

# AM10

## Notice of administrator's progress report



Companies House

FRIDAY



A19 \*A865Z7WI\* #385  
24/05/2019  
COMPANIES HOUSE

<b>1</b>	<b>Company details</b>	
Company number	0 2 8 2 5 6 9 4	<b>→ Filling in this form</b> Please complete in typescript or in bold black capitals
Company name in full	Aylesford Newsprint Limited	
<b>2</b>	<b>Administrator's name</b>	
Full forename(s)	William James	
Surname	Wright	
<b>3</b>	<b>Administrator's address</b>	
Building name/number	15 Canada Square	
Street	Canary Wharf	
Post town	London	
County/Region	Greater London	
Postcode	E 1 4 5 G L	
Country		
<b>4</b>	<b>Administrator's name ①</b>	
Full forename(s)	Neil David	<b>① Other administrator</b> Use this section to tell us about another administrator.
Surname	Gostelow	
<b>5</b>	<b>Administrator's address ②</b>	
Building name/number	15 Canada Square	<b>② Other administrator</b> Use this section to tell us about another administrator
Street	Canary Wharf	
Post town	London	
County/Region	Greater London	
Postcode	E 1 4 5 G L	
Country		

AM10

Notice of administrator's progress report

**6** Period of progress report

From date	<sup>d</sup> 2	<sup>d</sup> 9	<sup>m</sup> 1	<sup>m</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 8
To date	<sup>d</sup> 2	<sup>d</sup> 8	<sup>m</sup> 0	<sup>m</sup> 4	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9

**7** Progress report

☒ I attach a copy of the progress report

**8** Sign and date

Administrator's  
signature

Signature

X



X

Signature date	<sup>d</sup> 2	<sup>d</sup> 3	<sup>m</sup> 0	<sup>m</sup> 5	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9
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Joint  
Administrators'  
progress  
report for the  
period 29  
October 2018  
to 28 April  
2019

Aylesford Newsprint Limited -  
in Administration

23 May 2019

# 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 2018 to 28 April 2019.
- Please note that on 5 February 2019 an order was made in the High Court appointing William Wright as Joint Administrator of the Company in place of Robert Croxen, following Robert Croxen's resignation from KPMG. In accordance with the order, creditors were given notice of the replacement of Robert Croxen as Joint Administrator by advertisement in the London Gazette.
- We continue to progress the sale of the freehold land and water abstraction licences. In December 2018 we encountered an unforeseen issue which prevented a completion of the sale by our intended deadline of 21 December 2018. Since that time, we have been working closely with our preferred purchaser and various consultants to progress the sale. (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 freehold land and water abstraction licences. (Section 3 - Dividend prospects and dividends paid).
- The administration is currently due to end on 23 August 2019. We are therefore seeking a further extension of 18 months from the Court.
- 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.



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**

As advised in our previous report, we selected our preferred purchaser with a view to completing a sale of the freehold land by 21 December 2018.

During December 2018, we encountered an issue which prevented a completion of the sale. The nature of these issues would have impacted any prospective purchaser and therefore would have prevented the sale from successfully completing by 21 December 2018.

There was also a delay in completing the demolition works which were scheduled to complete by 21 December 2018. The demolition works were finished and signed off as complete in February 2019.

Since December 2018, we have worked closely with the prospective purchaser and consultants to progress the outstanding issues which once resolved should enable the sale to complete. A further update will be provided in our next report.

##### **Water abstraction licences**

We continue to work with the preferred bidder, alongside our specialists, to ensure that we obtain the best possible outcome for creditors. A draft Heads of Terms agreement setting out the key deal parameters has now been agreed between both parties. It will now become necessary to engage the prospective purchaser for the freehold land into future negotiations to agree certain technical matters underpinning the proposed sale and a further update will be provided in our next report to creditors.

