In accordance with Rule 18.6 of the Insolvency (England & Wales) Rules 2016.

AM10

Notice of administrator's progress report

Companies House

TUESDAY

A901SVQQ
A15 03/03/2020 #135
COMPANIES HOUSE

1 Company details

Company number	0 0 9 6 1 4 4 0
Company name in full	Arjo Wiggins Fine Papers Limited

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

2 Administrator's name

Full forename(s)	Geoffrey Paul
Surname	Rowley

3 Administrator's address

Building name/number	2nd Floor
Street	110 Cannon Street
Post town	London
County/Region	
Postcode	E C 4 N 6 E U
Country	

4 Administrator's name ❶

Full forename(s)	Thomas
Surname	MacLennan

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

5 Administrator's address ❷

Building name/number	2nd Floor
Street	110 Cannon Street
Post town	London
County/Region	
Postcode	E C 4 N 6 E U
Country	

❷ **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	14 07 2019
To date	13 01 2020

7 Progress report

☑ I attach a copy of the progress report

8 Sign and date

Administrator's signature	Signature X [signature] X
Signature date	10 02 2020

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: Geoffrey Paul Rowley

Company name: FRP Advisory LLP

Address: Suite 2B, Johnstone House
52-54 Rose Street

Post town: Aberdeen

County/Region:

Postcode: AB10 1UD

Country:

DX: cp.aberdeen@frpadvisory.com

Telephone: +44 (0)330 055 5455

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

Continuation page
Name and address of insolvency practitioner

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

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

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

All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

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

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

2 Insolvency practitioner's name

Full forename(s)	Alexander Iain
Surname	Fraser

3 Insolvency practitioner's address

Building name/number	2nd Floor
Street	110 Cannon Street
Post town	London
County/Region	
Postcode	EC4N 6EU
Country	

Arjo Wiggins Fine Papers Limited
(In Administration)
Joint Administrators' Trading Account

Statement of Affairs £		From 01/07/2019 To 13/01/2020 £	From 14/01/2019 To 13/01/2020 £
	POST APPOINTMENT SALES		
	Sales	21,837,380.17	70,305,868.18
	Merchanted products	1,103,847.00	4,479,149.00
	Miscellaneous income	NIL	27,023.00
		22,941,227.17	74,812,040.18
	PURCHASES		
	Purchases	10,798,771.35	38,474,149.29
		(10,798,771.35)	(38,474,149.29)
	OTHER DIRECT COSTS		
	Subcontractors	176,828.00	670,251.00
	Direct selling expenses	1,449,998.50	3,173,776.50
		(1,626,826.50)	(3,844,027.50)
	TRADING EXPENDITURE		
	Manufacturing costs	3,250,397.00	9,508,918.00
	Maintenance costs	2,352,301.00	6,347,210.00
	Staff costs	990,222.24	2,193,186.24
	Energy	678,306.00	4,301,345.00
	Research & development costs	281,637.00	963,798.00
	Central & divisional costs	890,192.95	1,986,196.95
	Logistics	835,042.00	2,374,471.00
	Insurance	264,888.01	332,687.01
	Other operating costs	772,370.84	2,692,344.18
	Bank charges and interest	535,730.17	763,324.00
	Exchange rate (gain)/loss	(517,230.06)	(181,388.38)
	Other operating income	(299,973.02)	(378,696.32)
	Marketing costs	1,406,324.00	3,729,391.00
	Tax	15,320.00	34,875.00
	Rates	161,938.00	512,483.00
		(11,617,466.13)	(35,180,144.68)
	TRADING SURPLUS/(DEFICIT)	**(1,101,836.81)**	**(2,686,281.29)**

