

Liquidator's Progress Report

S.192

Pursuant to Sections 92A, 104A and 192 of the Insolvency Act 1986

To the Registrar of Companies

Company Number

02963790

Name of Company

(a) Insert full name of company

(a) Nordic Recycling Limited

(b) Insert full name(s) and address(es)

We (b) David John Pike, KPMG LLP, 66 Queen Square, Bristol, BS1 4BE and David John Standish, KPMG LLP, 15 Canada Square, London, E14 5GL

the liquidators of the company attach a copy of our Progress Report under section 192 of the Insolvency Act 1986

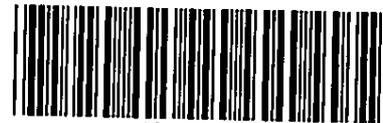
The Progress Report covers the period from 14 September 2015 to 13 September 2016

Signed

Date 11 November 2016

Presenter's name, address and reference (if any)

WEDNESDAY



A5JUIN6I

A24

16/11/2016

#204

COMPANIES HOUSE



Joint
Liquidators'
progress
report for the
period 14
September
2015 to 13
September
2016

Nordic Recycling Limited - in
Liquidation

11 November 2016

Notice to creditors

This report provides an update on the liquidation of the Company

We have included (Appendix 2) an account of all amounts received and payments made during the period from the date of our appointment on 14 September 2015 to 13 September 2016

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

You will find other important information in this 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+PF72840308.html> We hope this is helpful to you

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

Contents

1	Executive summary	2
2	Strategy and progress to date	3
3	Dividend prospects	7
4	Joint Liquidators' remuneration and disbursements	8
5	Future strategy	9
Appendix 1	Statutory information	10
Appendix 2	Joint Liquidators' receipts and payment account	11
Appendix 3	Schedule of expenses	13
Appendix 4	Joint Liquidators' charging and disbursements policy	14
Appendix 5	Glossary	20
Appendix 6	Notice: About this report	21

1 Executive summary

- We, David Pike and David Standish, were appointed Joint Liquidators of the Company on 14 September 2015 at a meeting of creditors
- This report covers the period from the date of our appointment to 13 September 2016
- Following our appointment we completed sale of the Company's assets including book debts and tax losses to SITA on 18 September 2015 (Section 2 - Progress to date)
- We are not aware of any secured creditors (Section 3 - Dividend prospects)
- There are no preferential creditors (Section 3 - Dividend prospects)
- We anticipate that there will be a distribution to unsecured creditors (Section 3 - Dividend prospects)
- Please note you should read this report in conjunction with any previous reports issued to the Company's creditors, these can be found at ([http //www insolvency-kpmg co uk/case+KPMG+PF72840308 html](http://www.insolvency-kpmg.co.uk/case+KPMG+PF72840308.html)) Unless stated otherwise, all amounts in this report and appendices are stated net of VAT



David Pike
Joint Liquidator

2 Strategy and progress to date

A meeting of members was held on 14 September 2015 at which we were appointed Joint Liquidators of the Company

Our appointment was confirmed at the meeting of creditors held on the same day

This report covers the period from the date of our appointment to 13 September 2016

This section updates you on our strategy for the liquidation and on our progress to date. It follows the information provided in the report to the meeting of creditors held on 14 September 2015

2.1 Strategy to date

Strategy

Sale of assets

Prior to our appointment, the directors of the Company, in their capacity as directors of SITA, the Company's sole shareholder, expressed an interest in acquiring certain assets of the Company, as follows

- Plant and machinery at the Company's MRF,
- Stock of spare parts for the MRF,
- I&C waste collection business contracts,
- I&C business debtors, and
- Tax losses

In order to protect the debtor realisations SITA offered to continue the I&C business in the short term to maximise debtor realisations

SITA put forward a substantial offer of £466,278 for the assets as detailed above

In addition, we received an alternative offer from Thurrock Council of £35,000 for the Company's I&C business contracts only

We considered both offers and concluded that SITA's offer represented the best return for creditors. Accordingly, we completed the transaction to SITA on 18 September 2015 and made a full disclosure to creditors in accordance with SIP 13 – Acquisition of assets of insolvent companies by directors in the initial notification to creditors of our appointment

Leasehold premises

The Company held a lease with Port of Tilbury for Units 34 and 34A Tilbury Port with an annual rent of £515,000. The lease was terminable on insolvency. KPMG property specialist team reviewed the lease and confirmed that there was no value based on the termination clauses. Accordingly, we disclaimed the lease on 15 September 2015

Health and safety

The Company held a WM licence in respect of its MRF at Tilbury Port. Prior to our appointment on 29 July 2015, environmental specialists from KPMG Sustainability Services carried out a visit to the MRF to observe environmental and safety conditions. No significant findings or points of concern from an environmental, health and safety perspective were identified. No hazardous chemicals or hazardous waste was identified during the site walkover, and no EHS compliance issues were identified in relation to the site and permit.