## **2.2 Asset realisations**

Realisations during the period are set out in the attached receipts and payments account at Appendix 2 and include receipts from the provision of third party electricity supplies, sundry debtor/receivables/refunds and interest accrued on funds held in the administration bank account.

### **Rent**

During the period we received two quarterly rental income payments of £55,000 in relation to the Larkfield Mill site. This brings the total rent received under the terms of the twelve month lease currently in place to £110,000 (net of VAT).

In addition, we received rent of £20,000 from SRCL Limited.

### **Debtors**

During the period we received £14,419 from debtors relating to barrier card payments.



## 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 £18,788 for costs in relation to ongoing assistance with the running and maintenance of the site.

### Utilities

We have paid £141,274 during the period for utilities provided to the site.

### Agents' fees

We have paid agents' fees of £47,363 for costs in relation to dealing with the property, in particular consultancy fees regarding reports underpinning both the ongoing sales process and finalising the sign off of the demolition works.

### Operations and decommissioning

In the period we have made payments of £266,494 for site operating and maintenance costs, which predominantly comprises costs incurred in securing the site.

### Legal fees

We have paid £5,554 to our solicitors, who are assisting us with ongoing issues in connection to the property and the administration.

### Environmental / Licence fees

A payment of £6,703 has been made to the EA in respect of water abstraction licence fees incurred during the period.

### Other costs

Further costs are detailed in the attached receipts and payments account at Appendix 2 and include amongst other, telephone costs, re-direction of mail 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.

### Legal fees

Our legal advisors, Gateley Plc, have incurred costs and disbursements of £38,712 for their assistance with ongoing issues in connection to the freehold land and the administration.

### Operations and decommissioning costs

We have incurred payments of £40,431 for site operating and maintenance costs of which £35,294 relates to security fees.

#### Utilities

During the period covered by this report Npower have outstanding electricity charges of £25,864 which have not yet been paid.

## **3 Dividend prospects and dividends paid**

### **3.1 Secured creditors**

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 the freehold land and water licences.

## **4 Joint Administrators' remuneration and disbursements**

#### Time costs

From 29 October 2018 to 28 April 2019, we have incurred time costs of £427,658. These represent 983 hours at an average rate of £435 per hour. No remuneration has been drawn in the period.

#### Disbursements

During the period, we have incurred disbursements of £5,517. 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 2018 to 28 April 2019. 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 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 Extension of the administration**

The duration of an administration is restricted to 12 months from the date of commencement unless it is extended with the permission of creditors or the Court.

The administration is currently due to end on 23 August 2019 following previous extension requests approved by creditors and the Court.

We are therefore seeking approval from the Court for a further extension to the administration of at least 18 months to allow sufficient time to conclude the sale of the freehold land, commence the adjudication of unsecured creditors' claims process and subsequent dividends to the unsecured creditors.

### **5.3 Future reporting**

Following the extension of the administration, we will provide a further progress report within one month of 29 October 2019, or earlier upon conclusion of the matters detailed in section 5.1 above.

## 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 August 2019

## Appendix 2 Joint Administrators' receipts and payments account

Aylesford Newsprint Limited - in Administration			
Abstract of receipts & payments			
Statement of affairs (£)		From 29/10/2016 To 28/04/2019 (£)	From 24/02/2015 To 28/04/2019 (£)
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
		NIL	NIL
FIXED CHARGE CREDITORS			
(12,022,740.00)	Fixed charge creditor	NIL	NIL
		NIL	NIL
ASSET REALISATIONS			
5,300,000.00	Plant & machinery	NIL	9,057,681.54
	Furniture & equipment	NIL	1,062.50
	Motor vehicles	833.33	833.33
7,650,000.00	Paper stock	NIL	8,347,584.39
	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	130,000.00	362,788.83
		130,833.33	18,359,947.03
OTHER REALISATIONS			
	Bank interest, gross	552.26	28,839.73
34,000.00	Sundry debtors/receivables	14,419.49	240,883.21
	Sundry refunds	32.15	429,286.01
	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	9,234.49	1,571,848.83
		24,238.39	2,905,429.82
COST OF REALISATIONS			

