

AM22

Notice of move from administration to creditors' voluntary liquidation



Companies House

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

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 Court details

Court name High Court of Justice

Court case number C R - 2 0 1 5 - 0 0 2 9 9 0

3 Administrator's name

Full forename(s) William James

Surname Wright

4 Administrator's address

Building name/number 15 Canada Square

Street

Post town London

County/Region

Postcode E 1 4 5 G L

Country

AM22

Notice of move from administration to creditors' voluntary liquidation

5	Administrator's name ①	
Full forename(s)	Neil David	① Other administrator Use this section to tell us about another administrator.
Surname	Gostelow	

6	Administrator's address ②	
Building name/number	15 Canada Square	② Other administrator Use this section to tell us about another administrator.
Street		
Post town	London	
County/Region		
Postcode	E 1 4 5 G L	
Country		

7	Appointor/applicant's name	
	Give the name of the person who made the appointment or the administration application.	
Full forename(s)	Paragraph 83 Schedule	
Surname	B1	

8	Proposed liquidator's name	
Full forename(s)	William James	
Surname	Wright	
Insolvency practitioner number	9 7 2 0	

9	Proposed liquidator's address	
Building name/number	15 Canada Square	
Street	Canary Wharf	
Post town	London	
County/Region		
Postcode	E 1 4 5 G L	
Country		

AM22

Notice of move from administration to creditors' voluntary liquidation

10 Proposed liquidator's name^①

Full forename(s)	Neil David											
Surname	Gostelow											
Insolvency practitioner number	1	0	0	9	0							

① Other liquidator

Use this section to tell us about another liquidator.

11 Proposed liquidator'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 liquidator

Use this section to tell us about another liquidator.

12 Period of progress report

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

13 Final progress report☒ I have attached a copy of the final progress report.**14** Sign and date

Administrator's signature

Signature

X



X

Signature date

^d 2	^d 7	^m 0	^m 9	^y 2	^y 0	^y 2	^y 1
----------------	----------------	----------------	----------------	----------------	----------------	----------------	----------------

**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 **Francine Pearlman**

Company name **Interpath Advisory**

Address **2 Forbury Place**

33 Forbury Road

Post town **Reading**

County/Region

Postcode

R	G	1		3	A	D
---	---	---	--	---	---	---

Country

DX

Telephone **Tel +44 (0) 118 214 5920**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

**Important information**

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

**Where to send**

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

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

**Further information**

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

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

Joint
Administrators'
final progress
report for the
period 29 April
2021 to 24
September 2021

Aylesford Newsprint Limited - in
Administration

27 September 2021

Deemed delivered: 27 September
2021

Notice to creditors

Please note that KPMG LLP sold its Restructuring practice in the UK to Interpath Ltd ('Interpath Advisory') on 4 May 2021. This will not have an impact on your day to day dealings of the administration of the Company and your case contacts remain the same. Please note that the contact details for your primary case contacts may have changed, please check the insolvency portal at www.ia-insolv.com/case+INTERPATH+AF223A1449.html for the latest contact details.

This progress report provides a final update on the administration of the Company.

We have included (Appendix 2) an account of all amounts received, and payments made since our previous progress report.

We have also explained the exit route from the administration and the outcome for each class of creditors.

You will find other important information in the document such as the costs we have incurred.

A glossary of the abbreviations used throughout this document is attached (Appendix 6).

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following website, www.ia-insolv.com/case+INTERPATH+AF223A1449.html. We hope this is helpful to you.

Please also note that an important legal notice about this report is attached (Appendix 7).

Contents

1	Executive summary	1
2	Progress to date	2
3	Outcome for creditors	5
4	Joint Administrators' remuneration and expenses	6
5	Conclusion of the administration	7
Appendix 1	Statutory information	8
Appendix 2	Joint Administrators' receipts and payments account	9
Appendix 3	Schedule of expenses	12
Appendix 4	Joint Administrators' charging and expenses policy	14
Appendix 5	Summary of Joint Administrators' proposals	19
Appendix 6	Glossary	21
Appendix 7	Notice: About this report	22

1 Executive summary

This final progress report covers the period from 29 April 2021 to 24 September 2021.