2.2 Asset realisations

Realisations during the period are set out in the attached receipts and payments account (Appendix 2)

Summaries of the most significant realisations during the period are provided below

Debtors

The debtor ledger as at 31 August 2015 amounted to £473,788, inclusive of VAT. This included amounts due to Thurrock Council and Port of Tilbury, which were irrecoverable due to insolvency set off in excess of £217,300. The maximum collectible amount was therefore £256,488, but would have required the ongoing provision of services to maintain any intrinsic value. The offer from SITA of £128,244 represented 50% of the collectible ledger, which was substantially more than was considered recoverable if the services ceased. The consideration has been paid in full.

I&G business contracts

The I&C business was a loss making with approximately 250 live contracts that SITA offered to continue to operate at own cost after the Company entering into liquidation. We have assigned these to SITA for a nominal value of £1.

Plant and machinery

As detailed in the Directors' report presented at the creditors meeting, Gordon Brothers, valued the Company's plant and machinery at the MRF at £25,000, on the basis of a restrictive, 60 day marketing and removal period. Gordon Brothers confirmed that the costs of removal and installation at another site would outweigh any realisable value in these assets.

SITA submitted an offer of £20,000 which Gordon Brothers recommended us to accept. In addition to paying the sale consideration, SITA arranged to clear the Company's leasehold premises at its own costs in order to further mitigate claims against the Company. The sale consideration was paid in full.

Stock

The Company's stock consisted of spare parts for the MRF. Gordon Brothers valued this stock at £10,000, on the basis of a restrictive, 60 day marketing and removal period. SITA's offer of £8,000 was considered and accepted as it represented a best return for creditors. The sale consideration was paid in full.

Tax losses

The Company's tax losses in the two year period prior to our appointment amounted to some £5.1 million. SITA made an offer to purchase the Company's tax losses for six pence in the

£ These tax losses were not available to be sold to any other party Accordingly, a sum of £310,048 was agreed with SITA which was paid in full

Cash balance held by SITA

Prior to our appointment SITA received £50,000 in respect of deferred consideration on the sale of Papersafe business, which was held on behalf of the Company We requested payment of these funds which was then made following our appointment

Vehicles

As detailed in the Directors report, the Company owned eight waste collection vehicles subject to a hire purchase agreement with Lloyds Following our appointment, Lloyds confirmed the total outstanding amount due to them of £102,841 The vehicles were valued by Gordon Brothers, who confirmed that there was no equity for the Company

Investigations

We have reviewed the affairs of the Company and can confirm that we do not believe that there is any action that could be taken against third parties to increase recoveries for creditors

We have complied with the relevant statutory requirements to provide information on the conduct of the Company's directors and any shadow directors to the Department for Business, Innovation and Skills The contents of our submission are confidential

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

Agents' fees

We have paid Gordon Brothers a sum of £7,000 inclusive of disbursements in respect of the valuation of assets services

Solicitors' fees

During this period we paid Bond Dickinson £9,934 for advice provided in relation to the sale of assets to SITA

Pre-liquidation costs

We obtained a resolution from creditors on 14 September 2015 to draw our pre-liquidation costs Accordingly, we have drawn fees of £2,000 incurred in preparing the statement of affairs and fees of £3,000 incurred in respect of convening and preparation of the meeting of members and creditors

Other costs

Further costs of realisations are detailed in the attached receipts and payments account at Appendix 2 and include insurance of assets and statutory advertising

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

3.1 Secured creditor

We are not aware of any secured claims against the Company

3.2 Preferential creditors

Claims from employees in respect of (1) arrears of wages up to a maximum of £800 per employee, (2) unlimited accrued holiday pay and (3) certain pension benefits, rank preferentially

