

Liquidator's Progress Report

S.192

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

To the Registrar of Companies

Company Number

03374330

Name of Company

Aardvark TMC Limited

I / We

Brian Green, 1 Sovereign Square, Sovereign Street, Leeds, LS1 4DA

Mark Granville Firmin, 1 Sovereign Square, Sovereign Street, Leeds, LS1 4DA

Howard Smith, 1 Sovereign Square, Sovereign Street, Leeds, LS1 4DA

the liquidator(s) of the company attach a copy of my/our Progress Report
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 15/05/2015 to 14/05/2016

Signed

Howard Smith

14 July 2016

Date 14 July 2016

KPMG LLP
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA

Ref AD516D0001/RJEM/GC/SR

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COMPANIES HOUSE

Aardvark TMC Limited
(In Liquidation)
Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 15/05/2015 To 14/05/2016	From 15/05/2013 To 14/05/2016
	FIXED CHARGE ASSETS		
750,000 00	Freehold land & buildings	NIL	615,800 00
480,000 00	Fixed plant	NIL	650,000 00
1 00	Goodwill	NIL	1 00
		NIL	1,265,801 00
	FIXED CHARGE CREDITORS		
(13,123,343 00)	First ranking fixed charge holder	NIL	1,265,801 00
(28,135,000 00)	Second ranking fixed charge holder	NIL	NIL
		NIL	(1,265,801 00)
	HP/LEASING		
7,803,825 00	Mobile plant	NIL	NIL
(6,485,522 00)	HP creditor inc claim on full proceeds	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
	Motor Vehicles	NIL	50,000 00
1,724,453 00	Mobile plant unencumbered	NIL	1,454,350 00
10,000 00	Fixtures and fittings	NIL	NIL
1,117,710 00	Coal stocks	NIL	1,000,000 00
45,182 00	Fuel stock	NIL	NIL
1,836,142 00	Book debts	NIL	1,299,998 00
123,478 00	Plant spares	NIL	46,000 00
236,148 00	Other debtors	NIL	NIL
	Other assets	NIL	1 00
	Financed equipment	NIL	1,313,650 00
	Pre-appointment funds held by solicitor	93 57	336,113 55
6,448,433 00	Cash at bank	NIL	6,443,118 29
1,323 00	Petty cash	NIL	854 01
50,000 00	Prepayments	NIL	NIL
		93 57	11,944,084 85
	OTHER REALISATIONS		
	Bank interest, gross	NIL	11,587 89
	Bank interest, net	8,810 17	15,252 36
	Legal fees refund	NIL	2,514 87
	Rates refund	NIL	282,774 98
	Sundry refunds	4,148 41	11,358 72
	Third party funds	NIL	1,825,348 13
	Pension refund	NIL	355 56
		12,958 58	2,149,192 51
	COST OF REALISATIONS		
	Fee for preparing statement of affairs	NIL	1,500 00
	Liquidators' fees	NIL	300,000 00
	Liquidators' expenses	NIL	1,581 64
	Fee for convening section 98 meeting	NIL	25,000 00
	Section 98 expenses	NIL	1,328 99
	Cash to OCCW (Netherton)	NIL	93,000 00
	Cash to OCCW (Duncanziemere)	NIL	57,000 00
	Legal fees	17,059 92	217,293 46
	Legal disbursements	452 00	19,769 58

Aardvark TMC Limited
(In Liquidation)
Liquidators' Abstract of Receipts & Payments

Statement of Affairs	From 15/05/2015 To 14/05/2016	From 15/05/2013 To 14/05/2016
Pre-appointment legal fees	NIL	77,915 84
Pre-appointment disbursements	NIL	42,602 52
Repayment of third party funds	NIL	1,825,348 13
Agents fees	NIL	43,500 00
Storage costs	NIL	545 19
Re-direction of mail	NIL	1,020 00
Statutory advertising	NIL	1,741 35
Insurance of assets	NIL	339 20
Wages, salaries & holiday pay	NIL	1,124 59
Bank charges	NIL	268 30
	(17,511 92)	(2,710,878 79)
PREFERENTIAL CREDITORS		
(415,351 00) Wages, salaries & holiday pay	NIL	NIL
	NIL	NIL
FLOATING CHARGE CREDITORS		
Floating charge	NIL	8,663,999 00
	NIL	(8,663,999 00)
UNSECURED CREDITORS		
(2,383,409 54) Trade & expense	NIL	NIL
(2,462,771 00) Staff claims for redundancy	NIL	NIL
(30,743,527 00) Restoration liabilities	NIL	NIL
(1,846,136 00) Contract termination claims	NIL	NIL
(26,641,136 00) Intercompany loans	NIL	NIL
(557,727 00) Accruals	NIL	NIL
(3,968,428 00) HMRC	NIL	NIL
	NIL	NIL
DISTRIBUTIONS		
(1,000 00) Ordinary shareholders	NIL	NIL
	NIL	NIL
(96,136,655 54)	(4,459 77)	2,718,399.57
REPRESENTED BY		
VAT receivable		136,727 56
Current account		2,699,891 49
Fixed charge VAT payable		(87,640 00)
VAT payable		(142 73)
Floating ch VAT control		(30,436 75)
		2,718,399.57