The sale of the freehold property has now been completed. (Section 2 - Progress to date).

The secured and preferential creditors have been paid in full. (Section 3 – Outcome for creditors).

Now that the sale of the Company's freehold property has concluded, the creditor claims process will commence and a distribution to unsecured creditors will be made in the subsequent liquidation. (Section 3 – Outcome for creditors).

We have filed a copy of this final progress report with the Registrar of Companies, together with the requisite notices to place the Company into Creditors' Voluntary Liquidation. We will cease to act as Joint Administrators on the date these documents are registered by the Registrar of Companies.

Please note: you should read this progress report in conjunction with our previous progress report(s) and proposals issued to the Company's creditors. www.ia-insolv.com/case+INTERPATH+AF223A1449.html. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.

This report, along with prior reports and proposals, provide a summary of the steps taken during the administration. Over the course of the administration there have been no major amendments or deviations from the proposals.



Neil Gostelow
Joint Administrator

2 Progress to date

This section provides a final update on the strategy for the administration and on the progress made. It follows the information provided in our previous progress report.

2.1 Strategy and progress to date

Strategy

Freehold Land

The sale of the main site and the land formerly known as the Water and Effluent ("W&E") site successfully completed on 6 August 2021. The gross sale consideration was £75,150,500.

We are now in a position to proceed with the unsecured creditor claims process and currently anticipate paying a first, interim dividend by the end of December 2021.

Move from Administration to Creditors' Voluntary Liquidation

As referred to above, we have realised sufficient funds to enable a dividend to the unsecured creditors of the Company. We are now in a position to close the administration and place the Company into liquidation. This will enable the subsequent Joint Liquidators to make a distribution to the unsecured creditors.

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.

Freehold property

During the period a sale of the main site and the land formerly known as W&E completed. The gross, combined sales consideration totalled £75,150,500.

Rent

During the period we have received gross rent of £20,000 from SRCL. No further rent will be realised following the sale of the main site.

Insurance refund

During the period we received a repayment of the insurance premium totalling £42,438 which was previously paid out of the administration estate in the prior period in order to incept the EIL policy to facilitate a sale of the W+E site.

Other assets

Other realisations during the period are set out in the attached receipts and payments account in Appendix 2 and include receipts in connection to a 3rd party electricity supply and interest accrued on funds held in the administration bank account.

Investigations

We reviewed the affairs of the Company to find out if there were any actions which could be taken against third parties to increase recoveries for creditors.

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.

Property contribution to costs

The sum of £3,284,433 was deducted of the gross sales price as a contribution to costs following the sale of the main site.

Operations and decommissioning costs

During the period, we made payments totalling £221,542 for site operating and maintenance costs which predominantly relate to site security.

Agents/consultants fees

We have paid agents' fees of £1,421,022 which predominantly relate to sale agency fees in connection to the sale of the freehold land.

In addition, we have paid consultancy fees of £3,664 in the period.

Legal fees

During the period, we have paid £172,010 which relate to both advice underpinning the sale of the freehold land and ongoing insolvency matters connected to the Company.

Utilities

We have paid £98,882 during the period for utilities provided to the site.

Other costs

Other costs paid out during the period are set out in the attached receipts and payments account in Appendix 2 and include telephone line rental costs, redirection of mail, 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.

Agents/consultants fees

During the period, we have incurred charges of £19,607 which have yet to be paid which predominantly relate to sale agency fees in connection to a sale of the freehold land.

Legal fees

During the period, we have incurred charges of £70,101 which have yet to be paid which relate to both advice underpinning the sale of the freehold land and ongoing insolvency matters connected to the Company.

3 Outcome for creditors

3.1 Secured creditors

As previously stated in earlier reports, 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 presently anticipate that unsecured creditors should receive a first, interim dividend of between 45p and 50p by the end of December 2021. The timing and amount of any dividend are dependent upon the realisations and associated costs of the administration and liquidation.