Arjo Wiggins Fine Papers Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 01/07/2019 To 13/01/2020 £	From 14/01/2019 To 13/01/2020 £
	SECURED ASSETS		
	Freehold Land & Property	2,000,000.00	2,000,000.00
2,500,000.00	Assets under SQN leases	NIL	NIL
202,941.76	Cash deposits with Lloyds	NIL	NIL
		2,000,000.00	2,000,000.00
	COSTS OF REALISATION		
	Administrators' Fees	50,000.00	50,000.00
		(50,000.00)	(50,000.00)
	SECURED CREDITORS		
	SQN Asset Finance Income Fund Limit	1,900,000.00	1,900,000.00
		(1,900,000.00)	(1,900,000.00)
	ASSET REALISATIONS		
6,000,000.00	Stock	7,529,484.46	7,529,484.46
2,000,000.00	Assets under floating charge with SQN	341,000.00	341,000.00
5,582,000.00	Book debts	739,387.37	4,221,935.40
1,005,279.11	UK VAT refund	NIL	1,068,227.37
14,501.42	French TVA	NIL	NIL
2,493,123.99	Cash at bank	0.01	2,493,124.00
	Bank interest gross	240.32	594.27
	Trading Surplus/(Deficit)	(1,101,836.81)	(2,686,281.29)
		7,508,275.35	12,968,084.21
	COST OF REALISATIONS		
	Administrators' Pre-App. Costs	64,594.25	64,594.25
	Administrators' Pre-App. Disbursemen	700.64	700.64
	Professional fees	93,134.80	165,944.54
	Administrators' Remuneration	2,250,000.00	2,250,000.00
	Administrators' Disbursements	35,358.77	35,358.77
	Agents/Valuers fees	79,957.08	98,310.72
	Legal fees	684,022.00	729,386.20
	Insurance	41,551.34	46,031.34
	Bank charges	(116.12)	NIL
		(3,249,202.76)	(3,390,326.46)
	PREFERENTIAL CREDITORS		
	Preferential Creditors	39,533.31	39,533.31
		(39,533.31)	(39,533.31)
	FLOATING CHARGE CREDITORS		
	Floating Charge Creditor	7,441,000.00	7,441,000.00
		(7,441,000.00)	(7,441,000.00)
19,797,846.28		**(3,171,460.72)**	**2,147,224.44**
	REPRESENTED BY		
	ADM bank account - £		71,197.65
	ADM bank account - €		15,904.13
	ADM bank account - $		26,377.01
	Company bank account - £		56,406.58
	Company bank account - €		1,132,054.78
	Company bank account - $		588,568.55
	Vat Control Account		154,351.80
	Control - book debts		3,017,692.79
	Control - trade creditors		(3,011,163.07)
	Control - employees		95,834.22
			2,147,224.44

FRP

Arjo Wiggins Fine Papers Limited (In Administration) ("The Company")

The High Court of Justice NO. 000313 OF 2019

The Administrators' Progress Report for the period 14 July 2019 to 13 January 2020 pursuant to Rule 18.3 of the Insolvency (England and Wales) Rules 2016

10 February 2020

Contents and abbreviations

FRP

The following abbreviations may be used in this report:

FRP	FRP Advisory LLP
The Company	Arjo Wiggins Fine Papers Limited (In Administration)
The Administrators	Geoffrey Paul Rowley, Thomas Campbell MacLennan and Alexander Iain Fraser of FRP Advisory LLP
The Period	The reporting period from 14 July 2019 to 13 January 2020
CVL	Creditors' Voluntary Liquidation
SIP	Statement of Insolvency Practice
QFCH	Qualifying floating charge holder
HMRC	HM Revenue & Customs
AWFP	Arjo Wiggins Fine Papers (In Administration)
Weil	Weil, Gotshal and Manges LLP
CCICM	CCI Credit Management

1. Progress of the Administration

Work undertaken during the period

I attach at **Appendix C** a schedule of work undertaken during the period together with a summary of work still to be completed.

Highlights include:

- Continued trade of the business;
- Preparation of monthly trading accounts;
- Providing weekly updates and monthly reporting to the secured lender;
- Liaising with a purchaser and their agents with regards to the sale of the business and assets;
- Concluding the sale of the business and assets on 25 September 2019;
- Notifying all employees and suppliers of the sale;
- Paying a dividend to secured and preferential creditors.

