAD HAWKHURST TN18 4XB

Gurkha Cleaning	6,957.30	9 Orchard Place Business Centre Wrotham TN15 8QX
Hadlow Management Pif Ltd	1,215.00	C/o Hadlow And Pif 0 0
J P Glass Ltd	2,108.82	34 MORLEY ROAD TONBRIDGE KENT TN9 1RA
Kent County Council (Kcs)	2,715.80	1 ABBEY WOOD ROAD KINGS HILL WEST WALLING 0 0
Kent Frozen Food Ltd	549.81	KENT HOUSE MILLS ROAD AYLESFORD ME20 7PP
Kent Wool Growers Ltd	1,308.53	BRUNDRETT HOUSE TANNERY LANE ASHFORD TN23 1PN
Lantra Ltd	300.00	C/O WBL 0 0
Lovania Nurseries Ltd	1,674.96	188 Blackgate Lane Tarleton PR4 6UU
Mid-Hants Bulk Haulage Ltd	1,206.24	New Farm Pickaxe Lane South Warmborough RG29 1SH
Monkfield Nutrition	730.83	Arthur Rickwood Farm Chatteris Road Mepal Ely CB6 2AZ
Mits Cleansing Services Ltd	220.50	MEDWAY ONE ANTHONYS WAY MEDWAY CITY ESTATE ME2 4NF
National Fallen Stock Company	398.10	SALLYFIELD LANE STANTON ASHBOURNE DE6 2DA
Neil Bone	1,075.00	11 Cherrywood Rise Ashford, TN25 4QA
Northiam Dairy Ltd [2672]	112.56	GATE COURTH FARM RYE EAST SUSSEX TN31 6QT
Norwood Aquarium Ltd	237.40	363 Limpfield Rd Warlingham CR6 9HA
Orange EE	4,042.96	PO Box 52 Sheffield S98 1DX
Owlet Fruit Juice	102.38	OWL HOUSE FRUIT FARM MOUNT PLEASANT LANE LAMBERHURST TN3 8LY
Peregrine Livefoods Ltd	714.65	ROLLS FARM BARNs HASTINGWOOD ROAD MAGDALEN LAVER CM5 0EN
Peter Williams TV International	4,200.00	THE STUDIO KEY COTTAGE SOUTH STREET ME13 9NR
Plaxtol Bakery Ltd [2545]	990.50	BRANBRIDGE INDUSTRIAL ESTATE EAST PECKHAM TN12 5HF
Putlands Veterinary Surgery	751.27	MAIDSTONE ROAD PADDOCK WOOD TONBRIDGE TN12 6DZ
Quality Rosettes	273.25	10 Tamarind Close Hempstead ME7 3ST
Salcombe Dairy Ltd	142.02	PECKHAM PLACE EAST PECKHAM TN12 5NA
Screwfix Direct	926.96	TRADE UK SELECTAPOST 28 SHEFFIELD S97 3GE
Selbooks	1,424.06	Selnews Bargain Books Selnews House 99 Lynchford Road GU14 6ET
Shred On Site Ltd	69.00	UNIT 9 TRAFALGAR WAY YORK TOWN BUSINESS PARK CAMBERLEY GU15 3BN
Solleys Farms (Dairy) Limited	219.12	THE DAIRY RIPPLE DEAL CT14 8JL
Speedgate Enterprises Ltd	461.25	SPEEDGATE FARM FAWKHAM LONGFIELD 0 0
Sse And Scottish Hydro	31,280.61	SOUTHERN ELECTRIC PO BOX 514 BASINGSTOKE RG21 8WS
Banner Group Ltd	1,068.42	K House Sheffield Business Park S9 1XU
Suttons Consumer Products Limited	1,343.61	WOODVIEW ROAD PAIGNTON TQ4 7NG