We are not aware of any preferential claims against the Company

3.3 Unsecured creditors

The Directors' statement of affairs indicated unsecured claims a £3.3 million. The largest creditor is SITA in the sum of £2.9 million in respect of intercompany transactions

The unsecured claims have been agreed at £3,539,603

A notice of intended dividend was issued to creditors on 14 September 2016. We currently anticipate that this dividend will be paid to unsecured creditors within a period of two months from the last date for proving, i.e. 10 December 2016

Based on current estimates, we anticipate that there will not be sufficient funds to enable a further dividend to the unsecured creditors

3.4 Other matters

Cancelation of WM Licence

As advised above, the Company held a WM licence issued in November 2007. A KPMG specialist attended the site to ensure that our health and safety compliance is met. We have recently filed the relevant cancellation forms for the licence with the EA and provided confirmation that all necessary steps were carried out to clear the site prior to being handed back to the Landlord and there were no environmental risks outstanding

We have received a confirmation from EA that the site is low risk, and that there is no or little risk to the environment. The cancellation process may take up to 13 weeks and we are in a regular discussions with the EA

Tax and VAT affairs

Our internal tax specialist have completed and filed the liquidation corporation tax returns with HMRC and requested a tax clearance. We are awaiting HMRC confirmation that they have no objections for the liquidation to be concluded

In addition we have filed the final VAT426 form in respect of VAT charged in the liquidation estate. A refund of £24,490 is due to the estate. However, this return was completed after the reporting period end and consequently does not show in the attached receipts and payments account

4 Joint Liquidators' remuneration and disbursements

At a meeting of creditors held on 14 September 2015 the creditors passed a resolution providing approval that

- our remuneration will be drawn on the basis of time properly given by us and the various grades of our staff according to the charge-out rates included in Appendix 4
- disbursements for services provided by KPMG (defined as Category 2 disbursements in Statement of Insolvency Practice 9) will be charged in accordance with KPMG's policy as set out in Appendix 4

Time costs

From the date of our appointment to 13 September 2016, we have incurred time costs of £115,971. These represent 293 hours at an average rate of £395 per hour.

Remuneration

During the period, we have not drawn any remuneration as joint liquidators. We have, however, drawn a sum of £5,000 in relation to our pre-appointment costs for preparing the statement of affairs, the convening and preparation of the meeting of members and creditors.

Disbursements

During the period, we have incurred disbursements of £452, which have been paid.

Additional Information

We have attached (Appendix 4) an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by KPMG for the period from our appointment to 13 September 2016. We have also attached our charging and disbursements policy.

5 Future strategy

5.1 Future conduct of the liquidation

The following matters are still ongoing in the liquidation

- Concluding tax and VAT affairs,
- Making a distribution to unsecured creditors

5.2 Future reporting

We will report again on the progress of this liquidation by 13 November 2017 or in the draft final report if matters have been concluded earlier

Appendix 1 Statutory information

Company information

Company name	Nordic Recycling Limited
Previous company names if applicable	n/a
Date of incorporation	25 August 1994
Company registration number	02963790
Previous registered office	Sita House, Grenfell Road, Maidenhead, Berkshire, SL6 1ES
Present registered office	15 Canada Square, Canary Wharf, London, E14 5GL
Trading address	Units 34/34A, Tilbury Freeport, Tilbury, Essex, RM18 7EH
Nature of business	Management of commercial and local authority waste

Liquidation information

Appointed by	Members and creditors pursuant to Section 98 of the Insolvency Act 1986
Date of appointment	14 September 2015
Joint Liquidators' details	David Pike and David Standish
Joint Liquidators' address	One Snowhill, Snow Hill Queensway, Birmingham, B4 6GH
Functions	The functions of the Joint Liquidators are being exercised by them individually or together in accordance with Section 231(2) of the Insolvency Act 1986
EC Regulations	EC Regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC regulations