The schedule of work details the work required to realise the following assets:

- Deferred consideration
- Book debts

Attached at **Appendix D** is a receipts and payments account detailing both transactions for the period of this report and also cumulatively since my appointment as Administrator.

Investigations

Part of my duties include carrying out proportionate investigations into what assets the Company has, including any potential claims against directors or other parties, and what recoveries could be made. I have reviewed the Company's books and records and accounting information, requested further information from the directors, and invited creditors to provide information on any concerns they have regarding the way in which the Company's business has been conducted.

Further details of the conduct of my investigations are set out in the schedule of work attached. I can confirm that no further investigations or actions were required.

Extension to the initial period of appointment

The administration was due to come to an automatic end on 13 January 2020. An application was made to the secured creditor seeking an extension of the administration for a further period of 12 months. The secured creditor consented to the extension on 21 November 2019. The administration will now come to an automatic end on 13 January 2021.

Anticipated exit strategy

It is currently estimated that there will be insufficient funds available to pay a dividend to unsecured creditors other than from funds available under the prescribed part. Therefore, a notice will be sent to the Registrar of Companies in accordance with Paragraph 84 to the Schedule B1 to the Insolvency Act 1986 to bring the administration to an end and three months after filing of the notice the Company will be deemed to be dissolved.

2. Estimated Outcome for the creditors

FRP

The estimated outcome for creditors was set out in the Administrators proposals.

Outcome for the secured creditors

AWFP granted fixed and floating charge security over its assets to SQN under the terms of the debenture created on 17 December 2015 and a Standard Security dated 30 December 2015. SQN had a principal debt of c£15.2m outstanding at the date of Administration.

To date SQN has received £9.34m in interim distributions. Also, SQN has also taken security over assets formerly belonging to Arjo Wiggins Chartham Ltd (in Liquidation) Ltd of £1.3m, in further reduction of its principal debt, as part of the agreement with the Management Buy Out. It is estimated that SQN will suffer a shortfall.

Outcome for the preferential creditors

Preferential creditors totalled £39.5k and have received full repayment in respect of their debt.

Outcome for the unsecured creditors

It is currently estimated that there will be no dividend to unsecured creditors other than from funds available under the Prescribed Part, as detailed below.

Prescribed Part

The prescribed part is a carve out of funds available to the holder of a floating charge which is set aside for the unsecured creditors in accordance with Section 176A of the Insolvency Act 1986. The prescribed part only applies where the floating charge was created after 15 September 2003 and the net property available to the floating charge holder exceeds £10k. In terms of section 176A of the Insolvency Act 1986 the value of the prescribed part shall not exceed £600,000.

The net property in respect of the Company is not anticipated to be less than £10k and therefore the prescribed part will apply.

It is anticipated that the maximum of £600k will be available to unsecured creditors by way of prescribed part.

3. Administrators' remuneration, disbursements, expenses and pre-appointment costs

FRP

Administrators' remuneration

The secured lender, SQN, has approved the Joint Administrators' fees at £2.3m plus VAT for the period of the Administration. The fees have been drawn in full from the funds available in the Administration.

Administrators' disbursements

The Administrators' disbursements are a recharge of actual costs incurred by the Administrators on behalf of the Company. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP at the HMRC approved mileage rate prevailing at the time the mileage was incurred. Details of disbursements incurred during the period of this report are set out in **Appendix D**.

Administrators' expenses

I attach at **Appendix E** a statement of expenses that have been incurred during the period covered by this report. It is currently expected that the expenses incurred or anticipated to be incurred are likely to exceed the details previously provided

Creditors have a right to request further information from the Administrators and further have a right to challenge the Administrators' remuneration and other expenses, which are first disclosed in this report, under the Insolvency (England and Wales) Rules. (For ease of reference these are the expenses incurred in the reporting period as set out in **Appendix E** only). Further details of these rights can be found in the Creditors' Guide to Fees which you can access using the following link https://creditors.frpadvisory.com/info.aspx and select the one for administrations. Alternatively, a hard copy of the relevant guide will be sent to you on request. Please note there is a time limit for requesting information being 21 days following the receipt of this progress report. There is a time limit of 8 weeks following the receipt of this report for a Court application that the remuneration or expenses are excessive.