Castle Water	13,430.97	PO BOX 234 SWINDON SN38 3TW
The British Horse Society	2,745.00	C/O LOUISE GARNER 0 0
The Preventative Healthcare Company Ltd	2,040.00	PHC HOUSE, ST LEONARDS ROAD 20/20 BUSINESS PARK MAIDSTONE ME16 0FJ
The Royal Borough Of Greenwich	26,554.00	RESIDENTIAL SERVICES 4TH FLOOR THE WOOLWICH CENTRE WELLINGTON STREET 0 0
The Weald Smokery	174.99	Mount Farm Fimwell East Sussex TN5 7QL
Thorne Cleaning Solutions Ltd	105.90	UNIT 20 ACORN INDUSTRIAL PARK, GRAYFORD DARTFORD DA1 4AL
Veolia Es Cleanaway (Uk) Ltd	3,455.99	Credit Control Department Kingswood House Kingswood Crescent WS11 8JP
Vodafone Connect Ltd (Direct Debit)	495.75	P O BOX 549 CROYDON CR9 3WB
WL Duffield & Sons Ltd (Direct Debit)	7,894.02	SAXLINGHAM THORPE MILLS SAXLINGHAM THORPE NORWICH NR15 1TY
Wm Lillico & Son Ltd	33.62	THE FORSTAL BEDDOW WAY AYLESFORD 0 0
	3,092,448.78	
		sub total
Education & Skills Funding Agency	10,876,644.11	Dept for Education, Picadilly Gate, Store St., Manchester M1 2WD
Coastal Communities Fund	2,000,000.00	1 Plough Place, London, EC4A 1DE
East Kent Spatial Development Company	880,102.38	Clover House John Wilson Business Park, Harvey Drive, Chestfield, Whitstable, England, CT5 3QZ
HMRC VAT	1,597,139.15	International House, 7 High St., Ealing Broadway, London W5 5DJ
HMRC PAYE/NIC	453,611.78	St. Mungo's Road, Cumbernauld, Glasgow G70 5TR
Pension Schemes contributions	177,626.28	Various
LGPS deficit share (latest estimate)	9,094,000.00	Kent County Council Pension Section, Sessions House, County Hall, Maidstone ME14 1XQ
Wesleyan Bank	257,904.67	Colmore Circus Queensway, Birmingham B4 6AR
Salix	575,573.65	75 King William Street London EC4N 7BE
Kent Mining Heritage Foundation	23,934.43	Almond House, Betteshanger, Deal, Kent, CT14 0EN
University of Greenwich	336,329.89	Old Royal Naval College, Park Row, London SE10 9LS
West Kent & Ashford College	3,866,899.18	Brook St, Tonbridge TN9 2PW, UK
Hadlow PIF Ltd	101,158.00	1 Cobbs Court, High Street, Olney, Milton Keynes, England, MK46 5QN
Student deposits	33,465.78	Various
Staff deposits	19,920.00	Various
Accommodation Deposits	70,490.00	Various
May 2019 payroll (pro-rata) - c.440 employees	474,416.52	Various
Accruals	1,067,431.02	Various



Deferred income	142,424.81	Various
TOTAL	35,141,520.42	

(*) as claimed by supplier, amount under review

The Corporation of Hadlow College - In Education Administration**Receipts & Payments Account for the period from 22 May 2019 to 25 October 2019**

**The Corporation of Hadlow College
(In Administration)
Joint Administrators' Summary of Receipts and Payments
To 25 October 2019**

RECEIPTS	Statement of Affairs (£)	Total (£)
ESFA Trading Receipts		4,514,456.36
Non-ESFA Education Income		2,246,319.45
Catering Sales		230.00
Other Income		281,025.15
Florist and Sapling Sales		164,082.40
Cash at Bank		1,096,830.63
Interest Gross		1,298.00
		<hr/> 8,304,241.99 <hr/>
PAYMENTS		
Payroll Costs		3,294,506.26
Employee Pensions		889,485.30
Staff Related Costs		31,931.39
Farm		144,826.28
COS - Plants		70,908.48
COS - Non-Plants		5,457.11
COS - PCF		1,086.61
COS - Farm Shop		77,935.66
Equipment		18,415.12
IT		23,656.91
Transport and Travel		12,469.35
Leases/HP Agreements		220,104.94
Repairs and Maintenance		22,330.20
Light & Heat		89,751.93
Water		39,083.80
Rent and Rates		73,671.95
Cleaning		41,245.77
Other Expenses		602,286.25
Education Related Costs		278,490.19
Printing and Stationery		16,218.81
Phones		13,587.19
Postage		8,866.52
Marketing		31,465.76
Catering Costs		66,548.41
Consultant fees		79,199.42
Ransom Creditors		116,163.31
Sapling Expenses		1,741.07
Bank Charges & Interest		30.00
Student Bursaries		29,504.61
PAYE & NI		871,573.50
Betteshanger Sustainable Park Ltd		37,000.00
Betteshanger Country Park Ltd		8,000.00
Pre-appointment Professional fees		11,210.40
Specialist Property Agents' Fees		39,452.40
Third Party Payroll Costs		5,040.96
Property Agents' Fees		39,000.00
Legal Fees		56,541.66

**The Corporation of Hadlow College
(In Administration)
Joint Administrators' Summary of Receipts and Payments
To 25 October 2019**

Legal Disbs	7,809.60
Bank Charges	45.00
PR Costs	5,256.00
	<hr/>
	7,381,898.12
	<hr/>
Net Receipts/(Payments)	922,343.87
	<hr/>
 MADE UP AS FOLLOWS	
Trading Account No.1	922,343.87
	<hr/>
	922,343.87
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Note: As the College can only partially reclaim input VAT paid on goods and services received, in order to be prudent, payments in the receipts and payments account are shown gross, as opposed to net, of VAT.