Appendix 2 Joint Liquidators' receipts and payment account

Nordic Recycling Limited - in Liquidation			
Abstract of receipts & payments			
Statement of affairs (£)		From 14/09/2015 To 13/09/2016 (£)	From 14/09/2015 To 13/09/2016 (£)
HP/LEASING			
120,841 00	Vehicles	NIL	NIL
(120,841 00)	Lloyds TSB Bank plc	NIL	NIL
		NIL	NIL
ASSET REALISATIONS			
20,000 00	Plant & machinery	20,000 00	20,000 00
8,000 00	Stock - work in progress	8,000 00	8,000 00
63,000 00	Trade debtors	128,224 00	128,224 00
50,000 00	Cash balance held by SITA	50,000 00	50,000 00
	I&C business contracts	1 00	1 00
	Tax losses	310,047 78	310,047 78
		516,272 78	516,272 78
OTHER REALISATIONS			
	Bank interest, gross	1,335 82	1,335 82
		1,335 82	1,335 82
COST OF REALISATIONS			
	Statement of affairs work	(2,000 00)	(2,000 00)
	Preparation of S98 meeting	(3,000 00)	(3,000 00)
	Agents'/Valuers' fees	(5,500 00)	(5,500 00)
	Agents'/Valuers' disbursements	(1,500 00)	(1,500 00)
	Legal fees	(9,934 20)	(9,934 20)
	Statutory advertising	(111 60)	(111 60)
	Insurance of assets	(1,091 80)	(1,091 80)
		(23,137 60)	(23,137 60)
UNSECURED CREDITORS			
(354,186 00)	Trade & expense	NIL	NIL
(2,952,086 00)	Intercompany creditor	NIL	NIL
		NIL	NIL
DISTRIBUTIONS			
(300,001 00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
(3,465,273 00)		494,471 00	494,471 00

Nordic Recycling Limited - in Liquidation

Abstract of receipts & payments

Statement of affairs (£)	From 14/09/2015 To 13/09/2016 (£)	From 14/09/2015 To 13/09/2016 (£)
--------------------------	--------------------------------------	--------------------------------------

REPRESENTED BY

VAT receivable		4,409 16
NIB Current account w/e 09 09 16		490,061 84
		<hr/>
		494,471 00

Appendix 3 Schedule of expenses

Schedule of expenses (14/09/2015 to 13/09/2016)			
Expenses (£)	Incurring and paid in the period (£)	Incurring in the period not yet paid (£)	Total (£)
Cost of realisations			
Statement of affairs work	2,000 00	0 00	2,000 00
Preparation of S98 meeting	3,000 00	0 00	3,000 00
Agents'/Valuers' fees	5,500 00	0 00	5,500 00
Agents'/Valuers' disbursements	1,500 00	0 00	1,500 00
Legal fees	9,934 20	0 00	9,934 20
Statutory advertising	0 00	0 00	111 60
Insurance of assets	1,091 80	0 00	1,091 80
TOTAL	23,026 00	0 00	23,137 60

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 report, you must do so in writing within 21 days of receiving this 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 report, you must do so by making an application to Court within eight weeks of receiving this 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 Ria Townson at KPMG LLP, 15 Canada Square, Canary Wharf, London, E14 5GL

Appendix 4 Joint Liquidators' charging and disbursements policy

Joint Liquidators' charging policy

The time charged to the liquidation is by reference to the time properly given by us and our staff in attending to matters arising in the liquidation. 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 liquidation 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 Liquidators' 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/liquidators-fees>

If you are unable to access this guide and would like a copy, please contact Ria Townson on 020 73118433

Hourly rates

Set out below are the relevant charge-out rates per hour worked for the grades of our staff actually or likely to be involved on this liquidation. Time is charged by reference to actual work carried out on the liquidation

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

Charge-out rates (£) for: Restructuring		
Grade	From 01 Oct 2014 £/hr	From 01 Oct 2015 £/hr
Partner	595	595
Director	535	535
Senior Manager	485	485
Manager	405	405
Senior Administrator	280	280
Administrator	205	205
Support	125	125

The charge-out rates used by us might periodically rise (for example to cover annual inflationary cost increases) over the period of the liquidation. 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) from the date of our appointment to 13 September 2016

SIP 9 - Disbursements					
Disbursements	Category 1		Category 2		Totals (£)
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)	
Advertising	203 04		NIL		203 04
Meals	3 99		NIL		3 99
Sundry	245 00		NIL		245 00
Total	452 03		NIL		452 03

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

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

Narrative of work carried out for the period 14 September 2015 to 13 September 2016

The key areas of work have been

Statutory and compliance	<ul style="list-style-type: none">■ collating initial information to enable us to carry out our statutory duties, including creditor information, details of assets and information relating to the licences,■ providing initial statutory notifications of our appointment to the Registrar of Companies,
--------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