Administrators' pre-appointment costs

The secured lender have approved the Joint Administrators' pre-appointment fees at £65,594.25 and disbursements at £700.64. These approved costs have been paid from funds available in the Administration.

Appendix A

Statistical Information

FRP

ARJO WIGGINS FINE PAPERS LIMITED (IN ADMINISTRATION)

COMPANY INFORMATION:

Other trading names:	None
Company number:	00961440
Registered office:	2nd Floor 110 Cannon Street London EC4N 6EU
Previous registered office:	Eversheds House 70 Great Bridgewater Street Manchester M1 5ES
Business address:	Stoneywood Mill Stoneywood Terrace Aberdeen AB21 9AB

ADMINISTRATION DETAILS:

Administrator(s):	Geoffrey Paul Rowley, Thomas Campbell MacLennan and Alexander Iain Fraser
Address of Administrator(s):	FRP Advisory LLP Suite 2B, Johnstone House 52-54 Rose Street Aberdeen AB10 1UD
Date of appointment of Administrator(s):	14 January 2019
Court in which administration proceedings were brought:	The High Court of Justice
Court reference number:	000313 of 2019
Appointor details:	The Directors of the Company
Previous office holders, if any:	n/a
Extensions to the initial period of appointment:	Extended by the secured lender Administration will now end on 13 January 2021
Date of approval of Administrators' proposals:	25 March 2019

Appendix B

CH Form AM10 Formal Notice of the Progress Report

FRP

In accordance with Rule 18.6 of the Insolvency (England & Wales) Rules 2016

AM10
Notice of administrator's progress report

Companies House

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

1 Company details

Company number	0 0 9 6 1 4 4 0
Company name in full	Arjo Wiggins Fine Papers Limited

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

2 Administrator's name

Full forename(s)	Geoffrey Paul
Surname	Rowley

3 Administrator's address

Building name/number	2nd Floor
Street	110 Cannon Street
Post town	London
County/Region	
Postcode	E C 4 N 6 E U
Country	

4 Administrator's name ❶

Full forename(s)	Thomas
Surname	MacLennan

❶ Other administrator
Use this section to tell us about another administrator

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Building name/number	2nd Floor
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04/17 Version 1.0

AM10
Notice of administrator's progress report

6 Period of progress report

From date	1 4 / 0 7 / 2 0 1 9
To date	1 3 / 0 1 / 2 0 2 0

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's signature	Signature X [signature] X
Signature date	1 0 / 0 2 / 2 0 2 0

04/17 Version 1.0

CH Form AM10 Formal Notice of the Progress Report

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AM10
Notice of administrator's progress report

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Company name	FRP Advisory LLP
Address	Suite 2B, Johnstone House
	52-54 Rose Street
Post town	Aberdeen
County/Region	
Postcode	A B 1 0 1 U D
Country	
DX	cp.aberdeen@frpadvisory.com
Telephone	+44 (0)330 055 5455

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This form has been provided free of charge by Companies House — 04/17 Version 1.0

Continuation page
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All fields are mandatory unless specified or indicated by *

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

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- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)	Alexander Iain
Surname	Fraser

3 Insolvency practitioner's address

Building name/number	2nd Floor
Street	110 Cannon Street
Post town	London
County/Region	
Postcode	E C 4 N 6 E U
Country	

04/17 Version 1.0

Appendix C

A schedule of work

The table below sets out a detailed summary of the work undertaken by the office holder(s) during the reporting period together with an outline of work still to complete.

Where work undertaken results in the realisation of funds (from the sale of assets; enhanced recoveries and potentially a reduction in creditor claims if the business has continued to trade and is sold following appointment; recoveries from successful actions taken against third parties), there may be a financial benefit to creditors should there be sufficient funds available to make a distribution to one or more class of creditor. In this case work undertaken will include the scrutiny and agreement of creditor claims.

