

AM10

Notice of administrator's progress report



Companies House

THURSDAY



A676KUN4

A18

25/05/2017

#181

COMPANIES HOUSE

1 Company details

Company number 0 2 8 2 5 6 9 4

Company name in full Aylesford Newsprint Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Robert Andrew

Surname Croxen

3 Administrator's address

Building name/number 15 Canada Square

Street Canary Wharf

Post town London

County/Region

Postcode E 1 4 5 G L

Country

4 Administrator's name ①

Full forename(s) Neil David

Surname Gostelow

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Arlington Business Park

Street Theale

Post town Reading

County/Region Berkshire

Postcode R G 7 4 S D

Country

② Other administrator

Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	d	2	d	9	m	1	m	0	y	2	y	0	y	1	y	6
To date	d	2	d	8	m	0	m	4	y	2	y	0	y	1	y	7

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date	d	2	d	3	m	0	m	5	y	2	y	0	y	1	y	7
----------------	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

AM10

Notice of administrator's progress report



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	James Rivers
Company name	KPMG LLP
Address	15 Canada Square Canary Wharf
Post town	London
County/Region	
Postcode	E 1 4 5 G L
Country	
DX	
Telephone	Tel +44 (0) 20 7311 1000



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



Important information

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



Where to send

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

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



Further information

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

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



Joint
Administrators'
progress
report for the
period 29
October 2016
to 28 April
2017

Aylesford Newsprint Limited -
in Administration

23 May 2017

Notice to creditors

This progress report provides an update on the administration of the Company.

We have included (Appendix 2) an account of all amounts received and payments made since the date of our appointment.

We have also explained our future strategy for the administration and how likely it is that we will be able to pay each class of creditor.

You will find other important information in this progress report such as the costs which we have incurred to date.

A glossary of the abbreviations used throughout this document is attached (Appendix 5).

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following website, <http://www.insolvency-kpmg.co.uk/case+KPMG+AF223A1449.html>. We hope this is helpful to you.

Please also note that an important legal notice about this progress report is attached (Appendix 6).

Contents

1	Executive summary	1
2	Progress to date	2
3	Dividend prospects	4
4	Joint Administrators' remuneration and disbursements	5
5	Future strategy	5
Appendix 1	Statutory information	7
Appendix 2	Joint Administrators' receipts and payments account	8
Appendix 3	Schedule of expenses	10
Appendix 4	Joint Administrators' charging and disbursements policy	12
Appendix 5	Glossary	18
Appendix 6	Notice: About this report	19

1 Executive summary

- This progress report covers the period from 29 October 2016 to 28 April 2017.
- We continue to progress the realisation of the freehold land and have submitted an outline planning application for ANL's freehold site, we are hopeful of receiving TMBC's decision by the end of August 2017. (Section 2 - Progress to date).
- The secured creditor has been repaid in full. (Section 3 - Dividend prospects).
- The preferential creditors will be paid in full. (Section 3 - Dividend prospects).
- There will be a distribution to the unsecured creditors, but the quantum and timing is largely dependent on the sale of the Company's freehold land. (Section 3 - Dividend prospects).
- During the period, the Court granted an 18-month extension to the period of the administration to 23 August 2018.
- Please note: you should read this progress report in conjunction with our previous progress reports and proposals issued to the Company's creditors which can be found at <http://www.insolvency-kpmg.co.uk/case+KPMG+AF223A1449.html>. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



Rob Croxen
Joint Administrator

2 Progress to date

This section updates you on our strategy for the administration and on our progress to date. It follows the information provided in our previous progress report.

2.1 Strategy and progress to date

Strategy

Freehold land

As previously advised, the outline planning application has now been submitted to TMBC. We are hopeful of receiving a decision by the end of August.

Plant and machinery

The uplift of the plant and machinery is progressing well. The site continues to operate under CDM regulations.

Planning permission for the demolition of the site has now been received. We are hopeful that the site demolition will be completed during the first quarter of 2018.

Water abstraction licences

We are in detailed discussions with the preferred bidder for the licences and hope to agree heads of terms in the next few months.

Permit surrenders

Both the paper making and CHP permits have been successfully surrendered.

Employees

We continue to retain eight employees. Going forward we anticipate that these employees will be retained on a reduced consultancy basis until the uplift of the machinery and demolition process is complete.

