

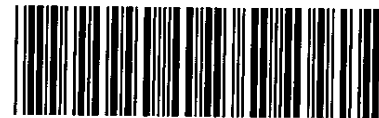
AM10

Notice of administrator's progress report



Companies House

THURSDAY



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21/05/2020

#22

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) William James

Surname Wright

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 15 Canada Square

Street Canary Wharf

Post town London

County/Region

Postcode E 1 4 5 G L

Country

② Other administrator

Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

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

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 1	^m 0	^m 5	^y 2	^y 0	^y 2	^y 0
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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 2019
to 28 April
2020

Aylesford Newsprint Limited -
in Administration

21 May 2020



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).

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1 Executive summary

- This progress report covers the period from 29 October 2019 to 28 April 2020.
- We continue to progress the sale of the freehold property and water abstraction licences. We recently exchanged contracts for the sale of the water abstraction licences and certain of the Company's freehold land underpinning this transaction. The sale is expected to complete once the EA has processed our request to transfer the licences to the preferred bidder. (Section 2 - Progress to date).
- The secured and preferential creditors have been paid in full. (Section 3 - Dividend prospects and dividends paid).
- There will be a distribution to the unsecured creditors, however the quantum and timing remains dependent on the sale of the Company's remaining freehold property. (Section 3 - Dividend prospects and dividends paid).
- The administration is currently due to end on 23 February 2021.
- 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.



pp Neil Gostelow
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

During the previous six months we have continued to work closely with the prospective purchaser and consultants to progress the remaining complex issues connected to the sale.

Although we have exchanged contracts, we are unable to complete the sale until the above points have concluded which we continue to progress in conjunction with both the prospective purchaser and a specialist third party. A further update will be given in our next *progress report to creditors*.

Water abstraction licences

Further to the update provided in our last report, we have subsequently resolved and agreed the outstanding technical matters between the preferred bidder for the water licences and the prospective purchaser of the freehold land as defined above. Contracts have now exchanged with the preferred bidder for the sale of the licences and certain of the Company's land which will form part of the transaction where completion now remains conditional on the EA processing our request to transfer the licences.

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.

Third party funding

The ongoing complexities surrounding the protracted negotiations in progressing the sales of the freehold land and water abstraction licences have resulted in further delays to the completion of these transactions.

During the period it has therefore been necessary to obtain further third party funding of £285,000 to help the administration estate service the ongoing monthly running costs of the site.

This brings overall third party funding to £785,000 which will be repayable upon the completion of one of the sale transactions referred to above.

Rent

During the period we received rental payments totalling £140,000 in relation to the Larkfield Mill site. We also received rent of £10,000 from SRCL Limited.

In addition, we received a recharge of costs totalling £2,634 in extending the lease and a contribution to legal fees of £1,250.

Due to the ongoing technical issues with the sale of the main site, we are currently in discussions with a prospective tenant regarding the provision of a short term lease over certain of ANL's land and a further update will be provided in our next report.

Debtors

During the period we received £9,744 from debtors relating to barrier card payments.

Other assets

Other realisations during the period are set out in the attached receipts and payments account at Appendix 2 and include, 3rd party electricity supply, funds received on behalf of ANSL and interest accrued on funds held in the administration bank account.

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 £10,622 for costs in relation to ongoing assistance with the running and maintenance of the site.

Utilities

We have paid £85,783 during the period for utilities provided to the site.

Operations and decommissioning

In the period we have made payments of £260,405 for site operating and maintenance costs, which predominantly comprises costs incurred in securing the site.

Legal fees

We have paid £16,382 to our solicitors in the period, who are assisting us with ongoing issues in connection to the property and the administration.

Environmental / Licence fees

Payments totalling £33,187 have been made to the EA during the period in respect of water abstraction licence fees incurred during the period. These payments will cease once the sale of the licences completes.

Other costs

Other costs during the period are set out in the attached receipts and payments account at Appendix 2 and include, telephone line rental costs, storage 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).

Summaries of the most significant expenses which have been incurred in the period but have not yet been paid are provided below.

Operation and decommissioning costs

We have incurred payments of £39,584 for site operating and maintenance costs of which £38,016 relates to security fees.

3 Dividend prospects and dividends paid

3.1 Secured creditor

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

3.2 Preferential creditors

The preferential claims have been agreed at £88,266.