A proportion of the work undertaken by an Insolvency Practitioner is required by statute, including ensuring the appointment is valid, notifications of the appointment to third parties, regular reporting on the progress, notifying statutory bodies where required in relation to the conduct of the directors, complying with relevant legislation and regulatory matters. This may not have a direct financial benefit to creditors but is substantially there to protect creditors and other stakeholders and ensuring they are kept informed of developments.

Note	Category		
1	**ADMINISTRATION AND PLANNING** **Work undertaken during the reporting period**		**ADMINISTRATION AND PLANNING** **Future work to be undertaken**
	Completing necessary administrative work and updating case strategy as appropriate. Progressing the case in accordance with internal and external procedures. Regular reviews of the physical and electronic files as required by the Joint Administrators' regulatory professional body ("RPB") to ensure all statutory matters are attended to and ensure the case is progressing. Collation of relevant information and records to ensure the objective of the administration is achieved and storage thereof, as applicable, for the relevant required period. Adhering to internal and regulatory protocols as appropriate.		Continue to monitor and document any proposed changes of strategy and implementation thereof. Continue to regularly review the conduct of the case and the case strategy and updating as required by the Joint Administrators' RPB to ensure all statutory matters are attended to and ensure the case is progressing. Continue to progress the case in accordance with internal and external procedures. Regularly review adherence to Money Laundering Regulations.

	Ensure adherence to Money Laundering Regulations and any other regulations specific to the Company. Maintaining and developing the case specific paper and electronic files on behalf of the Joint Administrators, aside from other records pertaining to the Company directly. Regular reconciliation of the estate bank accounts to ensure accurate reporting to creditors. Processing and recording receipts and payments on the Insolvency Practitioners System ("IPS") and providing internal and external reports as required. Continued updating and maintenance of records on the IPS system. Review of the work that has been or is estimated will be undertaken throughout the duration of the administration, circulating this to creditors together with other such documentation as required to enable the relevant approving creditors to assess and vote on the fee basis proposed. Review insurances on a regular basis and to cancel or revise cover as appropriate.		Maintaining and developing the case specific papers and electronic files on behalf of the Joint Administrators, aside from other records pertaining to the Companies directly. Administering bank accounts for the purposes of the administration. Update records on the IPS system as required and maintenance of records. Ensure accounts are regularly reconciled to produce accurate reports to all creditors when required. Processing and recording all receipts and payments through the case management system.

2	**ASSET REALISATION** **Work undertaken during the reporting period**		**ASSET REALISATION** **Future work to be undertaken**
	<u>Debtors</u> Reviewing weekly and monthly reports produced by CCICM in respect of sales, rebates and pre- and post-appointment book debt recoveries. As at 13 January 2020, £2m of pre- and post-appointment book debts remained outstanding; however, further debts have been recovered after the end of this reporting period. <u>Sale of the business and assets</u> Preparation of estimated outcome statements to compare the likely outcome to creditors on a managed wind down basis and sale of the business and assets on a going concern basis. Liaising with the management buyout team and their advisors with regards to the sale of the mills based in Chartham (AWC) and Aberdeen (AWFP). Ongoing calls and meetings with the secured lender of AWFP and funders of the management buyout team to establish the sale terms and conditions. Updating employees and the union representatives of the sale progress. Instructing Weil, legal agents to prepare sale agreements. Review sale agreements prepared by our legal agents. The sale of the business and assets concluded on 25 September 2019 when the business and certain assets were sold to the subsidiaries of Creative Paper Holding Limited and the trading part was sold to Arjowiggins Scotland Limited.		<u>Debtors</u> Continue to review reports prepared by CCICM and monitor book debt recoveries. Instruct legal agents where required. Creditors will be advised of total recoveries in future reports. Liaise with the invoice finance funder to secure recovery of funds upon settlement of their account. <u>Sale of the business and assets</u> Continue to liaise with the buyout team to agree the schedule of apportionments. Monitor the recovery of deferred consideration. Continue to liaise with finance team of the purchaser regarding any residual supplier payments or recovery of creditors balances. Arranging the transfer/assignation of supplier contracts as appropriate to the purchaser.