Water main works

We have recently agreed the final easement terms with South East Water, we hope to receive the compensation consideration of £400k plus £75k towards our legal and professional costs in the near term.

2.2 Asset realisations

Realisations during the period are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant realisations during the period are provided below.

Supply of electricity to third parties

During this period we have realised £240,015 for providing electricity to third parties connected to the Company's electricity distribution system.

Total realisations from this source amounts to £1.57 million.

Combined Heat and Powerstation ("CHP")

As a result of a wider group transaction, which included a share sale of ANSL by ANHL, the CHP plant was transferred to ANL from Npower and we received £300,000 in the period.

Other assets

Further realisations are detailed in the attached receipts and payments account at Appendix 2 and include amongst other, sundry debtors/receivables, rent and interest accrued on funds held in the administration estate.

2.3 Costs

Payments made in this period are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant payments made during the period are provided below.

Consultancy fees

We have paid consultancy' fees of £596,279 for costs in relation to assistance with the sale of the site, in particular planning and associated matters.

Utilities

We have paid £286,018 during the period for utilities required for the decommissioning process. This includes payments for third party electricity usage, which we receive from third parties in advance.

Indemnity payment to ANHL

As explained in our previous progress reports, the share of ANSL, a wholly owned subsidiary of ANHL, were sold as part of a wider group transaction.

As a condition of this transaction ANHL had secured an indemnity from ANL to settle the administration costs and creditor claims. The indemnity was to be funded from the sale of the CHP plant.

Following a sale of the CHP plant, ANHL called on the indemnity and the sum of £258,184 was paid to ANHL in the period.

Agents' fees

We have paid agents' fees of £225,608 for costs in relation to dealing with the property, in particular planning and associated matters and the disposal of the Company's plant and machinery.

A sum of £11,000 was also paid in the period specifically in connection to their assistance with the water abstraction licences.

Operations and Decommissioning

In the period we have made payments of £450,468 for site operating costs.

Salaries and PAYE & NIC

During the period we have made payments totalling £94,861 towards salaries, which includes £23,015 in respect of PAYE & NIC.

Environmental / Licence fee

Payments of £80,930 have been made to the EA mainly in respect of water abstraction licence fees during the period.

Other property expenses

During the period we paid additional fees of £5,108 in respect of our ongoing planning application to TMBC.

Other costs

Further costs are detailed in the attached receipts and payments account at Appendix 2 and include amongst others, legal fees, telephone costs and bank charges.

2.4 Schedule of expenses

We have detailed the costs incurred during the period, whether paid or unpaid, in the schedule of expenses attached (Appendix 3).

3 Dividend prospects

3.1 Secured creditors

As advised in our previous reports to creditors, the secured creditor has been repaid in full.

3.2 Preferential creditors

We estimate the amount of preferential claims to be £84,685.

Based on current estimates, we anticipate that preferential creditors should receive a dividend of 100p in the £. The timing and amount of any dividend are dependent upon the realisations and associated costs of the administration.

3.3 Unsecured creditors

Based on current estimates, we anticipate that unsecured creditors should receive a dividend. We have yet to determine the amount of this, but we will do so when we have completed the realisation of assets and payment of associated costs.

The quantum and timing of any dividend will be largely dependent upon the outcome on realisations from the freehold land.

4 Joint Administrators' remuneration and disbursements

Time costs

From 29 October 2016 to 28 April 2017, we have incurred time costs of £541,985. These represent 1,186 hours at an average rate of £457 per hour.

Disbursements

During the period, we have incurred disbursements of £3,229. None of these have yet been paid.

Additional information

We have attached (Appendix 4) an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by KPMG for the period from 29 October 2016 to 28 April 2017. We have also attached our charging and disbursements policy.

5 Future strategy

5.1 Future conduct of the administration

We will continue to manage the affairs, the business and the property of the Company in order to achieve the purpose of the administration. This will include but not be limited to:

- The sale of the remaining assets, most significantly the freehold site at Aylesford;
- Payment of the costs of the administration, including the Joint Administrators' remuneration and expenses;
- Agreeing the claims of the preferential and unsecured creditors and distributions of the prescribed part;
- VAT and tax returns, including obtaining tax clearance; and
- Statutory and compliance matters.

5.2 Extension of the administration

During the period the Court granted an 18 month extension to the period of the administration.

The administration is currently due to end on 23 August 2018.