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

Statement of affairs (£)	From 29/10/2018 To 26/04/2019 (£)	From 24/02/2015 To 26/04/2019 (£)
Indemnity payment to ANHL	NIL	(258,184.00)
Overpayment of electricity	NIL	(215.70)
Subcontractor	NIL	(86,655.19)
Operations and Decommissioning Costs	(266,494.29)	(3,008,358.96)
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	(47,362.59)	(1,685,760.07)
Agents Fees - Water Abstraction Licences	(4,000.00)	(129,220.00)
Legal fees	(5,553.55)	(549,555.37)
Consultancy fees	(18,787.99)	(786,687.27)
Funds returned to ANSL	NIL	(62,916.04)
Repayment	NIL	(2,052.00)
Telephone/Telex/Fax	(342.44)	(36,556.20)
Stationery & postage	NIL	(621.10)
Utilities	(141,273.68)	(3,544,642.90)
Storage costs	NIL	(33,780.11)
Re-direction of mail	(490.00)	(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	(140.00)	(82,881.05)
Licences	(6,702.79)	(857,448.31)
	(491,147.33)	(16,550,850.02)
<b>PREFERENTIAL CREDITORS</b>		
Employees' wage arrears and holiday pay	NIL	(88,265.92)
	NIL	(88,265.92)
<b>FLOATING CHARGE CREDITORS</b>		
Floating charge	NIL	(4,450,372.92)
	NIL	(4,450,372.92)
<b>40,301,596.00</b>	<b>(336,075.61)</b>	<b>175,887.99</b>

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

Statement of affairs (£)	From 29/10/2018	From 24/02/2019
	To 28/04/2019 (£)	To 28/04/2019 (£)

**REPRESENTED BY**

Floating ch. VAT rec'able	2,334,704.78
Current account	115,535.93
Floating ch. VAT payable	(3,924,606.00)
Floating ch. VAT control	1,650,253.28
	<b>175,887.99</b>

## Appendix 3      Schedule of expenses

<b>Schedule of expenses (29/10/2018 to 28/04/2019)</b>			
<b>Expenses (£)</b>	<b>Incurred and paid in the period (£)</b>	<b>Incurred in the period not yet paid (£)</b>	<b>Total (£)</b>
<b>Cost of realisations</b>			
Operations and Decommissioning Costs	265,180.96	40,430.61	<b>305,611.57</b>
Joint Administrators' remuneration	0.00	427,658.00	<b>427,658.00</b>
Joint Administrators' disbursements	0.00	5,517.44	<b>5,517.44</b>
Agents'/Valuers' fees	47,362.59	0.00	<b>47,362.59</b>
Agents Fees - Water Abstraction Licences	4,000.00	0.00	<b>4,000.00</b>
Legal fees	0.00	38,712.04	<b>38,712.04</b>
Consultancy fees	18,787.99	2,396.80	<b>21,184.79</b>
Licences	6,702.79	0.00	<b>6,702.79</b>
Telephone/Telex/Fax	342.44	0.00	<b>342.44</b>
Utilities	141,273.68	25,864.23	<b>167,137.91</b>
Re-direction of mail	490.00	0.00	<b>490.00</b>
Bank charges	140.00	0.00	<b>140.00</b>
<b>TOTAL</b>	<b>484,280.45</b>	<b>540,579.12</b>	<b>1,024,859.57</b>

Please note that there is a difference between the payments made during the period of £491,147 (per the receipts and payments account) and the expenses incurred and paid in the period of £484,280 (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 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	From 01 Nov 2016 £/hr	From 01 Jan 2018 £/hr
Partner	625	655
Director	560	590
Senior Manager	510	535
Manager	425	445
Senior Administrator	295	310
Administrator	215	225
Support	131	140