	<ul style="list-style-type: none"> creditors and other stakeholders, and advertising our appointment, ■ issuing regular press releases and posting information on a dedicated web page, ■ preparing statutory receipts and payments accounts, ■ arranging bonding and complying with statutory requirements, ■ dealing with all closure related formalities, ■ ensuring compliance with all statutory obligations within the relevant timescales
Strategy documents, Checklist and reviews	<ul style="list-style-type: none"> ■ formulating, monitoring and reviewing the liquidation strategy ■ briefing of our staff on the liquidation strategy and matters in relation to various work-streams, ■ regular case management and reviewing of progress, including regular team update meetings and calls, ■ meeting with management to review and update strategy and monitor progress, ■ reviewing and authorising junior staff correspondence and other work, ■ dealing with queries arising during the appointment, ■ reviewing matters affecting the outcome of the liquidation, ■ allocating and managing staff/case resourcing and budgeting exercises and reviews, ■ liaising with legal advisors regarding the various instructions, including agreeing content of engagement letters, ■ complying with internal filing and information recording practices, including documenting strategy decisions
Cashiering	<ul style="list-style-type: none"> ■ setting up liquidation bank accounts and dealing with the Company's pre-appointment accounts, ■ preparing and processing vouchers for the payment of post-appointment invoices, ■ creating remittances and sending payments to settle post-appointment invoices, ■ reconciling post-appointment bank accounts to internal systems, ■ ensuring compliance with appropriate risk management procedures in respect of receipts and payments
Tax	<ul style="list-style-type: none"> ■ gathering initial information from the Company's records in relation to the taxation position of the Company, ■ submitting relevant initial notifications to HM Revenue and Customs, ■ reviewing the Company's pre-appointment corporation tax and VAT position, ■ analysing and considering the tax effects of various sale options, tax planning for efficient use of tax assets and to maximise realisations, ■ working initially on tax returns relating to the periods affected by the liquidation, ■ analysing VAT related transactions, ■ reviewing the Company's duty position to ensure compliance with duty requirements, ■ dealing with post appointment tax compliance
Shareholders	<ul style="list-style-type: none"> ■ providing notification of our appointment, ■ responding to enquiries from shareholders regarding the liquidation, ■ providing copies of statutory reports to the shareholders
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, ■ drawing remuneration in accordance with the basis which has been approved by creditors, ■ locating relevant Company books and records, arranging for their collection and dealing with the ongoing storage
Asset realisations	<ul style="list-style-type: none"> ■ collating information from the Company's records regarding the assets, ■ liaising with finance companies in respect of assets subject to finance agreements, ■ liaising with agents regarding the sale of assets, ■ dealing with issues associated with the sale of stock, ■ reviewing outstanding debtors and management of debt collection strategy, ■ reviewing the inter-company debtor position between the Company and other group companies
Property matters	<ul style="list-style-type: none"> ■ reviewing the Company's leasehold properties, including review of leases, ■ communicating with landlords regarding rent, property occupation and other issues, ■ performing land registry searches
Health and safety	<ul style="list-style-type: none"> ■ liaising with internal 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 liquidation and ongoing health and safety compliance
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 level of insurance premiums

Creditors and claims	<ul style="list-style-type: none"> ■ convening and preparing for the meeting of creditors, ■ creating and updating the list of unsecured creditors, ■ responding to enquires from creditors regarding the liquidation and submission of their claims, ■ reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records, ■ dealing with suppliers with retention of title claims, including reviewing supporting documentation and arranging and carrying out stock inspection visits, ■ agreeing unsecured claims, ■ drafting our report
Investigations/directors	<ul style="list-style-type: none"> ■ reviewing Company and directorship searches and advising the directors of the effect of the liquidation, ■ liaising with management to produce the statement of affairs and filing this document with the Registrar of Companies, ■ arranging for the redirection of the Company's mail, ■ reviewing the questionnaires submitted by the directors of the Company, ■ reviewing pre-appointment transactions, ■ drafting the statutory report and submitting to the relevant authority