The Corporation of Hadlow College - In Education Administration

Analysis of the Joint Education Administrators' time costs

THE CORPORATION OF HADLOW COLLEGE - IN EDUCATION ADMINISTRATION
Detailed Time Charged and Rates Applicable for the Period from 22 May 2019 (date of Education Administration) to 11 October 2019

Description	Partner		Director		Senior Manager		Manager		Senior Administrator		Grand Total		Average rate	
	Hrs	Total £	Hrs	Total £	Hrs	Total £	Hrs	Total £	Hrs	Total £	Hrs	Total £	Total £	Total £
B. Steps on Appointment														
D1. Review Appointment Validity	3.00	960.00	13.55	2,994.55	13.70	2,575.60	0.20	32.20	8.20	809.40	38.65	7,371.75	190.73	
D2. Statutory Documentation			0.20	44.20							0.20	44.20	221.00	
D4. Meet Directors/Debtors etc.			2.00	442.00							2.00	442.00	221.00	
D5. Initial Reviews			16.55	3,657.55	4.00	752.00					29.05	7,129.55	245.42	
D6. Third Party Discussions					3.95	742.60					3.95	742.60	168.00	
D7. Attendance at Premises											3.75	1,200.00	320.00	
D8. Detail Documentation Review			12.10	2,674.10							13.30	2,826.30	212.52	
D9. Preparation of Proposals					3.80	714.40					3.00	381.00	161.09	
D12. Settling up Internal Files					25.45	4,784.60	0.20	32.20	12.40	1,342.80	97.70	20,857.00	213.43	
B. Sub Total - Steps on Appointment	15.25	4,880.00	44.40	9,812.40										
C. Planning and Strategy														
D1. Historic Performance Review	0.20	64.00	1.30	287.30							1.50	351.30	234.20	
D2. Review Financial Position			1.90	419.90					0.90	114.30	2.80	534.20	190.79	
D3. Review Bus. Process/Systems			0.50	110.50	0.25	47.00	1.70	273.70	1.15	171.45	3.80	602.65	158.59	
D4. Assessment of Management	1.50	480.00	0.75	165.75	1.70	319.60					3.95	965.35	244.39	
D5. Review Options Available							2.00	372.00	1.75	222.25	3.75	544.25	145.13	
D6. Meet Appointee/Committees	0.50	160.00	1.85	408.85							2.35	568.85	242.06	
D7. Strategy Planning	168.40	53,888.00	138.75	30,663.75	53.70	10,095.60	10.65	1,714.65	23.80	3,072.60	395.30	99,364.60	251.42	
D9 Other Matters					0.70	112.70	0.70	112.70	0.70	88.90	1.40	201.60	144.00	
C. Sub Total - Planning and Strategy	170.60	54,592.00	145.05	32,056.05	55.65	10,462.20	15.05	2,423.05	28.50	3,619.50	414.85	103,152.80	248.65	
D. General Administration														
D1. Insurance Matters			9.95	2,198.95	77.85	14,635.80	1.20	193.20	0.70	88.90	89.70	17,116.85	190.82	
D2. VAT			0.15	77.35	3.95	742.60			2.20	279.40	6.50	1,099.35	169.13	
D3. Taxation			8.40	1,856.40							8.40	1,856.40	221.00	
D4. Instruct/Issue Solutions			65.20	14,409.20	0.60	112.80			11.55	1,466.85	77.35	15,988.85	206.71	
D5. Investigations	2.50	800.00	9.75	2,154.75	2.80	526.40			2.00	254.00	17.05	3,735.15	219.07	
D6. Conduct Reports			18.20	4,022.20	0.85	159.80					20.05	4,313.00	215.11	
D7. Receipts/Payments Accounts	0.20	64.00	49.05	10,840.05	15.70	2,951.60			55.75	3,964.00	120.70	17,819.65	147.04	

THE CORPORATION OF HADLOW COLLEGE - IN EDUCATION ADMINISTRATION
Detailed Time Charged and Rates Applicable for the Period from 22 May 2019 (date of Education Administration) to 11 October 2019