#### 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 2018 to 28 April 2019.

SIP 9 - Disbursements					
Disbursements	Category 1		Category 2		Totals (£)
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)	
Accommodation		86.25		NIL	<b>86.25</b>
Courier & delivery costs		24.88		NIL	<b>24.88</b>
External printing		84.42		NIL	<b>84.42</b>
Meals		396.79		NIL	<b>396.79</b>
Mileage		NIL		7.22	<b>7.22</b>
Postage		224.80		NIL	<b>224.80</b>
Travel		4,693.08		NIL	<b>4,693.08</b>
<b>Total</b>		<b>5,510.22</b>		<b>7.22</b>	<b>5,517.44</b>

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 2018 to 28 April 2019

The key areas of work have been:

Asset realisations	<ul style="list-style-type: none"> <li>■ liaising with agents, legal advisors and third party consultants regarding the sale of freehold land;</li> <li>■ liaising with consultants regarding the proposed sale of the water abstraction licences;</li> <li>■ finalising the site demolition; liaison with the demolition contractor and our appointed consultants to finalise the demolition works,</li> <li>■ communicating with tenants regarding rent, property occupation and other issues.</li> </ul>
Health and safety	<ul style="list-style-type: none"> <li>■ 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.</li> </ul>
Trading	<ul style="list-style-type: none"> <li>■ updating cash flow statements to monitor the cash position,</li> <li>■ attending to supplier and customer queries and correspondence,</li> <li>■ raising, approving and monitoring purchase orders and maintaining control systems for trading;</li> <li>■ 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;</li> <li>■ dealing with issues in relation to other assets required for trading, including ongoing site maintenance and site HSE;</li> <li>■ ensuring ongoing provision of emergency and other essential services to site.</li> </ul>
Statutory and compliance	<ul style="list-style-type: none"> <li>■ collating information to enable us to carry out our statutory duties, including creditor information and information relating to the licences,</li> <li>■ posting information on a dedicated web page,</li> <li>■ preparing statutory receipts and payments accounts;</li> <li>■ ensuring compliance with all statutory obligations within the relevant timescales.</li> </ul>
Strategy documents, Checklist and reviews	<ul style="list-style-type: none"> <li>■ liaising with legal advisors regarding the various instructions,</li> <li>■ monitoring and reviewing the administration strategy;</li> <li>■ ongoing briefing of our staff on the administration strategy and matters in relation to various work-streams;</li> <li>■ regular case management and reviewing of progress, including regular team update meetings and calls;</li> <li>■ discussions with various consultants to review and update strategy and monitor progress;</li> <li>■ reviewing and authorising junior staff correspondence and other work,</li> <li>■ dealing with ongoing queries arising during the administration;</li> <li>■ reviewing matters affecting the outcome of the administration;</li> <li>■ updating budgeting exercises ,</li> <li>■ complying with internal filing and information recording practices, including documenting strategy decisions</li> </ul>
Tax	<ul style="list-style-type: none"> <li>■ working on tax returns relating to the periods affected by the administration,</li> <li>■ analysing VAT related transactions and submission of VAT return;</li> <li>■ dealing with post appointment tax compliance</li> </ul>
General	<ul style="list-style-type: none"> <li>■ reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9,</li> <li>■ dealing with the ongoing storage of the Company's books and records</li> </ul>
Open cover insurance	<ul style="list-style-type: none"> <li>■ arranging ongoing insurance cover for the Company's business and assets;</li> <li>■ liaising with the post-appointment insurance brokers to provide information, assess risks and ensure appropriate cover in place,</li> <li>■ assessing the appropriateness of the level of insurance premiums.</li> </ul>
Employees	<ul style="list-style-type: none"> <li>■ dealing with ongoing queries from employees regarding various matters relating to the administration and their employment;</li> <li>■ communicating and corresponding with HM Revenue and Customs</li> </ul>
Creditors and claims	<ul style="list-style-type: none"> <li>■ updating the list of unsecured creditors;</li> <li>■ responding to enquiries from creditors regarding the administration and submission of their claims;</li> <li>■ reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records,</li> <li>■ drafting our progress report.</li> </ul>

