

# AM10

## Notice of administrator's progress report



Companies House

For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 00961440  
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) Alexander Iain  
Surname Fraser

### 3 Administrator's address

Building name/number Suite 2B, Johnstone House  
Street 52-54 Rose Street  
Post town Aberdeen  
County/Region  
Postcode AB10 1UD  
Country

### 4 Administrator's name ①

Full forename(s) Thomas Campbell  
Surname MacLennan

① Other administrator  
Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number Apex 3  
Street 95 Haymarket Terrace  
Post town Edinburgh  
County/Region  
Postcode EH12 5HD  
Country

② Other administrator  
Use this section to tell us about  
another administrator.

AM10

Notice of administrator's progress report

**6** Period of progress report

From date	<sup>d</sup> 1	<sup>d</sup> 4	<sup>m</sup> 0	<sup>m</sup> 1	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 2
To date	<sup>d</sup> 1	<sup>d</sup> 3	<sup>m</sup> 0	<sup>m</sup> 7	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 2

**7** Progress report

☒ I attach a copy of the progress report

**8** Sign and date

Administrator's  
signature

Signature

X

*[Handwritten Signature]*

X

Signature date

<sup>d</sup> 1	<sup>d</sup> 2	<sup>m</sup> 0	<sup>m</sup> 8	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 2
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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 **Alexander Iain Fraser**

Company name **FRP Advisory Trading Limited**

Address **Apex 3**

**95 Haymarket Terrace**

Post town **Edinburgh**

County/Region

Postcode **E H 1 2 5 H D**

Country

DX **cp.edinburgh@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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://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. ①  
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

① 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) Geoffrey Paul  
Surname Rowley

## 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

**FRP**

**ARJO WIGGINS FINE PAPERS LIMITED  
(IN ADMINISTRATION) ("THE COMPANY")**

The High Court of Justice NO. 000313 OF 2019

The Administrator's Progress Report for the period 14 January 2022 – 13 July 2022 pursuant to Rule 18.3 of the Insolvency (England and Wales) Rules 2016

24 August 2022

Contents and abbreviations



Section	Content
1.	Progress of the Administration in the period
2.	Estimated Outcome for the creditors
3.	Administrators’ remuneration, disbursements, expenses and pre-appointment costs
Appendix	Content
A.	Statutory information regarding the Company and the appointment of the Administrators
B.	Form AM10 - formal notice of the progress report
C.	A schedule of work
D.	Details of the Administrators’ time costs and disbursements for the Period and cumulatively
E.	Receipts and payments account for the period and cumulative
F.	Statement of expenses incurred in the Period

The following abbreviations may be used in this report:	
FRP	FRP Advisory Trading Limited
The Company	Arjo Wiggins Fine Papers Limited (In Administration)
The Administrators	Alexander Iain Fraser and Thomas Campbell MacLennan of FRP Advisory Trading Limited
The Period	The reporting period 14/01/2022 – 13/07/2022
CVL	Creditors’ Voluntary Liquidation
SIP	Statement of Insolvency Practice
QFCH	Qualifying floating charge holder
HMRC	HM Revenue & Customs

## 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:

- Submitting a VAT refund recovery on behalf of the pension scheme.
- Liaising with the business and asset purchaser and the secured lender in relation to the outstanding deferred consideration.

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

- Deferred consideration

I can confirm that no work has been subcontracted to third parties during the period.

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

Payments made from the estate are fair and reasonable and proportionate to the insolvency appointment and are directly attributable to this insolvency.

No payments have been made to associates of the Administrators without the prior approval of creditors as required by SIP9.

### 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.

There had been insufficient time to realise the remaining assets, distribute funds and bring the administration to a close before the automatic end on 13 January 2021. In addition, the company's pension scheme has agreed to fund the cost of the Administration extension, in order for it to recover input VAT incurred on pension scheme expenditure. The VAT refunds are only attributable to the pension scheme, accordingly, there is no direct benefit to the general body of creditors other than to reduce the deficit of the pension scheme. As such, a further extension of three years was sought by making an application to the Court. The Court granted a two & a half year extension on 11 January 2021 and the Administration will now come to an automatic end on 13 July 2023.