Description	Partner		Director		Senior Manager		Manager		Senior Administrator		Grand Total		Average rate	
	Hrs	Total £	Hrs	Total £	Hrs	Total £	Hrs	Total £	Hrs	Total £	Hrs	Total £	Total £	Total £
D. General Administration continued														
08. Remuneration Issues	-	-	11.90	2,629.90	24.10	4,530.80	-	-	-	-	36.00	7,160.70	198.91	
09. Statutory Matters	-	-	39.95	8,828.95	4.15	780.20	-	52.40	0.80	101.60	45.30	9,763.15	215.52	
11. Court Hearings	-	-	-	-	1.00	188.00	-	-	-	-	1.00	188.00	188.00	
12. Pensions/PR Matters	2.50	800.00	60.85	13,447.85	3.40	639.20	-	-	-	-	66.75	14,887.05	223.03	
13. General Meetings	13.00	4,160.00	2.00	442.00	3.60	676.80	-	-	0.75	95.25	19.35	5,374.05	277.73	
14. General Decisions	-	-	17.10	3,779.10	25.75	4,841.00	0.20	32.20	0.20	25.40	43.25	8,677.70	200.64	
15. Gen. Admin./Correspondence	5.95	1,904.00	26.55	5,867.55	22.00	4,136.00	0.25	32.75	91.58	8,241.43	148.33	20,181.73	136.06	
16. Maintain Internal Files	-	-	-	-	1.85	347.80	-	-	9.20	1,168.40	11.05	1,516.20	137.21	
D. Sub Total - General Administration	24.15	7,728.00	319.25	70,554.25	187.60	35,248.80	3.05	441.55	176.73	15,685.23	710.78	129,677.83	182.45	
E. Assets Realisation / Dealing														
01. Establishing Control	5.25	1,680.00	12.60	2,784.60	-	-	-	-	-	-	17.85	4,464.60	250.12	
02. Evaluation/Reconciliation	-	-	1.30	287.30	4.50	846.00	0.60	96.60	-	-	6.40	1,229.90	192.17	
03. Asset Tracing	-	-	-	-	0.10	18.80	-	-	-	-	0.10	18.80	188.00	
04. Agent Instructions/Liaison	5.50	1,740.00	14.10	3,116.10	3.30	620.40	-	-	-	-	22.90	5,496.50	240.02	
05. Sales Info. Preparation	7.75	2,480.00	9.90	2,187.90	74.10	13,930.80	-	-	15.50	1,948.50	107.25	20,567.20	191.77	
06. Property Related Matters	6.75	2,160.00	28.20	6,232.20	2.35	479.40	1.30	209.30	0.65	82.55	39.45	9,163.45	232.28	
07. Debt Collection	-	-	1.60	353.60	1.30	244.40	-	-	-	-	2.90	598.00	206.21	
08. Dealing with Charities/Assets	-	-	4.60	1,016.60	0.30	56.40	-	-	-	-	4.90	1,073.00	218.98	
09. Dealing with Other Assets	0.50	160.00	82.20	18,166.20	4.45	836.60	0.70	112.70	7.75	984.25	95.60	20,259.75	211.92	
10. HP/Leasing Matters	-	-	-	-	-	-	2.60	418.60	34.35	4,362.45	36.95	4,781.05	129.39	
12. Retention of Title	-	-	-	-	1.40	263.20	-	-	8.85	869.95	8.25	1,133.15	137.35	
14. Sales of Business/Assets	15.45	4,944.00	126.10	27,868.10	3.35	629.80	-	-	-	-	144.90	33,441.90	230.79	
99 Other Matters	2.00	640.00	1.25	276.25	4.00	752.00	0.60	96.60	-	-	7.85	1,764.85	224.82	
E. Sub Total - Assets Realisation / Dealing	43.20	13,824.00	281.85	62,288.85	99.35	18,677.80	5.80	933.80	65.10	8,267.70	495.30	103,992.15	209.96	

THE CORPORATION OF HADLOW COLLEGE - IN EDUCATION ADMINISTRATION
 Detailed Time Charged and Rates Applicable for the Period from 22 May 2019 (date of Education Administration) to 11 October 2019

Description	Partner		Director		Senior Manager		Manager		Senior Administrator		Grand Total		Average rate	
	Hrs	Total £	Hrs	Total £	Hrs	Total £	Hrs	Total £	Hrs	Total £	Hrs	Total £	Hrs	Total £
I. Reporting														
01. Statutory Reporting	1.00	960.00	34.80	7,690.80					1.50	190.50	39.30	8,841.30		224.97
02. Reporting to Appointor	4.25	1,360.00	27.85	6,154.85	9.75	1,833.00	0.15	24.15	12.60	1,600.20	54.60	10,972.20		200.96
04. Reporting to Creditors	1.50	480.00	38.90	8,596.90	11.60	2,180.80			0.40	50.80	52.40	11,308.50		215.81
05. Reporting to Court			25.30	5,591.30							25.30	5,591.30		221.00
06. Reporting to other bodies			11.95	2,640.95	3.35	629.80	4.95	796.95			20.25	4,067.70		200.87
99. Other matters					1.70	319.60			0.75	95.25	2.45	414.85		169.33
I. Sub Total - Reporting	8.75	2,800.00	138.80	30,674.80	26.40	4,963.20	5.10	821.10	15.25	1,936.75	194.30	41,195.85		212.02
J. Distribution & Closure														
01. Closing Planning					0.30	56.40					0.30	56.40		188.00
J. Sub Total					0.30	56.40					0.30	56.40		188.00
	3.11.80	99,776.00	1,327.83	293,449.33	666.35	125,273.80	87.10	13,973.80	815.08	94,934.48	3,208.15	627,407.20		195.57

Net Total 627,407.20

The Corporation of Hadlow College - In Education Administration

Analysis of the Joint Education Administrators' estimated future time costs and expenses