4 Joint Administrators' remuneration and expenses

Time costs

From 29 April 2021 to 24 September 2021, we have incurred time costs of £223,523. These represent 499 hours at an average rate of £448 per hour.

Remuneration

During the period, we have drawn remuneration of £3,068,099. No further remuneration will be drawn in the administration.

In addition, we do not intend to draw any further remuneration in relation to the administration during the liquidation.

Administrators' Expenses

During the period, we have incurred expenses of £288. None of these have 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 Interpath for the period from 29 April 2021 to 24 September 2021. We have also attached our charging and expenses policy.

Following a change in legislation, the basis of remuneration which has been approved for the administration, will no longer carry forward to the subsequent creditors' voluntary liquidation. We will send a separate fee estimate and seek approval for the liquidators' remuneration within four weeks of our appointment.

5 Conclusion of the administration

We have filed a copy of this final progress report with the Registrar of Companies, together with the requisite notices to place the Company into Creditors' Voluntary Liquidation.

We will cease to act as Joint Administrators when these documents are registered by the Registrar of Companies and on the same date will be discharged of liability in respect of any action of ours as Joint Administrators 28 days after they file our final progress report.

The cash balance will be transferred from the Joint Administrators' bank account to the liquidation. There is also VAT receivable due to the Company which will be reclaimed by the Joint Liquidators in the next VAT Return due by 31 October 2021.

Any outstanding costs of the administration will be settled by the Joint Liquidators.

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
Functions	The functions of the Joint Administrators have been exercised by them individually or together in accordance with Paragraph 100(2).
Current administration expiry date	23 February 2022
Values of the Net Property and Prescribed Part	Net Property is £67,478,875. Prescribed Part is £600,000.
Prescribed Part distribution	The distribution to the unsecured creditors is over and above the Prescribed Part. Therefore, the Joint Administrators intend to distribute the Prescribed Part in the forthcoming liquidation together with the distribution over and above the Prescribed Part.

Appendix 2

Joint Administrators' receipts and payments account

Aylesford Newsprint Limited - in Administration

Abstract of receipts & payments

Statement of affairs (£)		From 29/04/2021 To 24/09/2021 (£)	From 24/02/2015 To 24/09/2021 (£)
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			
	Freehold property	75,150,500.00	76,970,500.00
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	NIL	1,250.00
	Abstraction licences	NIL	3,252,202.82
	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	20,000.00	647,788.83
	Insurance refund	42,437.92	42,437.92
		75,212,937.92	98,839,134.95
OTHER REALISATIONS			
	Bank interest, gross	71.64	30,193.03
	Loan facility	NIL	785,000.00
34,000.00	Sundry debtors/receivables	NIL	265,228.21
	Sundry refunds	NIL	429,458.81
	Recharge of costs	NIL	513,292.54
	Funds received on behalf of ANSL	NIL	26,549.24
129,308.00	Recycled fibre stocks	NIL	NIL

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

Statement of affairs (£)		From 29/04/2021 To 24/09/2021 (£)	From 24/02/2015 To 24/09/2021 (£)
350,000.00	Sundry Stocks	NIL	NIL
	3rd party electricity supply	1,596.35	1,699,667.57
		1,667.99	3,749,389.40
COST OF REALISATIONS			
	Property Contribution to Costs	(3,284,432.87)	(3,284,432.87)
	Loan facility repayment	NIL	(1,074,703.90)
	Indemnity payment to ANHL	NIL	(258,184.00)
	Overpayment of electricity	NIL	(215.70)
	Subcontractor	NIL	(86,655.19)
	Operations and Decommissioning Costs	(221,542.20)	(4,247,959.16)
	Administrators' fees	(3,068,099.14)	(5,757,396.00)
	Administrators' expenses	NIL	(40,075.80)
	Irrecoverable VAT	NIL	(830.00)
	Room hire	NIL	(833.33)
	Agents'/Valuers' fees	(1,421,022.20)	(3,145,056.47)
	Agents Fees - Water Abstraction Licences	NIL	(130,220.00)
	Legal fees and disbursements	(172,009.52)	(908,423.05)
	Consultancy fees	(3,663.78)	(819,546.98)
	Corporation tax	NIL	(30,271.56)
	Funds returned to ANSL	NIL	(62,916.04)
	Repayment	NIL	(2,052.00)
	Telephone/Telex/Fax	(407.40)	(38,449.90)
	Stationery & postage	NIL	(621.10)
	Utilities	(98,881.76)	(4,064,400.00)
	Storage costs	(9.21)	(39,895.88)
	Re-direction of mail	(385.20)	(875.20)
	Statutory advertising	NIL	(253.80)
	Rent adjustment	(5,917.86)	(5,917.86)
	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	(840.00)	(85,781.05)
	Licences	NIL	(1,112,102.28)