	The sale consideration consisted of an upfront and deferred payments. The receipt of deferred payments is being continuously monitored. Liaising with a PR agent to send out a press release notifying that the business and certain assets have been sold. Advising employees of the sale and that their contract of employment has been transferred to Arjowiggins Scotland Limited in terms of Transfer of Undertakings (Protection of Employment) Regulations 2006. Notifying suppliers of the sale and requesting current statements and copies of outstanding invoices. Liaising with the management buyout team to agree apportionments schedule. The apportionments have yet to be agreed. Assisting the NewCo in the transfer and novation of agreements with suppliers.		
3	**CREDITORS** **Work undertaken during the reporting period**		**CREDITORS** **Future work to be undertaken**
	Reporting to creditors in accordance with statute. Reviewing proof of debts and logging them onto the IPS system. Respond to creditor queries and provide updates as appropriate. Corresponding with creditors who had submitted retention of title claims to finalise matters by making payment of the goods on site or returning items no longer required by the Company. In total, the Joint Administrators received 63 claims of which 51 were agreed.		Continue to report to creditors in accordance with statute. Continue to log creditor claims in the IPS system. Continue to respond to creditor queries. Distributions and continued extensive liaison with the secured lender. Adjudicate on unsecured creditor claims and pay a prescribed part dividend.

	Engaging with the Pension Protection Fund funds with regards to their claim and associated pension matters. Paying a dividend of 100p in the £ to preferential creditors. Distributions to the secured lender.		
4	**INVESTIGATIONS** **Work undertaken during the reporting period**		**INVESTIGATIONS** **Future work to be undertaken**
	Take a backup of the Company's data prior to the conclusion of sale. The Joint Administrators' have not discovered any information that should be sent to the Department of Business, Energy, and Industrial Strategy ("DBEIS").		Should any information with regards to the directors conduct come light, this will be reviewed and if necessary, an updated report will be sent to the DBEIS.
5	**STATUTORY COMPLIANCE AND REPORTING** **Work undertaken during the reporting period**		**STATUTORY COMPLIANCE AND REPORTING** **Future work to be undertaken**
	Prepare and circularise six-monthly progress report to creditors, Registrar of Companies and the Court. Review the adequacy of the insolvency bond. Dealing with tax and VAT matters arising following appointment. Maintain a record and forecast of the work that has been and is anticipated to be undertaken throughout the duration of the case.		Continue to prepare and circularise progress reports to stakeholders. When necessary, place legal advertisements as prescribed under the IA'86 which may include formal meetings of creditors and notice to submit claims, as applicable. Continue to deal with tax and VAT matters through to completion.

			Continue to maintain a record and forecast of the work that has been and is anticipated to be undertaken throughout the case. Dealing with the exit from administration in respect of the Company do dissolution.
6	**TRADING** **Work undertaken during the reporting period**		**TRADING** **Future work to be undertaken**
	<u>General trade matters</u> The Joint Administrators continued to trade the business until the sale of the business and certain assets concluded on 25 September 2019. Attending the site daily to maintain and oversee operations until conclusion of the sale. Reviewing a manufacture schedule to keep an oversight on present and future orders, as well as associated raw materials required. Ensuring health and safety matters are managed effectively during the trading period. Ensure trading licenses are transferred to the purchaser. Ensure all environmental protection requirements continue to be met and continue to liaise with the Environment Agency as to the strategy for the site. Overviewing the summer shut of the mill. It was the Administrators' intention to conclude the sale prior to the shut; however, due to the licensing ending at the beginning of October and the importance of the licensing to conclude the sale the shut took place over a three-week period in September. During the shut all machines were down and no production took place. Significant		<u>General trade matters</u> Continue to prepare accounts until all matters relating to the trade have been finalised. <u>Suppliers</u> Continue to make payments to suppliers for any outstanding invoices covering the administration trading period. Monitor the recovery of overpayments made to suppliers. Ensure all remaining licenses are transferred such as CCA and Caskieben Quarry.