Fee Estimate to 24 April 2020

JEAs' time costs (excl. VAT)	Total Hours	Blended Rate £	Estimated Total Fee £	Accrued Fee £
Summary Activity				
B. Steps on Appointment	97.70	213.43	20,852	20,852
C. Planning and Strategy	549.35	247.70	136,223	103,153
D. General Administration	1,519.78	185.54	278,410	129,678
E. Assets Realisation/Management	1,006.80	224.10	216,445	103,992
F. Trading Related Matters	1,330.70	176.26	230,951	145,163
G. Employee Matters	535.58	208.03	112,871	66,563
H. Creditor Claims	166.65	139.77	23,292	16,754
I. Reporting	373.30	210.83	79,164	41,196
J. Distribution and Closure	82.30	189.39	15,586	56
TOTAL	5,662.15	198.77	1,113,800	627,407

Expenses Estimate (excl. VAT) (Including pre-appointment costs)	Incurred 25 Oct 19 £	Estimated 24 Apr 20 £	Estimated Total £
<i>Investigation</i>			
BDO LLP	45,000	10,000	55,000
<i>PR</i>			
Headland PR Consultancy LLP	2,000	1,000	3,000
<i>Insurance</i>			
AON Risk Solutions	261,240	138,500	398,790
<i>Legal</i>			
Womble Bond Dickinson LLP	155,205	212,315	367,520
<i>Legal</i>			
Brachers LLP	79,824	20,000	99,824
<i>Legal</i>			
Reed Smith LLP	3,500	1,000	4,500
<i>Property Agent</i>			
Peter Marsh Consulting Ltd	33,175	5,000	38,175
<i>Property Agent</i>			
Real Estate Advisory Services Limited	25,953	4,570	30,523
<i>Property Agent</i>			
Savills UK	33,500	4,000	37,500
<i>Agent</i>			
Chattel agent	Nil	10,000	10,000
TOTAL	639,397	406,385	1,045,782

The table above is our estimate of the JEAs' remuneration on a time costs basis for this appointment and our anticipated expenses. This estimate and our expenses are prepared on the basis of the information available to us at the date of this estimate. Assuming that there are no major unanticipated factors, we would expect that our remuneration may be lower than the estimate. In the following pages we provide a summary of the work that we have completed and that we believe is necessary. Where applicable, all remuneration will be subject to VAT at the prevailing rate.

As advised in section 15 of the proposals, we have engaged a number of general and specialist professionals to provide a range of services to support the ongoing College operations and to advise the JEAs on specific matters, including the Proposed Merger Transactions. The professionals that we engage will invoice the JEAs and that will be an expense of the estate. Such expenses are not subject to creditor approval but nevertheless may have an effect on the funds available for creditors in the estate.

1. Joint Education Administrators' Remuneration

Remuneration, in this insolvency case, will be sought on a time cost basis and we estimate the total remuneration may be £1,113,800. As advised in section 13 of the proposals, our remuneration will be fixed and approved by the Court.

While creditors are not required to approve our remuneration, fourteen days' notice of any such application to Court for fee approval, will be provided to creditors to enable them to make representations if they wish, which will be reported to the Court as part of the application.

Where possible I will delegate work to my staff, ensuring work is undertaken by suitably qualified and experienced members of staff at different hourly rates. The charge out rates agreed with the DfE, and applicable to the Education Administration, are shown below by grade and per hour of staff.

Grade	£ per hour
Partner	320
Director	221
Senior Manager	188
Manager	161
Senior Associate	127 or lower

These rates are fixed for the entirety of the assignment. We have estimated the time we will spend for the following areas of work in respect of this insolvency, to 24 April 2020, and below we provide a narrative of the primary work that will be undertaken by us.

A Pre Appointment - £Nil

Details regarding work completed pre-appointment have been disclosed in section 12 of the proposals.

B Steps upon Appointment - £20,852

Reviewing appointment and statutory documents, preparing the JEAs proposals, embedding new financial and managerial controls within pre-existing College procedures and providing consent for the Interim Principal and Interim CFO to continue certain operational powers. Holding immediate employee meetings across the College's campuses, implementing our communication strategy with a wide range of key stakeholders and communicating with students and parents/guardians. Addressing immediate press enquiries and, most critically, ensuring that it was widely understood that the College would continue to operate as normal. Due to the complex nature of the Education Administration, this work is primarily led and implemented by directors, senior managers and managers, with appropriate work delegated to staff below manager level.

C Planning and Strategy - £136,223

Primarily establishing funding requirements and ensuring stability of operations, liaising with the wider senior management team and devising strategies to deal with subsidiaries. Establishing an Education Administration Advisory Group (to provide educational guidance in the absence of a governing board) and liaising with the DfE and the FEC regarding the ongoing review process. Initially holding twice daily team meetings to ensure information, planning and strategy was communicated across the team and to enable the continued development of the overarching strategy and plan. This area of work is led by one of the JEAs in conjunction with directors and senior managers, with some support below manager level where appropriate. It is a critical area of our work and fundamental to achieving the statutory objective of the Education Administration, as we are operating against a backdrop of new legislation and a complex sales process that requires the knowledge, experience and skill of our wider senior team as we navigate often unprecedented issues and situations.