5.3 Future reporting

We will provide a further progress report within one month of 29 October 2017 or earlier if the administration has been completed prior to that time.

Appendix 1 Statutory information

Company information	
Company name	Aylesford Newsprint Limited
Date of incorporation	10 June 1993
Company registration number	02825694
Present registered office	15 Canada Square, Canary Wharf, London, E14 5GL
Administration information	
Administration appointment	The administration appointment granted in High Court of Justice, 1379 of 2015
Appointor	Directors
Date of appointment	24 February 2015
Joint Administrators' details	Rob Croxen and Neil Gostelow
Estimated values of the Net Property and Prescribed Part	Estimated Net Property is £28,000,000. The Prescribed Part is capped at the statutory maximum of £600,000. The Prescribed Part has been taken into account when determining the dividend prospects for unsecured creditors (Section 3.3)
Prescribed Part distribution	The Joint Administrators do not intend to apply to Court to obtain an order that the Prescribed Part shall not apply. Accordingly, the Joint Administrators intend to make a distribution to the unsecured creditors.
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2)
Current administration expiry date	23 August 2018

Appendix 2 Joint Administrators' receipts and payments account

Aylesford Newsprint Limited - in Administration			
Abstract of receipts & payments			
Statement of financial position		31 March 2016	31 March 2015
		£'000	£'000
FIXED CHARGE ASSETS			
564,169.00	Carbon credits	NIL	NIL
30,000,000.00	Land	NIL	NIL
7,330,000.00	Receivables/debtors	NIL	NIL
		<hr/>	<hr/>
		NIL	NIL
FIXED CHARGE CREDITORS			
(12,022,740.00)	Fixed charge creditor	NIL	NIL
		<hr/>	<hr/>
		NIL	NIL
ASSET REALISATIONS			
5,300,000.00	Plant & machinery	300,000.00	9,057,681.54
	Furniture & equipment	NIL	1,062.50
7,650,000.00	Paper stock	NIL	8,269,606.92
	Abstraction licences	NIL	65,000.00
	Paper making permit refund	NIL	18,430.29
955,105.00	VAT refunds (pre-app'ent)	NIL	NIL
11,754.00	Cash at bank	NIL	9,363.33
	Rent	11,103.68	91,130.51
		<hr/>	<hr/>
		311,103.68	17,512,275.09
OTHER REALISATIONS			
	Bank interest, gross	2,702.67	26,353.41
34,000.00	Sundry debtors/receivables	34,901.99	199,695.03
	Sundry refunds	NIL	422,783.45
	Recharge of costs	NIL	510,658.47
	Funds received on behalf of ANSL	NIL	123,913.57
129,308.00	Recycled fibre stocks	NIL	NIL
350,000.00	Sundry Stocks	NIL	NIL
	3rd party electricity supply	240,015.14	1,556,997.98
		<hr/>	<hr/>
		277,619.80	2,840,401.91
COST OF REALISATIONS			
	Indemnity payment to ANHL	(258,184.00)	(258,184.00)
	Overpayment of electricity	NIL	(215.70)
	Subcontractor	(3,736.40)	(86,655.19)

Aylesford Newsprint Limited - in Administration

Abstract of receipts & payments

Statement of Affairs - 31/12/2016	31/12/2016	31/12/2015
Operations and Decommissioning Costs	(450,467.70)	(2,220,109.38)
Administrators' fees – Note 1	36,451.19	(2,689,296.86)
Administrators' expenses	NIL	(40,075.80)
Room hire	NIL	(833.33)
Agents'/Valuers' fees	(225,607.81)	(1,410,534.82)
Agents Fees - Water Abstraction Licences	(11,000.00)	(46,620.00)
Legal fees	(6,741.20)	(429,958.20)
Consultancy fees	(596,278.79)	(596,278.79)
Funds returned to ANSL	NIL	(62,916.04)
Telephone/Telex/Fax	(5,945.79)	(29,304.55)
Stationery & postage	NIL	(621.10)
Utilities	(286,017.89)	(2,937,921.79)
Storage costs	(135.00)	(33,064.87)
Statutory advertising	NIL	(253.80)
Other property expenses	(5,107.50)	(62,244.50)
Insurance	NIL	(22,525.00)
Wages & salaries	(71,845.89)	(1,711,412.44)
PAYE & NIC	(23,015.14)	(717,478.28)
Bank charges	(1,005.00)	(82,536.05)
Licences	(80,930.30)	(688,884.92)
	(1,989,567.22)	(14,127,925.41)
FLOATING CHARGE CREDITORS		
Floating charge	NIL	(4,539,385.92)
	NIL	(4,539,385.92)
40,301,596.00	(1,400,843.74)	1,685,365.67
REPRESENTED BY		
Floating ch. VAT rec'able		1,848,669.44
Current account		1,741,990.23
Floating ch. VAT payable		(3,779,011.64)
Floating ch. VAT control		1,873,717.64
		1,685,365.67

