

AM10

Notice of administrator's progress report



Companies House

SATURDAY



A15 *A7JEHZZK* #303
24/11/2018
COMPANIES HOUSE

1 Company details

Company number 0 2 8 2 5 6 9 4
Company name in full Aylesford Newsprint Limited

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

2 Administrator's name

Full forename(s) Robert Andrew
Surname Croxen

3 Administrator's address

Building name/number 15 Canada Square
Street
Post town London
County/Region
Postcode E 1 4 5 G L
Country

4 Administrator's name ^①

Full forename(s) Neil David
Surname Gostelow

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

5 Administrator's address ^②

Building name/number 15 Canada Square
Street
Post town London
County/Region
Postcode E 1 4 5 G L
Country

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

AM10

Notice of administrator's progress report

6 Period of progress report

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

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

^d 2	^d 3	^m 1	^m 1	^y 2	^y 0	^y 1	^y 8
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AM10

Notice of administrator's progress report



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	James Rivers
Company name	KPMG LLP
Address	15 Canada Square Canary Wharf
Post town	London
County/Region	
Postcode	E 1 4 5 G L
Country	
DX	
Telephone	Tel +44 (0) 20 7311 1000



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



Important information

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



Where to send

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

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



Further information

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

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



Joint
Administrators'
progress
report for the
period 29 April
2018 to 28
October 2018

Aylesford Newsprint Limited -
in Administration

23 November 2018

Notice to creditors

This progress report provides an update on the administration of the Company.

We have included (Appendix 2) an account of all amounts received and payments made since the date of our appointment.

We have also explained our future strategy for the administration and how likely it is that we will be able to pay each class of creditor.

You will find other important information in this progress report such as the costs which we have incurred to date.

A glossary of the abbreviations used throughout this document is attached (Appendix 5).

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following website, <http://www.insolvency-kpmg.co.uk/case+KPMG+AF223A1449.html>. We hope this is helpful to you.

Please also note that an important legal notice about this progress report is attached (Appendix 6).

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1 Executive summary

- This progress report covers the period from 29 April 2018 to 28 October 2018.
- We have taken significant steps during the period covered by this report in progressing both a sale of the freehold land and water abstraction licences. Whilst negotiations continue regarding a sale of the licences, we currently anticipate that a sale of the land should complete by 21 December 2018. (Section 2 - Progress to date).
- The secured and preferential creditors have been paid in full. (Section 3 - Dividend prospects and dividends paid).
- There will be a distribution to the unsecured creditors, however the quantum and timing remains dependant on the sale of the Company's freehold land and water abstraction licences. (Section 3 - Dividend prospects and dividends paid).
- The administration is currently due to end on 23 August 2019.
- Please note: you should read this progress report in conjunction with our previous progress reports and proposals issued to the Company's creditors which can be found at <http://www.insolvency-kpmg.co.uk/case+KPMG+AF223A1449.html>. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



Neil Gostelow
Joint Administrator

2 Progress to date

This section updates you on our strategy for the administration and on our progress to date. It follows the information provided in our previous progress report.

2.1 Strategy and progress to date

Strategy

Freehold land

During the period covered by this report, we sought advice from numerous agents regarding the best strategy to maximise realisations for the land when considering the Company's protracted planning application to date. The advice received was unanimous in recommending that we should withdraw the planning application and bring the land to market for sale in short order. Based on the advice received, we subsequently withdrew the planning application and instructed JLL as our sale agent to progress the sale to completion.

Working with JLL, an extensive marketing period was conducted through the summer which successfully utilised the numerous studies and reports compiled in support of the planning application. The marketing period culminated in the conclusion of first round of bids received for the land in September 2018 following which, we invited a select number of interested parties to progress into the second round of the sales process.

The second round of bidding recently concluded and following a recommendation from JLL, which was endorsed by the Joint Administrators, we have now selected our preferred purchaser with a view to completing a sale of the freehold land by 21 December 2018. A further update will be provided in our next report.