D General Administration - £278,410

Reviewing and regularising affairs regarding insurance, VAT and taxation, undertaking investigations regarding the conduct of the former governors and senior post holders and reporting thereon* and investigations into the affairs and transactions of the College. As detailed in the proposals, a separate forensic engagement is also being undertaken by BDO LLP Forensic Services. It will also include recovery and storage of the College's books and records and may include engaging and liaising with solicitors specifically in relation to these investigations. Day to day management of the College's assets will include managing accounting and investment of realisations, suitable banking arrangements and preparing reports on Receipts & Payments, ensuring appropriate approval of all costs including approval of remuneration and matching costs of specialists against their expense estimates, dealing with statutory*, regulatory* and licensing matters, managing formal contractual matters regarding the College, including equipment hire and property leases, and licences, dealing with court hearings regarding the insolvency (excluding third party litigation), dealing with ongoing press enquiries and PR matters and managing general administrative matters*, basic enquiries* and meetings*. The majority of this work requires a range of insolvency knowledge and experience, balanced with good accounting and administrative skills and is delegated largely to managers and senior administrators with suitable levels of experience, supervised by directors and senior managers. Issues marked with an asterisk (*) will not contribute to the financial outcome for the creditors but are statutory or regulatory duties imposed on the office holder and also support the ongoing operations of the College, promoting stability.

E Asset Realisation/Management - £216,445

Liaising with the DfE, the FEC, the Interested Colleges and, latterly, the Preferred Bidders regarding the Proposed Merger Transactions. Engaging educational and property specialists to identify non-core realisable assets and to provide guidance on existing property sales. Identifying and controlling recorded assets and property, including securing the same. Undertaking/managing debt collection and where appropriate engaging and monitoring specialist agents, dealing with plant, machinery, stock, and intangible assets including intellectual property and consulting/liasing with and engaging specialist agents and solicitors and monitoring the same. Managing third party, HP and leased assets. Managing and investigating Retention of Title claims including site inspections and meetings. Managing environmental & HSE matters including consultation with specialists, site inspections and meetings. This area of work requires a greater level of commercial experience and insolvency knowledge, than the general administration category of work, together with decision making skills. The work is led at director and senior manager level supported by managers and senior administrators with suitable competencies. The managers liaise with the JEAs and escalate major decisions. Due to the complex nature of the Proposed Merger Transactions, this has involved greater involvement of both directors and senior managers than otherwise might have been expected.

F Trading Related Matters - £230,951

Embedding and developing further controls into the College's pre-existing procedures, overlaying specific Education Administration assumptions in the College's cash flow forecast, providing a team of 12 insolvency and education specialists on site in the lead up to appointment and in the weeks after, meeting and communicating with suppliers and guaranteeing continuity of critical services to the College. Supervising trading and liaising with senior management on operations, preparing trading accounts and general financial management of the College and its commercial operations and subsidiaries. Providing weekly financial updates to the DfE and, if necessary, requesting additional funding. The success of keeping the College operating as normal is key to providing stability and achieving the objective of the Education Administration, to avoid and minimise disruption to learners, and requires the most significant number of hours across all grades of seniority. This work is mainly led at director level, with day to day matters performed at manager level and below.

G Employee Matters - £112,871

Managing the c.434 employees has been a significant focus in the Education Administration, with periodic meetings at the College's various campuses and providing an open forum for employees to raise questions about the Education Administration process and the FEC options review. We also liaise regularly with the Trade Union representatives, providing updates as and when information is available. There are a number of ongoing employee matters and issues that we are either dealing with or assisting the College's HR team with. Additionally, we have also focused on understanding the employees' pension position, together with our pension's specialists, to provide reassurance to the employees in relation to their pensions following any transfer of the education provision to another further education college. A significant level of work has also been undertaken in relation to how TUPE would operate if the Proposed Merger Transactions proceeded, requiring extensive liaison with both our solicitors and the College HR team due to the comingled nature of the staff contracts, location and use between the College and WKAC. This work has been mainly led by directors and senior managers as it requires an appropriate level of experience and decision making.

H Creditor Claims - £23,292

Receiving and recording all creditor claims and identifying any Retention of Title creditors, so that these could be dealt with promptly. At this stage the outcome to creditors is uncertain and therefore until the position becomes clearer, no further verification work on creditor claims will be undertaken.