Aylesford Newsprint Limited - in Administration

Abstract of receipts & payments

Statement of affairs (£)	From 29/04/2021 To 24/09/2021 (£)	From 24/02/2015 To 24/09/2021 (£)
	(8,277,211.14)	(27,891,605.08)
PREFERENTIAL CREDITORS		
Employees' wage arrears and holiday pay	NIL	(88,265.92)
	NIL	(88,265.92)
FLOATING CHARGE CREDITORS		
Floating charge	NIL	(4,450,372.92)
	NIL	(4,450,372.92)
40,301,596.00	66,937,394.77	70,158,280.43
REPRESENTED BY		
Floating ch. VAT rec'able		3,598,669.63
Current account		70,017,541.67
Trade creditors		42,437.92
Floating ch. VAT payable		(5,683,839.10)
Floating ch. VAT control		2,183,470.31
		70,158,280.43

Appendix 3

Schedule of expenses

Cost of realisations			
Property Contribution to Costs	3,284,432.87	0.00	3,284,432.87
Operations and Decommissioning Costs	221,542.20	0.00	221,542.20
Administrators' fees	3,068,099.14	223,522.70	3,291,621.84
Administrators' expenses	0.00	287.82	287.82
Agents'/Valuers' fees	1,421,022.00	19,607.00	1,440,629.20
Legal fees and disbursements	172,009.52	70,101.40	242,110.92
Consultancy fees	3,663.78	0.00	3,663.78
Telephone/Telex/Fax	407.40	0.00	407.40
Utilities	53,429.41	0.00	53,429.41
Re-direction of mail	385.20	0.00	385.20
Rent adjustment	5,917.86	0.00	5,917.86
Bank charges	840.00	0.00	840.00
TOTAL	8,231,569.58	313,518.90	8,545,088.50

Please note that there is a difference between the payments made during the period of £8,277,211 (per the receipts and payments account) and the expenses incurred and paid in the period of £8,231,570 (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 Francine Pearlman at 15 Canada Square, Canary Wharf, London, E14 5GL.

Appendix 4 Joint Administrators' charging and expenses 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 in-house Interpath Advisory tax, VAT and employee 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 Francine Pearlman on 0118 214 5925.

Hourly rates

Set out below are the relevant charge-out rates per hour worked 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.

Table of charge-out rates

Partner/Managing Director	690
Director	620
Senior Manager/Associate Director	560
Manager	467
Senior Administrator/Senior Associate	325
Administrator/Associate	236
Support/Analyst	147

Policy for the recovery of expenses

We have recovered both Category 1 and Category 2 expenses from the estate.

For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

Expenses: These are any payments which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements which are payments first met by the office holder, and then reimbursed to the office holder from the estate.

Category 1 expenses: These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. 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 expenses: These are payments to associates or which have an element of shared costs. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Associates: are defined in the insolvency legislation but also extends to parties where a reasonable and informed third party might consider there would be an association between the third party and the office holder or their firm.

Category 2 expenses charged by Interpath Advisory 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 Interpath passengers an additional 5p per mile per passenger will also be charged where appropriate.