New lease

Together with JLL, we have agreed Heads of Terms with a third party to grant a second occupational lease over the Larkfield Mill site. This is for a 12 month term where we received an initial payment of £100,000, which included a contribution towards the professional fees incurred in implementing the lease.

Water abstraction licences

Working together with our specialists, detailed negotiations continue with the preferred bidder for the water abstraction licences to ensure that we obtain the best possible outcome for creditors. Opening offers have now been traded by both parties and a further update will be provided to creditors in our next report.

2.2 Asset realisations

Realisations during the period are set out in the attached receipts and payments account at Appendix 2 and include rent, 3rd party electricity supply, sundry debtor/receivables/refunds and interest accrued on funds held in the administration bank account.

2.3 Costs

Payments made in this period are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant payments made during the period are provided below.

Consultancy fees

We have paid consultancy fees of £32,032 for costs in relation to ongoing assistance with the running and maintenance of the site.

Utilities

We have paid £131,063 during the period for utilities provided to the site.

Agents' fees

We have paid agents' fees of £53,574 for costs in relation to dealing with the property, in particular consultancy fees regarding reports required for the sales process and other associated matters together with advice regarding the ongoing demolition works.

A sum of £7,300 was also paid in the period specifically in connection to ongoing advice regarding the negotiations for a sale of the water abstraction licences.

Operations and decommissioning

In the period we have made payments of £161,120 for site operating and maintenance costs.

Legal fees

We have paid £31,049 to our solicitors, who are assisting us with ongoing issues in connection to the property and the administration estate plus other matters that arise during the course of the administration.

Environmental / Licence fees

Payments of £40,465 have been made to the EA in respect of water abstraction licence fees incurred during the period.

Discussions are ongoing with the EA to reduce the licencing costs following the reduction of the level of abstraction attached to one of the three remaining licences which no longer forms part of the potential licence sale to our preferred bidder.

Other costs

Further costs are detailed in the attached receipts and payments account at Appendix 2 and include amongst other, telephone costs, insurance, Irrecoverable VAT on certain 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).

3 Dividend prospects and dividends paid

3.1 Secured creditors

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

3.2 Preferential creditors

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

The preferential creditors have been repaid in full.

3.3 Unsecured creditors

Based on current estimates, we anticipate that unsecured creditors should receive a dividend. We have yet to determine the amount of this, but we will do so when we have completed the realisation of assets and payment of associated costs.

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

4 Joint Administrators' remuneration and disbursements

Time costs

From 29 April 2018 to 28 October 2018, we have incurred time costs of £379,115. These represent 902 hours at an average rate of £420 per hour.

No remuneration has been drawn in the period.

Disbursements

During the period, we have incurred disbursements of £5,253. None of these have yet been paid.

Additional information

We have attached (Appendix 4) an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by KPMG for the period from 29 April 2018 to 28 October 2018. We have also attached our charging and disbursements policy.

5 Future strategy

5.1 Future conduct of the administration

We will continue to manage the affairs, the business and the property of the Company in order to achieve the purpose of the administration. This will include but not be limited to:

- The sale of the remaining assets, most significantly the freehold site at Aylesford;
- Payment of the costs of the administration, including the Joint Administrators' remuneration and expenses;
- Agreeing the claims of the unsecured creditors and distributions of the prescribed part;
- VAT and tax returns, including obtaining tax clearance; and
- Statutory and compliance matters.

5.2 Future reporting

We will provide a further progress report within one month of 29 April 2019 or earlier upon conclusion of the matters detailed in section 5.1 above.

Appendix 1 Statutory information

Company information	
Company name	Aylesford Newsprint Limited
Date of incorporation	10 June 1993
Company registration number	02825694
Present registered office	15 Canada Square, Canary Wharf, London, E14 5GL
Administration information	
Administration appointment	The administration appointment granted in High Court of Justice, 1379 of 2015
Appointor	Directors
Date of appointment	24 February 2015
Joint Administrators' details	Rob Croxen and Neil Gostelow
Estimated values of the Net Property and Prescribed Part	<p>The Prescribed Part is capped at the statutory maximum of £600,000.</p> <p>The Prescribed Part has been taken into account when determining the dividend prospects for unsecured creditors (Section 3.3).</p>
Prescribed Part distribution	<p>The Joint Administrators do not intend to apply to Court to obtain an order that the Prescribed Part shall not apply.</p> <p>Accordingly, the Joint Administrators intend to make a distribution to the unsecured creditors.</p>
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2)
Current administration expiry date	23 August 2019