Note 1 –We identified a mis-posting of a payment from a prior period. This was subsequently corrected, however as a result of this correction, the Joint Administrators' remuneration shows a credit in this period.

Appendix 3 Schedule of expenses

Schedule of expenses (29/10/2016 to 28/04/2017)			
Expense (£)	£	£	Total (£)
Cost of realisations			
Indemnity payment to ANHL	258,184.00	0.00	258,184.00
Subcontractor	3,736.40	0.00	3,736.40
Operations and Decommissioning Costs	450,467.70	0.00	450,467.70
Administrators' fees	0.00	541,984.75	541,984.75
Administrators' disbursements	0.00	3,228.83	3,228.83
Agents'/Valuers' fees	225,607.81	0.00	225,607.81
Agents Fees - Water Abstraction Licences	11,000.00	0.00	11,000.00
Legal fees	6,741.20	0.00	6,741.20
Consultancy fees	596,278.79	0.00	596,278.79
Telephone/Telex/Fax	5,945.79	0.00	5,945.79
Utilities	286,017.89	0.00	286,017.89
Storage costs	135.00	0.00	135.00
Other property expenses	5,107.50	0.00	5,107.50
Wages & salaries	71,845.89	0.00	71,845.89
PAYE & NIC	23,015.14	0.00	23,015.14
Bank charges	1,005.00	0.00	1,005.00
Licences	80,930.30	0.00	80,930.30
TOTAL	2,026,018.41	545,213.58	2,571,231.99

Please note that there is a difference between the payments made during the period of £1,989,567 (per the receipts and payments account) and the expenses incurred and paid in the period of £2,026,018 (per the schedule of expenses).

This is due to the mis-posting correction referred to in Appendix 2.

Requests for further information and right to challenge our remuneration and expenses

Creditors' requests for further information

If you would like to request more information about our remuneration and expenses disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report.

Requests from unsecured creditors must be made with the concurrence of at least 5% in value of unsecured creditors (including, the unsecured creditor making the request) or with the permission of the Court.

Creditors' right to challenge our remuneration and expenses

If you wish to challenge the basis of our remuneration, the remuneration charged, or the expenses incurred during the period covered by this progress report, you must do so by making an application to Court within eight weeks of receiving this progress report.

Applications by unsecured creditors must be made with concurrence of at least 10% in value of unsecured creditors (including the unsecured creditor making the challenge) or with the permission of the Court.

The full text of the relevant rules can be provided on request by writing to James Rivers at 15 Canada Square, Canary Wharf, London, E14 5GL.

Appendix 4 Joint Administrators' charging and disbursements policy

Joint Administrators' charging policy

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

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

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

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

If you are unable to access this guide and would like a copy, please contact James Rivers on 020 73118091.

Hourly rates

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

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

Charge-out rates (£) for Restructuring		
Grade	Fixed Fee Restructuring	Fixed Fee Liquidation
Partner	595	625
Director	535	560
Senior Manager	485	510
Manager	405	425
Senior Administrator	280	295
Administrator	205	215
Support	125	131

Table of charge-out rates

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

Policy for the recovery of disbursements

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

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

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

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

Mileage claims fall into three categories:

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

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

We have incurred the following disbursements (excluding VAT) during the period 29 October 2016 to 28 April 2017.