We have incurred the following expenses (excluding VAT) during the period 29 April 2021 to 24 September 2021.

External printing	134.97	NIL	134.97
Travel	152.85	NIL	152.85
Total	287.82	NIL	287.82

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

Category 2 expenses have been approved in the same manner as our remuneration.

Narrative of work carried out for the period 29 April 2021 to 24 September 2021

The key areas of work have been:

Asset realisations	liaising with agents, legal advisors and specialist third party consultants, regarding the sale of freehold land; liaising with consultants regarding the sale of the water abstraction licences and associated land; communicating with tenants regarding rent, property occupation and other issues.
Health and safety	liaising with health and safety specialists in order to continue the ongoing management of all health and safety and environmental issues and to ensure ongoing health and safety compliance, particularly compliance by all third party site visitors to our Covid-19 operating protocol.
Trading	updating cash flow statements to monitor the cash position; attending to supplier and customer queries and correspondence; raising, approving and monitoring purchase orders 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 site 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.
Statutory and compliance	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	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; 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; updating budgeting exercises and reviews; liaising with legal advisors regarding the various instructions; complying with internal filing and information recording practices, including documenting strategy decisions.
Cashiering	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.
Tax	working on tax returns relating to the periods affected by the administration; analysing VAT related transactions and submission of VAT returns; reviewing the Company's duty position to ensure compliance with duty requirements; dealing with post appointment tax compliance.
Open cover insurance	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 remains in place; liaising with the insurance brokers to procure the relevant EIL insurance policy required to facilitate the sale of the W+E site; assessing the appropriateness of the level of insurance premiums.
General	reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9; drawing remuneration in accordance with the basis which has been approved by the Secured creditor; dealing with the ongoing storage of the Company's books and records.
Employees	dealing with ongoing queries from employees regarding various matters relating to the administration, their employment and the basis of any future unsecured claims; ongoing work to ensure employee address details remain up to date and updating our systems to reflect the same.

Creditors and claims	■ updating the list of unsecured creditors to account for new address details of certain 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 final progress report.
----------------------	--

Time costs

SIP 9 –Time costs analysis (29/04/2021 to 24/09/2021)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Realisation of assets			
Asset Realisation			
Debtors	0.20	93.40	467.00
Freehold property	135.90	76,137.90	560.25
Insurance	5.70	3,006.00	527.37
Office equipment, fixtures & fittings	1.70	793.90	467.00
Other assets	3.50	2,236.60	639.03
General			
Cash & profit projections & strategy	0.20	65.00	325.00
Purchases and trading costs	22.50	11,840.80	526.26
General correspondence	1.00	690.00	690.00
Books and records	1.00	467.00	467.00
Fees and WIP	21.40	10,082.20	471.13
Cashiering			
Fund management	2.70	1,005.30	372.33
General (Cashiering)	57.35	17,308.40	301.80
Reconciliations (& IPS accounting reviews)	0.50	158.90	317.80
Statutory and compliance			
Checklist & reviews	15.30	6,771.00	442.55
Closure and related formalities	28.20	12,636.70	448.11
Statutory receipts and payments accounts	0.30	97.50	325.00
Strategy documents	10.20	4,223.50	414.07
Tax			
Post appointment corporation tax	8.20	4,182.80	510.10
Post appointment VAT	6.10	2,634.00	431.80
Creditors			
Agreement of unsecured claims	57.2	24,699.90	431.82
Statutory reports	23.90	9,901.60	414.29

SIP 9 –Time costs analysis (29/04/2021 to 24/09/2021)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Employees			
Agreeing employee claims	36.00	11,913.00	330.92
Correspondence	58.90	22,122.30	375.59
Investigations			
Mail redirection	1.40	455.00	325.00
Total in period	499.35	223,522.70	447.63

Brought forward time (appointment date to SIP 9 period start date)	16,087.17	6,735,173.85
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	499.35	223,522.70
Carry forward time (appointment date to SIP 9 period end date)	16,586.52	6,958,696.55

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 Summary of Joint Administrators' proposals

For the reasons set out elsewhere in the report rescuing the Company in accordance with Paragraph 3(1)(a) is not achievable.