	maintenance and refurbishments were carried out to ensure the purchaser was in a position to commence trading following completion of the sale. Review of trading and cashflow projections. Preparation of month end accounts. Continuing to use the Company's accounting software and systems to maintain accounting records. Instruct weekly payment runs to suppliers in accordance with their credit terms. Attend daily meetings to discuss priority of same day payments to include critical suppliers insisting on proforma invoicing basis. As previously advised the Company participated in the EU Emissions Trading System ("EUETS") in respect of Carbon Dioxide emissions. The cost for the administration trading period was £880k and this has been settled as a trading expense. <u>Employees</u> Providing updates to employees and their representatives as to the progress of the sale process. Respond to any employee queries as required. <u>Suppliers</u> Continued liaison with suppliers throughout the period to ensure their ongoing support across all aspects of the business.		

	Provide supplier undertakings as required up to the conclusion of the sale. Ensuring purchase orders are reviewed and signed by a member of the administration team to ensure operational spending is monitored closely. Compiling and maintaining a trading schedule consisting of all purchase orders and invoices received. Maintaining paper files of the same and settling invoices within payment terms. Following sale, reviewing supplier balances and requesting refunds for overpayments made. Querying incorrect invoices and requesting further information as necessary.		
7	**LEGAL AND LITIGATION** **Work undertaken during the reporting period**		**LEGAL AND LITIGATION** **Future work to be undertaken**
	Obtain legal advice from Weil, the Joint Administrators' legal agents, with regards to the sale of the business and assets.		

Appendix D

Receipts and payments account for the period and cumulative

FRP

Arjo Wiggins Fine Papers Limited
(In Administration)
Joint Administrators' Trading Account

Statement of Affairs £		From 01/07/2019 To 13/01/2020 £	From 14/01/2019 To 13/01/2020 £
	POST APPOINTMENT SALES		
	Sales	21,837,380.17	70,305,868.18
	Merchanted products	1,103,847.00	4,479,149.00
	Miscellaneous income	NIL	27,023.00
		22,941,227.17	74,812,040.18
	PURCHASES		
	Purchases	10,798,771.35	38,474,149.29
		(10,798,771.35)	(38,474,149.29)
	OTHER DIRECT COSTS		
	Subcontractors	176,828.00	670,251.00
	Direct selling expenses	1,449,998.50	3,173,776.50
		(1,626,826.50)	(3,844,027.50)
	TRADING EXPENDITURE		
	Manufacturing costs	3,250,397.00	9,508,918.00
	Maintenance costs	2,352,301.00	6,347,210.00
	Staff costs	990,222.24	2,193,186.24
	Energy	678,306.00	4,301,345.00
	Research & development costs	281,637.00	963,798.00
	Central & divisional costs	890,192.95	1,986,196.95
	Logistics	835,042.00	2,374,471.00
	Insurance	264,888.01	332,687.01
	Other operating costs	772,370.84	2,692,344.18
	Bank charges and interest	535,730.17	763,324.00
	Exchange rate (gain)/loss	(517,230.06)	(181,388.38)
	Other operating income	(299,973.02)	(378,696.32)
	Marketing costs	1,406,324.00	3,729,391.00
	Tax	15,320.00	34,875.00
	Rates	161,938.00	512,483.00

Arjo Wiggins Fine Papers Limited
(In Administration)
Joint Administrators' Trading Account

Statement of Affairs £		From 01/07/2019 To 13/01/2020 £	From 14/01/2019 To 13/01/2020 £
		(11,617,466.13)	(35,180,144.68)
	TRADING SURPLUS/(DEFICIT)	**(1,101,836.81)**	**(2,686,281.29)**