The preferential creditors have been repaid in full.

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 all assets and payment of associated costs.

The quantum and timing of any dividend to the unsecured creditors will be largely dependent upon the outcome of the sale of all the freehold land.

4 Joint Administrators' remuneration and disbursements

Time costs

From 29 October 2019 to 28 April 2020, we have incurred time costs of £262,481. These represent 518 hours at an average rate of £507 per hour.

Remuneration

During the period, we have not drawn any remuneration from the administration estate.

As previously advised, our fees were earlier agreed with the major unsecured creditor where all asset realisations including the sale of all of ANL's land and water licences are calculated solely on a percentage of realisations basis and not on a time costs basis.

Please refer to our progress report dated 11 November 2016 for full details of our basis of remuneration.

Disbursements

During the period, we have incurred disbursements of £2,468. 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 2019 to 28 April 2020. 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 all of the freehold site at Aylesford;
- Payment of the costs of the administration, including the Joint Administrators' remuneration and expenses;
- Agreeing unsecured creditors' claims and paying a distribution to the unsecured creditors;
- VAT and tax returns, including obtaining tax clearance; and
- Statutory and compliance matters.

5.2 Future reporting

We will provide a further progress report within one month of 29 October 2020 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	Will Wright and Neil Gostelow
Estimated values of the Net Property and Prescribed Part	<p>The Prescribed Part is capped at the statutory maximum of £600,000.</p> <p>The Prescribed Part has been taken into account when determining the dividend prospects for unsecured creditors (Section 3.3).</p>
Prescribed Part distribution	<p>The Joint Administrators do not intend to apply to Court to obtain an order that the Prescribed Part shall not apply.</p> <p>Accordingly, the Joint Administrators intend to make a distribution to the unsecured creditors.</p>
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 February 2021

Appendix 2 Joint Administrators' receipts and payments account

Aylesford Newsprint Limited - in Administration			
Abstract of receipts & payments			
Statement of affairs (£)		From 29/10/2019 To 28/04/2020 (£)	From 24/02/2015 To 28/04/2020 (£)
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	NIL	9,057,681.54
	Furniture & equipment	NIL	1,062.50
	Motor vehicles	NIL	833.33
7,650,000.00	Paper stock	NIL	8,347,584.39
	Contribution to legal fees	1,250.00	1,250.00
	Abstraction licences	NIL	72,202.82
	Paper making permit refund	NIL	18,430.29
	SEW pipeline easement compensation	NIL	400,000.00
	Contribution to professional fees	NIL	90,000.00
955,105.00	VAT refunds (pre-app'ent)	NIL	NIL
11,754.00	Cash at bank	NIL	9,363.33
	Rent	150,000.00	587,788.83
		<hr/>	<hr/>
		151,250.00	18,586,197.03
OTHER REALISATIONS			
	Bank interest, gross	409.65	29,687.60
	Loan facility	285,000.00	785,000.00
34,000.00	Sundry debtors/receivables	9,743.50	265,228.21
	Sundry refunds	NIL	429,458.81
	Recharge of costs	2,634.07	513,292.54
	Funds received on behalf of ANSL	24,796.46	26,549.24
129,308.00	Recycled fibre stocks	NIL	NIL
350,000.00	Sundry Stocks	NIL	NIL
	3rd party electricity supply	2,885.98	1,697,425.77

Aylesford Newsprint Limited - in Administration**Abstract of receipts & payments**