I Reporting - £79,164

Preparing the JEAs proposals, periodic progress reports to creditors regarding the progress of the Education Administration, including preparation of Receipts & Payments Accounts, a suitable analysis of time costs accrued and a review of actual costs and accrued costs as compared to this fees and expenses estimate. As noted above, the creditors are not required to approve the JEAs remuneration and therefore the fee estimate is for information only. The JEAs also produce a regular report to the DfE detailing key matters and an update on JEAs accrued time costs and other expenses. A director is responsible for leading the reporting and delegating the production of the accounts, fee analysis and comparison, with estimates, to suitably experienced more junior staff. Much of the basic accounting and analysis is conducted by various more junior staff. In estimating costs in respect of reporting we have formed a view of the duration of the insolvency and estimated how many reports will be required for both creditors and the DfE. These activities do not contribute to achieving the objective of the Education Administration or the financial outcome for creditors - they are statutory duties imposed by the relevant legislation. However, they do contribute to the creditors' understanding of the work being undertaken.

J Distribution and Closure - £15,586

The finalisation of the Education Administration will depend upon when the Proposed Merger Transactions or alternative solution complete and what other assets will remain. However, in any event, to end the Education Administration it will be necessary for the JEAs to apply to Court, with the approval of the Secretary of State for Education. It will also be necessary to prepare a final report to creditors together with a Receipts & Payments Accounts, analysis of time costs accrued and a review of actual costs compared to the fee and expense estimate, completing all administrative arrangements including storage of any records for statutory periods and filing final statutory documentation. The work is supervised by directors and senior managers and final decisions and release of funds is authorised by the JEAs. The majority of these activities do not contribute to the financial outcome for the creditors. The formalities of bringing an insolvency to a close are statutory requirements.

The foregoing estimate does not include any fee estimate provision for the College moving into liquidation, which would be the subject of a further submission, if necessary, before the end of the Education Administration.

2. Joint Education Administrators' expenses**BDO LLP - £55,000**

The JEAs have engaged the forensic services team at BDO LLP to undertake an investigation with regard to the College, which remains confidential. We estimate that future total costs may total £55,000 plus VAT. Whilst we consider this time is separate to that of the JEAs, these costs will be disclosed in the JEAs' fee application to court.

Headland PR Consultancy - £3,000

We estimate that further PR support, through the sales and transfer process may incur further costs of £1,000 plus VAT, increasing the total cost to £3,000 plus VAT.

AON Risk Solutions - £398,790

We estimate that insurance and bonding may be required until the end of April 2020, though will ultimately be dependent on the timing and likelihood of the Proposed Merger Transactions completing. The future insurance cost is anticipated to be c.£138,500.

Womble Bond Dickinson LLP - £367,520

Legal support is expected to be required throughout as JEAs take the necessary steps with regard to the Proposed Merger Transactions. There are also a number of ongoing legal matters on which the continued assistance of WBD will be required. We estimate that future costs of WBD will total c.£212,315 plus VAT.

Brachers LLP - £99,824

Brachers are advising on at least 9 ongoing matters, mainly relating to property, and it is expected to future advise will continue to be required. We estimate that future costs may total £20,000 plus VAT.

Reed Smith LLP - £1,000

We have provided for legal fees of £1,000 plus VAT for costs incurred in assisting on matters where the JEAs require legal opinion that is independent from that provided by WBD to the DfE.

Peter Marsh Consulting Limited - £38,175

We anticipate further specialist support may be required as we progress the Proposed Merger Transactions and estimate additional further costs of £5,000 plus VAT.

Real Estate Advisory Services Limited - £30,523

We anticipate limited further support may be required in relation to the Betteshanger transaction and estimate additional further costs of c.£4,570 plus VAT.

Savills UK - £37,500

Further assistance will be required with property strategy as the Proposed Merger Transactions progress and therefore we estimate further costs of c.£4,000 plus VAT.

Chattel agent - £10,000

We have not yet engaged a chattel agent, but anticipate that this we be required to assist with the realisation of non-core assets and, as such, we estimate costs of £10,000 plus VAT in this regard.

The Corporation of Hadlow College - In Education Administration**Schedule of BDO LLP's agreed charge out rates**

In accordance with best practice, I provide below the details of the policies of BDO LLP in respect of fees for work in relation to the above insolvency.

The charge out rates per hour of staff within my firm who may be involved in working on the insolvency, have been agreed with the DfE as follows:

Grade	£ per hour
Partner	320
Director	221
Senior Manager	188
Manager	161
Senior Associate	127 or lower

This in no way implies that staff at all such grades will work on the case. The rates charged by BDO LLP for this engagement will be fixed for the entirety of the Education Administration.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. Units of time can be as small as 3 minutes. BDO LLP records work in respect of insolvency work under the following categories:-

Pre Appointment
Steps upon Appointment
Planning and Strategy
General Administration
Asset Realisation/Management
Trading Related Matters
Employee Matters
Creditor Claims
Reporting
Distribution and Closure
Other Issues.

Under each of the above categories the work is recorded in greater detail in sub categories. Please note that the 11 categories provide greater detail than the six categories recommended by the Recognised Professional Bodies who are responsible for licensing and monitoring insolvency practitioners.

Where an officeholder's remuneration is approved on a time cost basis the time invoiced to the case will be subject to VAT at the prevailing rate.