Appendix 2 Joint Administrators' receipts and payments account

Aylesford Newsprint Limited - in Administration			
Abstract of receipts & payments			
Statement of affairs (£)		From 29/04/2015 To 28/10/2018 (£)	From 24/02/2015 To 28/10/2018 (£)
FIXED CHARGE ASSETS			
564,169.00	Carbon credits	NIL	NIL
30,000,000.00	Land	NIL	NIL
7,330,000.00	Receivables/debtors	NIL	NIL
		NIL	NIL
FIXED CHARGE CREDITORS			
(12,022,740.00)	Fixed charge creditor	NIL	NIL
		NIL	NIL
ASSET REALISATIONS			
5,300,000.00	Plant & machinery	NIL	9,057,681.54
	Furniture & equipment	NIL	1,062.50
7,650,000.00	Paper stock	NIL	8,347,584.39
	Abstraction licences	NIL	72,202.82
	Paper making permit refund	NIL	18,430.29
	SEW pipeline easement compensation	NIL	400,000.00
	Contribution to professional fees	15,000.00	90,000.00
955,105.00	VAT refunds (pre-app'ent)	NIL	NIL
11,754.00	Cash at bank	NIL	9,363.33
	Rent	105,000.00	232,788.83
		120,000.00	18,229,113.70
OTHER REALISATIONS			
	Bank interest, gross	672.28	28,287.47
34,000.00	Sundry debtors/receivables	10,748.83	226,463.72
	Sundry refunds	3,809.51	429,253.86
	Recharge of costs	NIL	510,658.47
	Funds received on behalf of ANSL	NIL	123,913.57
129,308.00	Recycled fibre stocks	NIL	NIL
350,000.00	Sundry Stocks	NIL	NIL
	3rd party electricity supply	1,666.67	1,562,614.34
		16,897.29	2,881,191.43
COST OF REALISATIONS			

Aylesford Newsprint Limited - in Administration

Abstract of receipts & payments

Statement of affairs (£)	From 29/01/2016 To 26/10/2018 (£)	From 24/02/2015 To 26/10/2018 (£)
Indemnity payment to ANHL	NIL	(258,184.00)
Overpayment of electricity	NIL	(215.70)
Subcontractor	NIL	(86,655.19)
Operations and Decommissioning Costs	(161,119.59)	(2,741,864.67)
Administrators' fees	NIL	(2,689,296.86)
Administrators' expenses	NIL	(40,075.80)
Irrecoverable VAT	(480.00)	(480.00)
Room hire	NIL	(833.33)
Agents'/Valuers' fees	(53,574.35)	(1,638,397.48)
Agents Fees - Water Abstraction Licences	(7,300.00)	(125,220.00)
Legal fees	(31,049.43)	(544,001.82)
Consultancy fees	(32,031.80)	(767,899.28)
Funds returned to ANSL	NIL	(62,916.04)
Repayment	NIL	(2,052.00)
Telephone/Telex/Fax	(407.09)	(36,213.76)
Stationery & postage	NIL	(621.10)
Utilities	(131,063.23)	(3,403,369.22)
Storage costs	NIL	(33,780.11)
Statutory advertising	NIL	(253.80)
Other property expenses	NIL	(65,574.50)
Insurance	(234.62)	(182,426.06)
Wages & salaries	NIL	(1,721,922.61)
PAYE & NIC	NIL	(723,612.79)
Bank charges	(20.00)	(82,741.05)
Licences	(40,465.15)	(850,745.52)
	(457,745.26)	(16,059,352.69)
PREFERENTIAL CREDITORS		
Employees' wage arrears and holiday pay	NIL	(88,265.92)
	NIL	(88,265.92)
FLOATING CHARGE CREDITORS		
Floating charge	NIL	(4,539,385.92)
	NIL	(4,539,385.92)
40,301,596.00	(320,847.97)	423,300.60
REPRESENTED BY		