Time costs

SIP 9 –Time costs analysis (14/09/2015 to 13/09/2016)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Trading			
Asset Realisation			
Health & safety	1 00	405 00	405 00
Employees			
Pensions reviews	1 00	405 00	405 00
Administration & planning			
Cashiering			
General (Cashiering)	13 90	5,079 50	365 43
Reconciliations (& IPS accounting reviews)	2 70	832 00	308 15
General			
Books and records	2.10	810 50	385 95
Fees and WIP	10.10	4,114 50	407 38
Statutory and compliance			
Appointment and related formalities	32.70	12,014 00	367 40
Bonding and bordereau	1.10	299 00	271 82
Checklist & reviews	16.90	6,537 00	386 80
Pre-liquidation checks	5 95	2,326 75	391 05
Reports to debenture holders	1.10	533 50	485 00
Strategy documents	28 70	13,635 50	475 10
Tax			
Initial reviews - CT and VAT	2 90	1,265 50	436 38
Post appointment corporation tax	45 35	17,111 75	377 33

SIP 9 –Time costs analysis (14/09/2015 to 13/09/2016)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Post appointment VAT	6 80	1,730 00	254 41
Creditors			
Creditors and claims			
Agreement of claims	0 50	202 50	405 00
Agreement of unsecured claims	15 50	4,188 50	270 23
General correspondence	12 40	4,370 00	352 42
Legal claims	1 10	636 50	578 64
Notification of appointment	0 50	228 50	457 00
Payment of dividends	0 50	140 00	280 00
Pre-appointment VAT / PAYE / CT	1 30	526 50	405 00
Statutory reports	10 10	4,804 50	475 69
Employees			
Pensions reviews	2 70	1,006 00	372 59
Investigation			
Directors			
Correspondence with directors	4 10	1,790 50	436 71
D form drafting and submission	3 10	1,359 50	438 55
Directors' questionnaire / checklist	1 00	405 00	405 00
Investigations			
Review of pre-appt transactions	9 40	3,807 00	405 00
Realisation of assets			
Asset Realisation			
Cash and investments	0 80	337 00	421 25
Debtors	2 00	875 00	437 50
Freehold property	1 10	225 50	205 00
Health & safety	5 40	2,187 00	405 00
Leasehold property	6 40	2,544 00	397 50
Open cover insurance	4 80	1,944 00	405 00
Other assets	5 20	2,301 00	442 50
Plant and machinery	2 80	1,160 00	414 29
Pre-appointment tax & VAT refunds	0 40	162 00	405 00
Sale of business	27 20	12,511 00	459 96
Stock and WIP	0 90	390 50	433 89
Vehicles	1 90	769 50	405 00
Total in period	293 40	115,971 00	395 27

SIP 9 –Time costs analysis (14/09/2015 to 13/09/2016)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Brought forward time (appointment date to SIP 9 period start date)	0 00	0 00	
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	293 40	115,971 00	
Carry forward time (appointment date to SIP 9 period end date)	293 40	115,971 00	

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

Bond Dickinson	Bond Dickinson LLP
Company	Nordic Recycling Limited – in Liquidation
EA	Environmental Agency
EHS	Environmental health and safety
Gordon Brothers	Gordon Brothers International LLC
HMRC	HM Revenue and Customs
I&C	Industrial & Commercial
Joint Liquidators/we/our/us	David Pike and David Standish
KPMG	KMPG LLP
Lloyds	Lloyds TSB Bank Plc
MRF	Material Recycling Facility
Port of Tilbury	Port of Tilbury London Limited
SITA	SITA UK Limited
Thurrock Council	Thurrock Borough Council
WM	Waste Management

Any references in this 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 1986 respectively

Appendix 6 Notice About this report

This progress report has been prepared by David Pike and David Standish, the Joint Liquidators of Nordic Recycling Limited (the 'Company'), solely to comply with their statutory duty under the Insolvency Act and Rules 1986 to provide members and creditors with an update on the progress of the liquidation of the estate, and for no other purpose

This report has not been prepared in contemplation of it being used, and is not suitable to be used to inform any decision in relation to the debt of or any financial interest in the Company

Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency Act and Rules 1986 (as amended) does so at their own risk. 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 individual creditors

David John Pike is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in England & Wales

David John Standish is authorised to act as an insolvency practitioner by the Insolvency Practitioners Association

We are bound by the Insolvency Code of Ethics

The appointments of the Joint Liquidators are personal to them and, to the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of this Report or the conduct of the liquidation

www.kpmg.com

© 2016 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

For full details of our professional regulation please refer to 'Regulatory Information' at www.kpmg.com/uk

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

The KPMG name and logo are registered trademarks or trademarks of KPMG International Cooperative.