### Anticipated exit strategy

It is estimated that there will be insufficient funds available to pay a dividend to unsecured creditors other than from the 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 to bring the administration to an end. Three months after filing of the notice the Company will be deemed to be dissolved.

## 2. Estimated Outcome for the creditors

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

### **Outcome for the secured creditors**

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

To date, SQN has received £14.8m in interim distributions in respect of its fixed and floating charge. It is estimated that there will be a shortfall to the secured lender.

### **Outcome for the preferential creditors**

Preferential creditors totalled £39.5k and received a full repayment of their debt on 4 October 2019.

### **Outcome for the unsecured creditors**

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

### **Prescribed Part**

The maximum level of Prescribed Part which is £600k was available to be distributed to unsecured creditors. A dividend of 0.71p of 1p in £ was paid to creditors on 10 November 2020.



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



Administrators’ remuneration

The secured creditor, SQN, passed a resolution that the Administrators’ remuneration should be calculated on a time cost basis. SQN has approved the Joint Administrators’ fees at £2.6m plus VAT for the period of the Administration. The fees have been drawn in full, from the funds available in the Administration.

Details of remuneration charged during the period of the report are set out in the statement of expenses attached.

A breakdown of our time costs incurred during the period of this report and to date is attached at **Appendix D**. The remuneration anticipated to be recovered by the Administrators based on time costs, is likely to exceed the sum provided in the fees estimate circulated to creditors with the proposals. This increase in remuneration recovered is due to the protracted recovery of the deferred consideration and has been approved by SQN.

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

An estimate of the Administrators’ expenses was set out in the Administrators’ proposals. I attach at **Appendix F** 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 not likely to exceed the details previously provided.

Arjo Wiggins Fine Papers Limited (In Administration)  
The Administrators’ Progress Report

When instructing third parties to provide specialist advice and services, or having the specialist services provided by the firm, the Joint Administrator is obligated to ensure that such advice or work is warranted and that the advice or work contracted reflects the best value and service for the work being undertaken. This is reviewed by the Joint Administrator periodically throughout the duration of the assignment. The specialists chosen may regularly be used by the Joint Administrator and usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment.

We have engaged the following agents or professional advisors:

Professional Advisor	Nature of work	Basis of fees
Saffrey Champness LLP	Tax Advisors	Time Costs

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 F** only). Further details of these rights can be found in the Creditors’ Guide to Fees which you can access using the following link <https://www.frpadvisor.com/legal-and-regulatory-notice/information-creditors-insolvency-proceedings/> 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.

## Appendix A

### Statutory Information

**FRP**

#### ARJO WIGGINS FINE PAPERS LIMITED (IN ADMINISTRATION)

##### COMPANY INFORMATION:

Other trading names: n/a

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): Geoff Paul Rowley, Alexander Iain Fraser & Thomas Campbell MacLennan

Address of Administrator(s): FRP Advisory Trading Limited  
Suit 2B, Johstone 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 and the Court. Administration will now end on 13 July 2023.

Appendix A  
Statutory Information

**FRP**

Date of approval of  
Administrators'  
proposals: 25 March 2019

## Appendix B

### CH Form AM10 Formal Notice of the Progress Report

**FRP**

Appendix C  
A schedule of work

**FRP**

**Arjo Wiggins Fine Papers Limited (IN ADMINISTRATION)**

**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/or 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	<b>ADMINISTRATION AND PLANNING</b>	<b>ADMINISTRATION AND PLANNING</b>
	<b>Work undertaken during the reporting period</b>	<b>Future work to be undertaken</b>
	<b>General Matters/Regulatory Requirements</b>	<b>General Matters/Regulatory Requirements</b>
	Carry out ethical reviews of the case. No threats have been identified in respect of the management of the insolvency appointment over the period of this report.	Continue to carry out ethical reviews.
	Regularly reviewing the conduct of the case and case strategy.	Case reviews
	Maintain working case files and case management systems.	Maintain case files and management systems.
	Maintaining insolvent estate bank accounts.	Continue to account for the payment and receipt of funds.
		Carry out bank reconciliations.