Therefore our primary objective is to achieve a better result for the Company's creditors as a whole than would be likely if the Company was wound up, in accordance with Paragraph 3(1)(b).

In addition to the specific itemised proposals below, this document in its entirety constitutes our proposals. We propose the following:

General matters

- to continue to do everything that is reasonable, and to use all our powers appropriately, in order to maximise realisations from the assets of the Company in accordance with the objective as set out above;
- to investigate and, if appropriate, to pursue any claims the Company may have;
- to seek an extension to the administration period if we consider it necessary.

Distributions

- to make distributions to the secured and preferential creditors where funds allow;
- to apply to the Court for the authority to make a distribution to unsecured creditors if funds become available.

Ending the administration

We might use any or a combination of the following exit route strategies in order to bring the administration to an end:

- apply to Court for the administration order to cease to have effect from a specified time and for control of the Company to be returned to the Directors;
- formulate a proposal for either a company voluntary arrangement (CVA) or a scheme of arrangement and put it to meetings of the Company's creditors, shareholders or the Court for approval as appropriate;
- place the Company into creditors' voluntary liquidation. In these circumstances we propose that we, Allan Graham and Rob Croxen, be appointed as Joint Liquidators of the Company without any further recourse to creditors. If appointed Joint Liquidators, any action required or authorised under any enactment to be taken by us may be taken by us individually or together. The creditors may nominate different persons as the proposed Joint Liquidators, provided the nomination is received before these proposals are approved;
- petition the Court for a winding-up order placing the Company into compulsory liquidation and to consider, if deemed appropriate, appointing us, Allan Graham and Rob Croxen, as Joint Liquidators of the Company without further recourse to creditors. Any action required or authorised under any enactment to be taken by us as Joint Liquidators may be taken by us individually or together;
- file notice of move from administration to dissolution with the Registrar of Companies if we consider that liquidation is not appropriate because (1) no

dividend will become available to creditors, and (2) there are no other outstanding matters that require to be dealt with in liquidation. The Company will be dissolved three months after the registering of the notice with the Registrar of Companies.

Alternatively, we may allow the administration to end automatically.

Joint Administrators' remuneration and pre-administration costs

We propose that:

- our remuneration will be drawn on the basis of time properly given by us and the various grades of our staff in accordance with the charge-out rates included in Appendix 3;
- disbursements for services provided by KPMG (defined as Category 2 disbursements in Statement of Insolvency Practice 9) will be charged in accordance with KPMG's policy as set out in Appendix 3;
- unpaid pre-administration costs be an expense of the administration.

Discharge from liability

We propose that we shall be discharged from liability in respect of any action of ours as Joint Administrators upon the filing of our final receipts and payments account with the Registrar of Companies.

Appendix 6 Glossary

Company	Aylesford Newsprint Limited - in Administration
EA	Environmental Agency
EIL	Environmental impairment liability insurance policy
HMRC	Her Majesty's Revenue and Customs
HSE	Health & Safety
JLL	Jones Lang LaSalle Limited
Joint Administrators/we/our/us	Will Wright and Neil Gostelow
Interpath/Interpath Advisory	Interpath Ltd
KPMG	KPMG LLP
Secured creditor	Sitara Finance Limited
VAT	Value Added Tax
W+E	Water and effluent

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 7

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.

We are bound by the Insolvency Code of Ethics.

The Officeholders are Data Controllers of personal data as defined by the Data Protection Act 2018. Personal data will be kept secure and processed only for matters relating to the appointment. For further information, please see our Privacy policy at – www.interpathadvisory.com/privacy-insolvency.

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, Interpath Ltd 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.interpathadvisory.com

© 2021 Interpath Ltd is a limited company registered in England and Wales (trading as “Interpath Advisory”). All rights reserved.