Cashiering	<ul style="list-style-type: none"> <li>■ preparing and processing vouchers for the payment of post-appointment invoices;</li> <li>■ creating remittances and sending payments to settle post-appointment invoices;</li> <li>■ reconciling post-appointment bank accounts to internal systems;</li> <li>■ ensuring compliance with appropriate risk management procedures in respect of receipts and payments.</li> </ul>
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## Time costs

SIP 9 – Time costs analysis (29/10/2018 to 28/04/2019)						
	Hours				Time Cost (£)	Average Hourly Rate (£)
	Partner / Director	Manager	Administrator	Support		

### Realisation of assets

#### Asset Realisation

Debtors			28.50		<b>28.50</b>	8,670.00	304.21
Freehold property	30.00	645.95	12.50		<b>688.45</b>	321,676.50	467.25
Health & safety		36.20	8.90		<b>45.10</b>	18,680.50	414.20
Insurance		4.70	1.80		<b>6.50</b>	2,764.50	425.31
Leasehold property	1.00		1.00		<b>2.00</b>	950.00	475.00
Other assets		42.25	1.10		<b>43.35</b>	20,958.50	483.47
Vehicles			0.60		<b>0.60</b>	177.00	295.00

### Administration & planning

#### Cashiering

Fund management			15.40		<b>15.40</b>	4,646.50	301.72
General (Cashiering)			40.10	10.20	<b>50.30</b>	12,893.20	256.33
Reconciliations (& IPS accounting reviews)		0.50	0.20	1.00	<b>1.70</b>	394.80	232.24

#### General

Books and records		10.20	5.90		<b>16.10</b>	6,161.00	382.67
Fees and WIP		0.50	3.80		<b>4.30</b>	1,375.00	319.77
Cash & profit projections & strategy		2.50			<b>2.50</b>	1,247.50	499.00
Purchases and trading costs		10.50	17.30		<b>27.80</b>	9,791.00	352.19

#### Statutory and compliance

Checklist & reviews			5.40		<b>5.40</b>	1,641.00	303.89
Strategy documents			0.60		<b>0.60</b>	177.00	295.00

#### Tax

Post appointment corporation tax		3.10			<b>3.10</b>	1,369.50	441.77
Post appointment VAT		2.00	12.80		<b>14.80</b>	4,813.00	325.20

### Creditors

SIP 9 – Time costs analysis (29/10/2018 to 28/04/2019)							
	Hours					Time Cost (£)	Average Hourly Rate (£)
	Partner / Director	Manager	Administrator	Support	Total		
Creditors and claims							
Agreement of unsecured claims			0 80		0.80	240.50	300.63
General correspondence		1 70	5 30		7.00	2,503.50	357.64
Statutory reports		6 80	11.40		18.20	6,257.50	343.82
Employees							
Correspondence			0 90		0.90	270.00	300.00
Total in period	31.00	766.90	174.30	11.20	983.40	427,658.00	434.88

Brought forward time (appointment date to SIP 9 period start date)	12,892 72	5,238,984.25
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	983 40	427,658.00
Carry forward time (appointment date to SIP 9 period end date)	13,876.12	5,666,642.25

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

<b>ANL/Company</b>	Aylesford Newsprint Limited - in Administration
<b>EA</b>	Environmental Agency
<b>HSE</b>	Health and Safety
<b>Joint Administrators/we/our/us</b>	Will Wright and Neil Gostelow
<b>JLL</b>	Jones Lang LaSalle Limited
<b>KPMG</b>	KPMG LLP
<b>SFL/Secured creditor</b>	Sitara Finance Limited
<b>VAT</b>	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 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.

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.

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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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.



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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.  
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