## Arjo Wiggins Fine Papers Limited (IN ADMINISTRATION)

## Schedule of Work

	Accounting for the payment of expenses and receipt of funds.  Carrying out bank reconciliations of the estate bank accounts and ensuring appropriate placement of funds.	
	<b>Ethical Requirements</b>	
	Prior to my appointment and prior to the period covered by this report a review of ethical issues was undertaken and no ethical threats were identified.  During the Review Period, no new threats to compliance with the Code of Ethics have been identified.	
	<b>Case Management Requirements</b>	
2	<b>ASSET REALISATION</b> <b>Work undertaken during the reporting period</b> Monitor the recovery of the deferred consideration. No payments were received in respect of the outstanding balance during this accounting period. The balance outstanding remains at £436k.  A refund of £1,450.24 from the Company's pre-appointment bankers due to BACS fees being charged in error has been received.	<b>ASSET REALISATION</b> <b>Future work to be undertaken</b> Continue to liaise with the purchaser to recover the deferred consideration.

## Arjo Wiggins Fine Papers Limited (IN ADMINISTRATION)

## Schedule of Work

3	<b>CREDITORS</b> <b>Work undertaken during the reporting period</b>	<b>CREDITORS</b> <b>Future work to be undertaken</b>
	Reporting to creditors in accordance with statute.  Liaise with creditors with uncashed dividend cheques to reissue dividend cheques by BACS.  Respond to creditor queries.  Provide updates to the secured lender.	Continue to report to creditors.  Continue to respond to creditor queries.  Distribute funds to the floating charge creditor as monies are recovered.
4	<b>INVESTIGATIONS</b> <b>Work undertaken during the reporting period</b>	<b>INVESTIGATIONS</b> <b>Future work to be undertaken</b>
	No work undertaken during the period.	No future work anticipated.
5	<b>STATUTORY COMPLIANCE AND REPORTING</b> <b>Work undertaken during the reporting period</b>	<b>STATUTORY COMPLIANCE AND REPORTING</b> <b>Future work to be undertaken</b>
	Statutory reporting to all relevant parties and filing of those reports with the Registrar of Companies.  Correspondence with HMRC regarding VAT427 claim submitted.  Liaise with accountants to submit corporation tax returns.	Continue to prepare and circularise progress reports to all stakeholders.  Continue to deal with tax and VAT matters. Seek clearance from HMRC prior to closure of the case.  Bringing the conduct of the insolvency process to a close when all matters are complete in accordance with relevant requirement.



**Arjo Wiggins Fine Papers Limited (IN ADMINISTRATION)**

**Schedule of Work**

6	<b>TRADING (where applicable)</b> <b>Work undertaken during the reporting period</b>	<b>TRADING (where applicable)</b> <b>Future work to be undertaken</b>
	No work undertaken during the period	No future work anticipated.
7	<b>LEGAL AND LITIGATION</b> <b>Work undertaken during the reporting period</b>	<b>LEGAL AND LITIGATION</b> <b>Future work to be undertaken</b>
	No work has been undertaken during the period	No work has been undertaken during the period.

Appendix D

Details of the Administrators’ time costs and disbursements for the period and cumulative



## FRP

Arjo Wiggins Fine Papers Limited (In Administration)  
Time charged for the period 14 January 2022 to 13 July 2022

	Appointment Takers / Partners	Managers / Directors	Other Professional	Junior Professional & Support	Total Hours	Total Cost £	Average Hrlly Rate £
Administration and Planning	2.00	4.00	1.85	0.65	8.50	4,042.75	475.62
Asset Realisation	1.45	0.60			2.05	1,294.75	631.59
Creditors	1.80	7.70			9.50	4,962.00	522.32
Statutory Compliance	0.90	7.55	8.00		16.45	7,206.25	438.07
Trading	0.40				0.40	278.00	695.00
<b>Total Hours</b>	<b>6.55</b>	<b>19.85</b>	<b>9.85</b>	<b>0.65</b>	<b>36.90</b>	<b>17,783.75</b>	<b>481.94</b>