Arjo Wiggins Fine Papers Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 01/07/2019 To 13/01/2020 £	From 14/01/2019 To 13/01/2020 £
	SECURED ASSETS		
	Freehold Land & Property	2,000,000.00	2,000,000.00
2,500,000.00	Assets under SQN leases	NIL	NIL
202,941.76	Cash deposits with Lloyds	NIL	NIL
		2,000,000.00	2,000,000.00
	COSTS OF REALISATION		
	Administrators' Fees	50,000.00	50,000.00
		(50,000.00)	(50,000.00)
	SECURED CREDITORS		
	SQN Asset Finance Income Fund Limit	1,900,000.00	1,900,000.00
		(1,900,000.00)	(1,900,000.00)
	ASSET REALISATIONS		
6,000,000.00	Stock	7,529,484.46	7,529,484.46
2,000,000.00	Assets under floating charge with SQN	341,000.00	341,000.00
5,582,000.00	Book debts	739,387.37	4,221,935.40
1,005,279.11	UK VAT refund	NIL	1,068,227.37
14,501.42	French TVA	NIL	NIL
2,493,123.99	Cash at bank	0.01	2,493,124.00
	Bank interest gross	240.32	594.27
	Trading Surplus/(Deficit)	(1,101,836.81)	(2,686,281.29)
		7,508,275.35	12,968,084.21
	COST OF REALISATIONS		
	Administrators' Pre-App. Costs	64,594.25	64,594.25
	Administrators' Pre-App. Disbursemen	700.64	700.64
	Professional fees	93,134.80	165,944.54
	Administrators' Remuneration	2,250,000.00	2,250,000.00
	Administrators' Disbursements	35,358.77	35,358.77

Arjo Wiggins Fine Papers Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 01/07/2019 To 13/01/2020 £	From 14/01/2019 To 13/01/2020 £
	Agents/Valuers fees	79,957.08	98,310.72
	Legal fees	684,022.00	729,386.20
	Insurance	41,551.34	46,031.34
	Bank charges	(116.12)	NIL
		(3,249,202.76)	(3,390,326.46)
	PREFERENTIAL CREDITORS		
	Preferential Creditors	39,533.31	39,533.31
		(39,533.31)	(39,533.31)
	FLOATING CHARGE CREDITORS		
	Floating Charge Creditor	7,441,000.00	7,441,000.00
		(7,441,000.00)	(7,441,000.00)
19,797,846.28		**(3,171,460.72)**	**2,147,224.44**
	REPRESENTED BY		
	ADM bank account - £		71,197.65
	ADM bank account - €		15,904.13
	ADM bank account - $		26,377.01
	Company bank account - £		56,406.58
	Company bank account - €		1,132,054.78
	Company bank account - $		588,568.55
	Vat Control Account		154,351.80
	Control - book debts		3,017,692.79
	Control - trade creditors		(3,011,163.07)
	Control - employees		95,834.22
			2,147,224.44

Appendix E

Statement of expenses incurred in the Period

Arjo Wiggins Fine Papers Limited (In Administration)
Statement of expenses for the period ended 31/12/2019

Expenses	*Total expenses* incurred/accrued to date £	*Estimated future* expenses to closure of case £	Total anticipated expenses £
Trading			
Purchases	38,474,149	121,485	38,595,634
Subcontractors	670,251	-	670,251
Direct selling expenses	3,173,777	-	3,173,777
Manufacturing costs	9,481,895	-	9,481,895
Maintenance costs	6,347,210	-	6,347,210
Staff costs	2,193,186	146,389	2,339,575
Energy	4,301,345	-	4,301,345
Research & development costs	963,798	-	963,798
Central & divisional costs	1,986,197	-	1,986,197
Logistics	2,374,471	-	2,374,471
Insurance	332,687	-	332,687
Other operating costs	2,692,344	90,000	2,782,344
Bank charges and interest	763,324	-	763,324
Exhange rate gain/(loss)	-	-	-
Marketing costs	3,729,391	-	3,729,391
Tax	34,875	-	34,875
Rates	512,483	-	512,483
Costs of Administration			
Professional fees	165,945	75,000	240,945
Agents/Valuers fees	98,311	75,000	173,311
Legal fees	729,386	173,874	903,260
Insurance	46,031	-	46,031
Bank charges	-	-	-
Office Holders' remuneration (Time costs	2,300,000	-	2,300,000
Office Holders' remuneration (Fixed Fee)	-	-	-
Office Holders' remuneration (Percentag	-	-	-
Office Holders' disbursements	35,359	-	35,359
Total	**81,406,415**	**681,748**	**82,088,163**