Aylesford Newsprint Limited - in Administration		
Abstract of receipts & payments		
Statement of affairs (£)	From 29/04/2016 To 26/10/2016 (£)	From 24/02/2015 To 26/10/2015 (£)
Floating ch. VAT rec'able		2,164,503.58
Current account		430,707.49
Floating ch. VAT payable		(3,893,708.50)
Floating ch. VAT control		1,721,798.03
		423,300.60

Appendix 3 Schedule of expenses

Schedule of expenses (29/04/2018 to 28/10/2018)			
Expenses (£)	Incurred and paid in the period (£)	Incurred in the period but not yet paid (£)	Total (£)
Cost of realisations			
Operations and Decommissioning Costs	159,806.26	1,313.33	161,119.59
Joint Administrators' remuneration	0.00	379,114.90	379,114.90
Joint Administrators' disbursements	0.00	5,252.89	5,252.89
Irrecoverable VAT	480.00	0.00	480.00
Agents'/Valuers' fees	53,574.35	0.00	53,574.35
Agents Fees - Water Abstraction Licences	7,300.00	0.00	7,300.00
Legal fees	31,049.43	21,600.00	52,649.43
Consultancy fees	32,031.80	0.00	32,031.80
Telephone/Telex/Fax	407.09	0.00	407.09
Utilities	118,325.95	0.00	118,325.95
Insurance	234.62	0.00	234.62
Bank charges	20.00	0.00	20.00
TOTAL	403,229.50	407,281.12	810,510.62

Please note that there is a difference between the payments made during the period of £457,745 (per the receipts and payments account) and the expenses incurred and paid in the period of £403,230 (per the schedule of expenses).

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

Requests for further information and right to challenge our remuneration and expenses

Creditors' requests for further information

If you would like to request more information about our remuneration and expenses disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report.

Requests from unsecured creditors must be made with the concurrence of at least 5% in value of unsecured creditors (including, the unsecured creditor making the request) or with the permission of the Court.

Creditors' right to challenge our remuneration and expenses

If you wish to challenge the basis of our remuneration, the remuneration charged, or the expenses incurred during the period covered by this progress report, you must do so by making an application to Court within eight weeks of receiving this progress report.

Applications by unsecured creditors must be made with concurrence of at least 10% in value of unsecured creditors (including the unsecured creditor making the challenge) or with the permission of the Court.

The full text of the relevant rules can be provided on request by writing to James Rivers at 15 Canada Square, Canary Wharf, London, E14 5GL.

Appendix 4 Joint Administrators' charging and disbursements policy

Joint Administrators' charging policy

The time charged to the administration is by reference to the time properly given by us and our staff in attending to matters arising in the administration. This includes work undertaken in respect of tax, VAT, employee, pensions and health and safety advice from KPMG in-house specialists.

Our policy is to delegate tasks in the administration to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

A copy of "A Creditors' Guide to Joint Administrators Fees" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available at:

<https://www.r3.org.uk/what-we-do/publications/professional/fees/administrators-fees>

If you are unable to access this guide and would like a copy, please contact James Rivers on 020 73118091.

Hourly rates

Set out below are the relevant hourly charge-out rates for the grades of our staff actually or likely to be involved on this administration. Time is charged by reference to actual work carried out on the administration; using a minimum time unit of six minutes.

All staff who have worked on the administration, including cashiers and secretarial staff, have charged time directly to the administration and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the administration but is reflected in the general level of charge-out rates.

Charge-out rates (£) for Restructuring:

Grade	From 01 Nov 2016 £/hr
Partner	625
Director	560
Senior Manager	510
Manager	425
Senior Administrator	295
Administrator	215
Support	131

Table of charge-out rates

The charge-out rates used by us might periodically rise (for example to cover annual inflationary cost increases) over the period of the administration. In our next statutory report, we will inform creditors of any material amendments to these rates.