Disbursements for the period  
14 January 2022 to 13 July 2022

	Value £
Category 1	
Storage	196.60
<b>Grand Total</b>	<b>196.60</b>

Mileage is charged at the HMRC rate  
prevailing at the time the cost was incurred

### FRP Charge out rates

Grade	From 1st May 2017	1st May 2019	1st November 2020	1st May 2022
Appointment taker / Partner	450-545	495-595	595-695	640-740
Managers / Directors	340-465	385-495	445-595	480-580
Other Professional	200-295	225-340	275-395	300-420
Junior Professional & Support	125-175	150-195	175-245	190-260

Appendix E

Receipts and payments account for the period and cumulative



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

Statement of Affairs £	From 14/01/2022 To 13/07/2022 £	From 14/01/2019 To 13/07/2022 £
POST APPOINTMENT SALES		
Sales	NIL	70,274,223.37
Merchant Products	NIL	4,479,149.00
	NIL	74,753,372.37
PURCHASES		
Purchases	NIL	37,936,516.69
	NIL	(37,936,516.69)
OTHER DIRECT COSTS		
Subcontractors	NIL	670,251.00
Direct Selling Expenses	NIL	3,172,476.50
	NIL	(3,842,727.50)
TRADING EXPENDITURE		
Manufacturing Costs	NIL	9,370,468.86
Maintenance Costs	NIL	6,354,331.00
Staff Costs	NIL	2,193,116.24
Energy	NIL	4,113,968.30
Research & Development Costs	NIL	963,798.00
Central & Divisional Costs	NIL	1,859,347.95
Logistics	NIL	1,952,263.00
Insurance	NIL	332,687.01
Other Operating Costs	NIL	2,858,484.18
Bank Charges & Interest	NIL	777,343.44
Exchange rate gain/(loss)	NIL	144,515.33
Other Operating Income	NIL	(109,535.64)
Marketing Costs	NIL	3,334,161.00
Tax	NIL	34,875.00
Rates	NIL	512,483.00
	NIL	(34,692,306.67)
<b>TRADING SURPLUS/(DEFICIT)</b>	<b>NIL</b>	<b>(1,718,178.49)</b>

## Joint Administrators' Summary of Receipts & Payments

**19,797,846.28**

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

Statement of Affairs £	From 14/01/2022 To 13/07/2022 £	From 14/01/2019 To 13/07/2022 £
REPRESENTED BY CONTINUED		
ADM Bank Account - £		125,016.32
Company Bank Account - £		381.33
Company Bank Account - €		(539.42)
Deferred Consideration		436,262.78
Funds due to Pension Fund		(570,148.71)
Vat Control Account		570,148.71
Vat Recoverable - Floating		750.00
		<b>561,871.01</b>

Appendix F  
Statement of expenses incurred in the Period

**FRP**



**Arjo Wiggins Fine Papers Limited (In Administration)**  
**Statement of expenses for the period ended**  
**13 July 2022**

<b>Expenses</b>	<b>Period to 13 July 2022 £</b>	<b>Cumulative period to 13 July 2022 £</b>
Office Holders' remuneration (Time costs)	0	2,634,069
Office Holders' remuneration (Fixed Fee)	0	0
Office Holders' remuneration (Percentage)	0	0
Office Holders' disbursements	0	35,359
Purchases	0	37,936,517
Subcontractors	0	670,251
Direct selling expenses	0	3,172,477
Manufacturing costs	0	9,370,469
Maintenance costs	0	6,354,331
Staff costs	0	2,193,116
Energy	0	4,113,968
Research & development costs	0	963,798
Central & divisional costs	0	1,859,348
Logistics	0	1,952,263
Insurance - trading	0	332,687
Other operating costs	0	2,858,484
Bank charges and interest	0	777,343
Exchange rate gain/(loss)	0	144,515
Marketing costs	0	3,334,161
Tax	0	34,875
Rates	0	512,483
Professional fees	3,750	148,440
Agents/Valuers fees	0	98,311
Legal fees	0	875,601
Insurance - non-trading	0	46,031
Bank charges	(16)	13
Employee Costs	0	146,390
<b>Total</b>	<b>132,796</b>	<b>80,561,565</b>