SIP 9 - Disbursements			
Disbursement	Category 1	Category 2	Totals (£)
Courier & delivery costs	24.88	NIL	24.88
External printing	12.26	NIL	12.26
Meals	237.19	NIL	237.19
Mileage	NIL	2,580.00	2,580.00
Postage	307.80	NIL	307.80
Travel	66.70	NIL	66.70
Total	648.83	2,580.00	3,228.83

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

Narrative of work carried out for the period 29 October 2016 to 28 April 2017

The key areas of work have been:

Statutory and compliance	<ul style="list-style-type: none"> ■ collating initial information to enable us to carry out our statutory duties, including creditor information, details of assets and information relating to the licences; ■ posting information on a dedicated web page; ■ preparing statutory receipts and payments accounts; ■ ensuring compliance with all statutory obligations within the relevant timescales.
Strategy documents, Checklist and reviews	<ul style="list-style-type: none"> ■ monitoring and reviewing the administration strategy, including the decision to trade and meetings with internal and external parties to agree the same; ■ briefing of our staff on the administration strategy and matters in relation to various work-streams; ■ regular case management and reviewing of progress, including regular team update meetings and calls; ■ meeting with management to review and update strategy and monitor progress; ■ reviewing and authorising junior staff correspondence and other work; ■ dealing with queries arising during the appointment; ■ reviewing matters affecting the outcome of the administration; ■ allocating and managing staff/case resourcing and budgeting exercises and reviews; ■ liaising with legal advisors regarding the various instructions, including agreeing content of engagement letters; ■ complying with internal filing and information recording practices, including documenting strategy decisions.
Cashiering	<ul style="list-style-type: none"> ■ preparing and processing vouchers for the payment of post-appointment invoices; ■ creating remittances and sending payments to settle post-appointment invoices; ■ preparing payroll payments for retained staff, dealing with salary related queries and confirming payments with the employee's banks; ■ reviewing and processing employee expense requests; ■ reconciling post-appointment bank accounts to internal systems; ■ ensuring compliance with appropriate risk management procedures in respect of receipts and payments.
Tax	<ul style="list-style-type: none"> ■ working on tax returns relating to the periods affected by the administration; ■ analysing VAT related transactions; ■ dealing with post appointment tax compliance.
Shareholders	<ul style="list-style-type: none"> ■ responding to enquiries from shareholders regarding the administration; ■ providing copies of statutory reports to the shareholders
General	<ul style="list-style-type: none"> ■ reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9; ■ dealing with the ongoing storage of the Company's books and records
Wind down	<ul style="list-style-type: none"> ■ preparing cash flow statements to monitor the cash position; ■ attending to supplier and customer queries and correspondence; ■ raising, approving and monitoring purchase orders and setting up control systems for trading; ■ negotiating and making direct contact with various suppliers as necessary to provide additional information and undertakings, including agreeing terms and conditions, in order to ensure continued support; ■ securing petty cash on site and monitoring spend; ■ dealing with issues in relation to stock and other assets required for trading; ■ ensuring ongoing provision of emergency and other essential services to site.
Asset realisations	<ul style="list-style-type: none"> ■ liaising with agents regarding the sale of assets; ■ reviewing outstanding debtors and management of debt collection strategy; ■ preparing and processing vouchers for the receipt of post-appointment invoices; ■ liaising with Company credit control staff and communicating with debtors; ■ reviewing the inter-company debtor position between the Company and other group companies.
Property matters	<ul style="list-style-type: none"> ■ reviewing the Company's leasehold properties, including review of leases; ■ communicating with the tenants regarding rent, property occupation and other issues.
Health and safety	<ul style="list-style-type: none"> ■ liaising with health and safety specialists in order to manage all health and safety issues and environmental issues, including ensuring that legal and licensing obligations are complied with, ■ liaising with the Health and Safety Executive regarding the administration and ongoing health and safety compliance.

Open cover insurance	<ul style="list-style-type: none"> ■ arranging ongoing insurance cover for the Company's business and assets; ■ liaising with the post-appointment insurance brokers to provide information, assess risks and ensure appropriate cover in place; ■ assessing the level of insurance premiums.
Employees	<ul style="list-style-type: none"> ■ dealing with queries from employees regarding various matters relating to the administration and their employment; ■ dealing with statutory employment related matters, including statutory notices to employees and making statutory submissions to the relevant government departments; ■ holding employee briefing meetings to update employees on progress in the administration and our strategy; ■ administering the Company's payroll, including associated taxation and other deductions, and preparing PAYE and NIC returns; ■ communicating and corresponding with HM Revenue and Customs; ■ dealing with issues arising from employee redundancies, including statutory notifications and liaising with the Redundancy Payments Office; ■ managing claims from employees; ■ ensuring security of assets held by employees.
Creditors and claims	<ul style="list-style-type: none"> ■ monitoring and updating the list of unsecured creditors; ■ responding to enquiries from creditors regarding the administration and submission of their claims; ■ reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records; ■ drafting our progress report.