Policy for the recovery of disbursements

Where funds permit the officeholders will seek to recover both Category 1 and Category 2 disbursements from the estate. For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

Category 1 disbursements: These are costs where there is specific expenditure directly referable to both the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

Category 2 disbursements: These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Category 2 disbursements charged by KPMG Restructuring include mileage. This is calculated as follows:

Mileage claims fall into three categories:

- Use of privately-owned vehicle or car cash alternative – 45p per mile.
- Use of company car – 60p per mile.
- Use of partner's car – 60p per mile.

For all of the above car types, when carrying KPMG passengers an additional 5p per mile per passenger will also be charged where appropriate.

We have incurred the following disbursements (excluding VAT) during the period 29 April 2018 to 28 October 2018.

SIP 9 - Disbursements					
Disbursements	Category 1		Category 2		Totals (£)
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)	
Accommodation		182.13		NIL	182.13
Courier & delivery costs		352.00		NIL	352.00
External printing		226.08		NIL	226.08
Meals		322.24		NIL	322.24
Postage		225.20		NIL	225.20
Sundry		33.60		NIL	33.60
Travel		3,911.64		NIL	3,911.64
Total		5,252.89		NIL	5,252.89

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

Narrative of work carried out for the period 29 April 2018 to 28 October 2018

The key areas of work have been:

Asset realisations	<ul style="list-style-type: none"> ■ liaising with agents, legal advisors and third party consultants regarding the sale of freehold land; ■ liaising with consultants regarding the proposed sale of the water abstraction licences; ■ reviewing and monitoring the ongoing process of the site demolition; liaison with the demolition contractor and are appointed consultants to discuss ongoing matters in connection to the demolition works; ■ communicating with tenants regarding rent, property occupation and other issues.
Health and safety	<ul style="list-style-type: none"> ■ liaising with health and safety specialists in order to manage all health and safety issues and environmental issues, including ensuring that legal and licensing obligations are complied with; ■ liaising with the Health and Safety Executive regarding the administration and ongoing health and safety compliance.
Trading	<ul style="list-style-type: none"> ■ updating cash flow statements to monitor the cash position; ■ attending to supplier and customer queries and correspondence; ■ raising, approving and monitoring purchase orders and maintaining control systems for trading; ■ negotiating and making direct contact with various suppliers as necessary to provide additional information and undertakings, including agreeing terms and conditions, in order to ensure continued support; ■ dealing with issues in relation to other assets required for trading, including ongoing site maintenance and site HSE; ■ ensuring ongoing provision of emergency and other essential services to site.
Statutory and compliance	<ul style="list-style-type: none"> ■ collating initial information to enable us to carry out our statutory duties, including creditor information and information relating to the licences; ■ posting information on a dedicated web page; ■ preparing statutory receipts and payments accounts; ■ ensuring compliance with all statutory obligations within the relevant timescales.
Strategy documents, Checklist and reviews	<ul style="list-style-type: none"> ■ liaising with legal advisors regarding the various instructions; ■ monitoring and reviewing the administration strategy; ■ briefing of our staff on the administration strategy and matters in relation to various work-streams; ■ regular case management and reviewing of progress, including regular team update meetings and calls; ■ discussions with 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; ■ allocating and managing staff/case resourcing and budgeting exercises and reviews; ■ complying with internal filing and information recording practices, including documenting strategy decisions.
Tax	<ul style="list-style-type: none"> ■ working on tax returns relating to the periods affected by the administration; ■ analysing VAT related transactions and submission of VAT return; ■ dealing with post appointment tax compliance.
General	<ul style="list-style-type: none"> ■ reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9; ■ dealing with the ongoing storage of the Company's books and records.
Open cover insurance	<ul style="list-style-type: none"> ■ arranging ongoing insurance cover for the Company's business and assets; ■ liaising with the post-appointment insurance brokers to provide information, assess risks and ensure appropriate cover in place; ■ assessing the appropriateness of the level of insurance premiums.
Employees	<ul style="list-style-type: none"> ■ dealing with queries from employees regarding various matters relating to the administration and their employment; ■ dealing with statutory employment related matters, including statutory notices to employees and making statutory submissions to the relevant government departments; ■ communicating and corresponding with HM Revenue and Customs.