The JEAs remuneration must be fixed by the Court upon application by the JEAs. Creditors must be provided at least 14 days notice of any such application. The application will provide a breakdown of the remuneration drawn and will enable the recipients to see the average rates of such costs. Please note that whilst the JEAs time costs are not subject to creditor approval, we will provide this information in our periodic reports.

Other Costs

In accordance with our agreement with the DfE, no BDO LLP staff related disbursements (including travel, accommodation and subsistence) are being directly recharged by BDO LLP to the DfE or the insolvent estate.

Where BDO LLP has met a specific cost in respect of the insolvent estate and payment has been made to a third party, this disbursement will be recharged to the insolvent estate. Such expenses may include items such as advertising, couriers, land registry searches, payment of a supplier to the College or professional advisor to the JEAs, etc. In each case the recharge will be reimbursement of the specific expense incurred. However, for the avoidance of doubt, this would not include the specifically excluded items referred to above.

Where applicable, all disbursements will be subject to VAT at the prevailing rate.

BDO LLP

The Corporation of Hadlow College - In Education Administration

Analysis of the expenses incurred by the Joint Education Administrators to 25 October 2019

Advisor	Incurred in the period to 25 October 2019	Paid in the period to 25 October 2019	Outstanding as at 25 October 2019
Pre-appointment			
Brachers LLP	£14,457 plus VAT	£5,611 plus VAT	£8,846 plus VAT
Reed Smith LLP	£3,500 plus VAT	Nil	£3,500 plus VAT
AON Risk Solutions	£950 plus VAT	Nil	£950 plus VAT
Real Estate Advisory Services Limited	£3,731 plus VAT	£3,731 plus VAT	Nil
Total pre-appointment expenses	£22,638 plus VAT	£9,342 plus VAT	£13,296 plus VAT
Post appointment			
Brachers LLP	£65,367 plus VAT	£59,237 plus VAT	£6,130 plus VAT
Womble Bond Dickinson LLP	£155,205 plus VAT	Nil	£155,205 plus VAT
Forensics - BDO LLP	£45,000 plus VAT	Nil	£45,000 plus VAT
AON Risk Solutions	£260,290 plus VAT	£200	£260,090 plus VAT
Savills UK	£33,500 plus VAT	£32,500 plus VAT	£1,000 plus VAT
Peter Marsh Consulting Limited	£33,175 plus VAT	£11,250 plus VAT	£21,925 plus VAT
Real Estate Advisory Services Limited	£22,222 plus VAT	£21,627 plus VAT	£4,326 plus VAT
Headland PR Consultancy LLP	£2,000 plus VAT	£1,400 plus VAT	£600 plus VAT
Total post appointment expenses	£616,759 plus VAT	£126,214 plus VAT	£490,545 plus VAT

The Corporation of Hadlow College - In Education Administration

Creditors' questionnaire

Creditor's name:	
Address:	
Estimated claim:	£
What was the authorised Credit limit?:	£
Was any security, guarantee or assurance given to you in respect of ongoing trade?:	
When did you first encounter delays in obtaining payment of your account, and do you have any evidence?:	
Please provide details of any legal proceedings you took to recover your debts:	
Please supply details of any cheques which were not honoured, including amounts and dates:	
If there is any other information you wish to supply, or issues you consider should be reviewed, please provide brief details on the reverse of this form.	
Date:	
Signature/ Authentication:	
Name:	
Position:	
Please return the completed form to BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH	

Proof of Debt/Claim Form
 The Corporation of Hadlow College - In Education Administration

Debt as at the date of the appointment of the Joint Education Administrators: 22 May 2019

<p>1 Name of creditor (If a company please also give company registration number and where registered).</p>	
<p>2 Address of creditor including email address for correspondence.</p>	
<p>3 Total amount of claim, including any Value Added Tax at the above date.</p>	
<p>4 If amount in 3 above includes outstanding un-capitalised interest please state amount.</p>	<p>£</p>
<p>5 Particulars of how and when debt incurred. (If you need more space append a continuation sheet to this form).</p>	
<p>6 Particulars of any security held, the value of the security, and the date it was given.</p>	
<p>7 Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates.</p>	
<p>8 Provide details of any documents by reference to which the debt can be substantiated. (Note: There is no need to attach them now but the Joint Education Administrators may call for any document or evidence to substantiate the claim at his discretion as may the chair or convener of any meeting).</p>	
<p>9 Signature of creditor or person authorised to act on his behalf</p> <p>_____</p>	<p>Dated</p> <p>_____</p>
<p>Name in BLOCK LETTERS</p> <p>_____</p>	
<p>Position with or in relation to creditor</p> <p>_____</p>	
<p>Address of person signing (if different from 2 above)</p> <p>_____</p>	

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 **William Matthew Tait**

Company name **BDO LLP**

Address
**5 Temple Square
Temple Street**

Post town **Liverpool**

County/Region

Postcode **L 2 5 R H**

Country

DX

Telephone **01512 374 500**

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