Time costs

SIP 9 – Time costs analysis (29/10/2016 to 28/04/2017)						
	Hours					
	Partner	Director	Manager	Administrator	Support	
					Total	Average Hourly Rate (£)
Administration & planning						
Cashiering						
Fund management				0.40	0.40	118.00
General (Cashiering)	0.70		33.20	60.40	94.30	32,338.50
Reconciliations (& IPS accounting reviews)			0.30	2.50	2.80	809.00
General						
Books and records				0.30	0.30	88.50
Fees and WIP				0.60	0.60	177.00
Statutory and compliance						
Bonding and bordereau				0.10	0.10	21.50
Checklist & reviews			4.20	4.10	8.30	2,994.50
Statutory receipts and payments accounts				0.10	0.10	21.50
Strategy documents			1.50		1.50	637.50
Tax						
Post appointment corporation tax	3.50		1.20	0.80	5.50	2,698.00
Post appointment VAT			13.85	21.00	34.85	12,034.75

SIP 9 – Time costs analysis (29/10/2016 to 28/04/2017)

	Hours				Time Cost (£)	Average Hourly Rate (£)
	Partner	Director	Manager	Administrator Support		
Creditors						
Creditors and claims						
General correspondence			8.60	5.60	14.20	5,817.00
Legal claims			2.00		2.00	1,020.00
Statutory reports	2.30		13.60	13.20	29.10	11,846.50
Employees						
Correspondence			0.90	25.50	26.40	7,905.00
DTI redundancy payments service				0.30	0.30	88.50
General analysis						
Asset Realisations						
Fixed charge debtors				1.00	1.00	215.00
Investigation						
Investigations						
Mail redirection				0.80	0.80	236.00
Realisation of assets						
Asset Realisation						
Cash and investments			2.20	0.20	2.40	994.00
Debtors			0.50	22.10	22.60	6,348.00
Freehold property	3.90		398.65		402.55	191,233.75
Health & safety			234.00	3.50	237.50	120,092.50
Leasehold property			24.85		24.85	10,561.25
Open cover insurance			0.50		0.50	212.50
Other assets			234.30	1.50	235.80	115,964.00
Plant and machinery			4.00	0.60	4.60	2,217.00
Wind Down						
Cash & profit projections & strategy			8.00		8.00	3,400.00
Purchases and trading costs			22.20	2.00	24.20	11,895.00
Total in period	10.40	1,008.55	166.60	0.00	1,185.55	541,984.75

Brought forward time (appointment date to SIP 9 period start date)	8,809.87	3,500,215.35
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	1,185.55	541,984.75
Carry forward time (appointment date to SIP 9 period end date)	9,995.42	4,042,200.10

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

All time shown in the above analysis is charged in units of six minutes.

Appendix 5 Glossary

ANHL	Aylesford Newsprint Holdings Limited – formerly in Administration.
ANL/Company	Aylesford Newsprint Limited – in Administration
CHP	Combined heat and power station
EA	Environment Agency
Group	ANL, together with; ANHL ANSL
Joint Administrators/we/our/us	Rob Croxen and Neil Gostelow
KPMG	KPMG LLP
LSH	Lambert Smith Hampton
SFL/Secured creditor	Sitara Finance Limited
TMBC	Tonbridge and Malling Borough Council
VAT	Value Added Tax

Any references in this progress report to sections, paragraphs and rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency Rules 1986 respectively.

Appendix 6 Notice: About this report

This report has been prepared by Rob Croxen and Neil Gostelow, the Joint Administrators of Aylesford Newsprint Limited – in Administration (the 'Company'), solely to comply with their statutory duty to report to creditors under the Insolvency Rules 1986 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

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

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

Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency Rules 1986 does so at its own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

Robert Andrew Croxen and Neil David Gostelow are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England & Wales.

We are bound by the Insolvency Code of Ethics.

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

www.kpmg.com

© 2017 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

For full details of our professional regulation please refer to 'Regulatory Information' at www.kpmg.com/uk

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

The KPMG name and logo are registered trademarks or trademarks of KPMG International Cooperative.