Creditors and claims	<ul style="list-style-type: none"> ■ updating the list of unsecured creditors; ■ responding to enquiries from creditors regarding the administration and submission of their claims; ■ reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records; ■ agreeing preferential claims; ■ arranging distributions to the preferential creditors; ■ drafting our progress report.
Cashiering	<ul style="list-style-type: none"> ■ preparing and processing vouchers for the payment of post-appointment invoices; ■ creating remittances and sending payments to settle post-appointment invoices; ■ reconciling post-appointment bank accounts to internal systems; ■ ensuring compliance with appropriate risk management procedures in respect of receipts and payments.

Time costs

SIP 9 – Time costs analysis (29/04/2018 to 28/10/2018)								
	Hours				Time Cost (£)	Average Hourly Rate (£)		
	Partner / Director	Manager	Administrator	Support			Total	
Realisation of assets								
Asset Realisation								
Freehold property	21.30	545.65		3.40	570.35	258,384.50	453.03	
Debtors				20.40	20.40	6,002.00	294.22	
Insurance		1.60		5.30	6.90	2,243.50	325.14	
Leasehold property				3.20	3.20	944.00	295.00	
Other assets		52.30		0.30	52.60	22,316.00	424.26	
Administration & planning								
Cashiering								
Fund management				3.90	3.90	1,150.50	295.00	
General (Cashiering)				45.20	0.80	46.00	12,926.80	281.02
Reconciliations (& IPS accounting reviews)		0.10		1.70	0.60	2.40	502.60	209.42
General								
Books and records		0.50		2.30	2.80	891.00	318.21	
Fees and WIP		2.10		5.50	7.60	2,515.00	330.92	
Health & safety		30.00		2.60	32.60	13,517.00	414.63	
Purchases and trading costs		15.00		9.50	24.50	9,177.50	374.59	
Statutory and compliance								
Checklist & reviews	0.80	0.10		8.10	9.00	2,932.00	325.78	
Statutory receipts and payments accounts				0.10	0.10	21.50	215.00	
Strategy documents				0.20	0.20	59.00	295.00	
Tax								

SIP 9 – Time costs analysis (29/04/2018 to 28/10/2018)							
	Hours				Time Cost (£)	Average Hourly Rate (£)	
	Partner / Director	Manager	Administrator	Support			Total
Post appointment corporation tax	0.50	7.70	2.00		10.20	4,102.50	402.21
Post appointment VAT		13.80	26.30		40.10	13,623.50	339.74
Creditors							
Creditors and claims							
Agreement of unsecured claims	7.00	26.50	1.90		35.40	16,198.00	457.57
General correspondence		1.40	6.40		7.80	2,483.00	318.33
Statutory reports		8.60	12.80		21.40	7,431.00	347.24
Employees							
Correspondence		3.50	0.70		4.20	1,694.00	403.33
Total in period	29.60	708.85	161.80	1.40	901.65	379,114.90	420.47
Brought forward time (appointment date to SIP 9 period start date)					11,990.87	4,859,784.35	
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)					901.65	379,114.90	
Carry forward time (appointment date to SIP 9 period end date)					12,892.52	5,238,899.25	

All staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

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

Appendix 5 Glossary

ANL/Company	Aylesford Newsprint Limited - in Administration
EA	Environmental Agency
HSE	Health and Safety
Joint Administrators/we/our/us	Rob Croxen and Neil Gostelow
JLL	Jones Lang LaSalle Limited
KPMG	KPMG LLP
SFL/Secured creditor	Sitara Finance Limited
TMBC	Tonbridge and Malling Borough Council
VAT	Value Added Tax

Any references in this progress report to sections, paragraphs and rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency Rules (England and Wales) 2016 respectively.

Appendix 6 Notice: About this report

This report has been prepared by Neil Gostelow and Rob Croxen, 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.

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Robert Andrew Croxen 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.

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