Statement of affairs (£)	From 29/10/2019 To 28/04/2020 (£)	From 24/02/2015 To 28/04/2020 (£)
	325,469.66	3,746,642.17
COST OF REALISATIONS		
Indemnity payment to ANHL	NIL	(258,184.00)
Overpayment of electricity	NIL	(215.70)
Subcontractor	NIL	(86,655.19)
Operations and Decommissioning Costs	(260,404.78)	(3,521,376.88)
Administrators' fees	NIL	(2,689,296.86)
Administrators' expenses	NIL	(40,075.80)
Irrecoverable VAT	NIL	(830.00)
Room hire	NIL	(833.33)
Agents'/Valuers' fees	NIL	(1,692,819.67)
Agents Fees - Water Abstraction Licences	NIL	(129,220.00)
Legal fees	(16,381.72)	(591,282.03)
Consultancy fees	(10,621.80)	(810,020.64)
Corporation tax	NIL	(11,063.70)
Funds returned to ANSL	NIL	(62,916.04)
Repayment	NIL	(2,052.00)
Telephone/Telex/Fax	(354.23)	(37,296.40)
Stationery & postage	NIL	(621.10)
Utilities	(85,782.69)	(3,786,935.20)
Storage costs	(17.26)	(35,839.28)
Re-direction of mail	NIL	(490.00)
Statutory advertising	NIL	(253.80)
Other property expenses	NIL	(65,574.50)
Insurance	NIL	(182,426.06)
Wages & salaries	NIL	(1,721,922.61)
PAYE & NIC	NIL	(723,612.79)
Bank charges	(260.00)	(83,461.05)
Licences	(33,187.47)	(957,010.72)
	(407,009.95)	(17,492,285.35)
PREFERENTIAL CREDITORS		
Employees' wage arrears and holiday pay	NIL	(88,265.92)
	NIL	(88,265.92)
FLOATING CHARGE CREDITORS		

Aylesford Newsprint Limited - in Administration**Abstract of receipts & payments**

Statement of affairs (£)	From 29/10/2019	From 24/02/2015
	To 28/04/2020 (£)	To 28/04/2020 (£)
Floating charge	NIL	(4,450,372.92)
	NIL	(4,450,372.92)
40,301,596.00	69,709.71	301,915.01

REPRESENTED BY

Floating ch. VAT rec'able	2,474,201.94
Current account	230,701.60
Floating ch. VAT payable	(3,975,933.04)
Floating ch. VAT control	1,572,944.51
	301,915.01

Appendix 3 Schedule of expenses

Schedule of expenses (29/10/2019 to 28/04/2020)			
Expenses (£)	Incurred and paid in the period (£)	Incurred in the period not yet paid (£)	Total (£)
Cost of realisations			
Operations and Decommissioning Costs	218,603.63	39,583.50	258,187.13
Joint Administrators' remuneration	0.00	262,480.70	262,480.70
Joint Administrators' disbursements	0.00	2,467.61	2,467.61
Consultancy fees	9,501.60	0.00	9,501.60
Telephone/Telex/Fax	354.23	0.00	354.23
Utilities	82,293.42	0.00	82,293.42
Storage costs	17.26	0.00	17.26
Bank charges	260.00	0.00	260.00
Licences	33,187.47	0.00	33,187.47
TOTAL	344,217.61	304,531.81	648,749.42

Please note that there is a difference between the payments made during the period of £407,010 (per the receipts and payments account) and the expenses incurred and paid in the period of £344,218 (per the schedule of expenses).

This is due to the fact that some of the payments made in the period relate to expenses incurred in a prior period.

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 emailing James Rivers at james.rivers@kpmg.co.uk.

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 and pensions (up to 1 March 2020) 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/technical-library/england-wales/technical-guidance/fees/more/29113/page/1/guide-to-administrators-fees/>

If you are unable to access this guide and would like a copy, please contact James Rivers on 0207 3118091.

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	From 01 Oct 2019 £/hr	From 01 Jan 2020 £/hr
Partner	655	690
Director	590	620
Senior Manager	535	560
Manager	445	467
Senior Administrator	310	325
Administrator	225	236
Support	140	147

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 2019 to 28 April 2020.

SIP 9 – Disbursements					
Disbursements	Category 1		Category 2		Totals (£)
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)	
Accommodation		327.37		NIL	327.37
Meals		222.62		NIL	222.62
Postage		269.98		NIL	269.98
Sundry		40.25		NIL	40.25
Travel		1,607.39		NIL	1,607.39
Total		2,467.61		NIL	2,467.61

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 2019 to 28 April 2020

The key areas of work have been:

Asset realisations	<ul style="list-style-type: none"> ■ liaising with agents, legal advisors and third party consultants regarding the sale of freehold land; ■ liaising with consultants regarding the proposed sale of the water abstraction licences and associated land which is intended to form part of the sale; ■ communicating with 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 and to ensure ongoing health and safety compliance, particularly to ensure operational compliance around the impact of Covid-19 on work practices at site.
Trading	<ul style="list-style-type: none"> ■ updating cash flow statements to monitor the cash position; ■ attending to supplier and customer queries and correspondence; ■ raising, approving and monitoring purchase orders and maintaining control systems for trading; ■ negotiating and making direct contact with various suppliers as necessary to provide additional information and undertakings, including agreeing ongoing terms and conditions, in order to ensure continued supply and support; ■ dealing with issues in relation to other assets required for trading, including ongoing site maintenance, site HSE; ■ ensuring ongoing provision of emergency and other essential services to site including continual monitoring and review of the site security practices and policies in place in order to help keep the site secure.
Statutory and compliance	<ul style="list-style-type: none"> ■ collating information to enable us to carry out our statutory duties, including creditor information 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"> ■ liaising with legal advisors regarding the various instructions; ■ monitoring and reviewing the administration strategy; ■ ongoing 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; ■ discussions with various consultants to review and update strategy and monitor progress; ■ reviewing and authorising junior staff correspondence and other work; ■ dealing with ongoing queries arising during the administration; ■ reviewing matters affecting the outcome of the administration; ■ updating budgeting exercises; ■ complying with internal filing and information recording practices, including documenting strategy decisions.
Tax	<ul style="list-style-type: none"> ■ working on tax returns relating to the periods affected by the administration; ■ analysing VAT related transactions and submission of VAT returns; ■ dealing with post appointment tax 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 appropriateness of the level of insurance premiums.
Employees	<ul style="list-style-type: none"> ■ dealing with ongoing queries from employees regarding various matters relating to the administration and their employment; ■ communicating and corresponding with HM Revenue and Customs.
Creditors and claims	<ul style="list-style-type: none"> ■ updating the list of unsecured creditors; ■ responding to enquiries from creditors regarding the administration and submission of their claims; ■ ongoing briefing of key stakeholders within the creditor group; ■ reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records; ■ drafting our progress report.

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; ■ reconciling post-appointment bank accounts to internal systems; ■ ensuring compliance with appropriate risk management procedures in respect of receipts and payments.
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.

Time costs

SIP 9 –Time costs analysis (29/10/2019 to 28/04/2020)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning			
Cashiering			
Fund management	4.50	1,970.00	437.78
General (Cashiering)	40.60	11,687.10	287.86
Reconciliations (& IPS accounting reviews)	2.20	563.60	256.18
General			
Fees and WIP	3.20	1,023.50	319.84
Statutory and compliance			
Checklist & reviews	11.50	4,296.50	373.61
Strategy documents	0.20	89.00	445.00
Tax			
Initial reviews - CT and VAT	0.10	46.70	467.00
Post appointment corporation tax	7.80	3,683.20	472.21
Post appointment VAT	9.50	3,196.00	336.42
Creditors			
Creditors and claims			
General correspondence	8.20	3,599.00	438.90
Statutory reports	15.00	6,276.70	418.45
Employees			
Correspondence	11.75	4,631.90	394.20
Realisation of assets			
Asset Realisation			
Debtors	17.20	5,483.50	318.81
Freehold property	229.20	129,995.00	567.17
Insurance	6.90	3,770.00	546.38
Leasehold property	33.50	18,186.00	542.87
Other assets	80.90	45,082.50	557.26

SIP 9 –Time costs analysis (29/10/2019 to 28/04/2020)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Trading			
Cash & profit projections & strategy	10.70	6,288.50	587.71
Purchases and trading costs	25.10	12,612.00	502.47
Total in period	518.05	262,480.70	506.67

Brought forward time (appointment date to SIP 9 period start date)	14,564.17	6,003,171.50
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	518.05	262,480.70
Carry forward time (appointment date to SIP 9 period end date)	15,082.22	6,265,652.20

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 level of charge out rates.

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

Appendix 5 Glossary

ANL/Company	Aylesford Newsprint Limited - in Administration
EA	Environmental Agency
HMRC	Her Majesty's Revenue and Customs
HSE	Health and Safety
Joint Administrators/we/our/us	Will Wright and Neil Gostelow
KPMG	KPMG LLP
Secured creditor	Sitara Finance Limited
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 (England and Wales) 2016 respectively.

Appendix 6 Notice: About this report

This report has been prepared by Will Wright 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 (England and Wales) 2016 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.

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.

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William James Wright and Neil David Gostelow are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England & Wales.

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