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Aardvark TMC Limited - in Liquidation

Joint Liquidators' progress report for the
period 15 May 2015 to 14 May 2016

13 July 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 of 15 May 2015 to 14 May 2016, including the cumulative receipts and payments since the date of our appointment

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+AD516D0001.html> We hope this is helpful to you

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



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1 Executive summary

- This progress report covers the period from 15 May 2015 to 14 May 2016 (the "Period")
- Following the transfer of the shares in OCCW (Netherton) Limited and OCCW (Duncanziemere) Limited (the "Hivecons") to Hargreaves Surface Mining Limited ("HSML"), the Company's only remaining asset is a potential Corporation Tax terminal loss relief claim. We are currently in dialogue with Her Majesty's Revenue and Customs ("HMRC") regarding the Company's claim, however it is uncertain at this stage as to the repayment that will be available to the Company. We will continue to monitor the position and will update creditors in full, in our next report (Section 2 - Progress to date)
- At the date of our appointment, a total of £13,123,343 was outstanding to HSML, the Company's first ranking secured creditor. To date, a total of £9,929,800 has been distributed with no distributions made in the Period (Section 3 - Dividend prospects and dividends paid)
- Euler Hermes (UK) Limited ("Euler Hermes") had a second ranking fixed and floating charge over the Company's assets. As there will be insufficient funds to enable a distribution to Euler Hermes, they have agreed to release their security. Therefore, the amount owed to Euler Hermes will rank as an unsecured claim in the liquidation (Section 3 - Dividend prospects and dividends paid)
- A total of 237 employees were transferred to HSML as part of the sale of the Company's business and assets. We do not anticipate any preferential claims arising in the liquidation (Section 3 - Dividend prospects and dividends paid)
- As previously reported, realisations have been sufficient to enable a distribution to unsecured creditors of the Company, via the prescribed part fund. It is estimated that a maximum prescribed part fund of £600,000 (before cost of claims agreement) will be available to unsecured creditors. We will be writing to known creditors, inviting those who have yet to submit a claim to do so (Section 3 - Dividend prospects and dividends paid)
- Please note you should read this report in conjunction with any previous reports issued to the Company's creditors. Unless stated otherwise, all amounts in this report and appendices are stated net of VAT



Howard Smith
Joint Liquidator



2 Progress to date

This report covers the period from 15 May 2015 to 14 May 2016. However, please refer to previous reports where information has previously been disclosed.

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

2.1 Strategy and progress to date

As outlined in our previous report, the majority of the Company's business and assets have already transferred to HSML, as a result of the HiveCos' share sale.

The only remaining asset of the Company is a potential Corporation Tax terminal loss relief claim, which has been identified by our tax team. We are currently in dialogue with HMRC regarding the Company's claim, however it is uncertain at this stage as to the repayment that will be available to the Company. We will continue to monitor the position and will update creditors in full, in our next report.

Once asset realisations have been completed, we will settle remaining costs and make our final distributions to HSML.

As previously reported, realisations have been sufficient to enable a distribution to unsecured creditors of the Company, via the prescribed part fund. It is estimated that a maximum prescribed part fund of £600,000 (before costs) will be available to unsecured creditors. We will be writing to known creditors, inviting those who have yet to submit a claim to do so (Section 3.2 – Unsecured creditors).

Once the above matters have been completed, we will take steps to conclude the liquidation and exit office. Our expectation is that this can be completed before the end of 2016.

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.

Bank interest

A total of £8,810 in bank interest has been received in the Period.

Sundry refunds

A total of £4,148 in sundry refunds has been received in the Period.

Pre-appointment funds held by Solicitors

A total of £94 has been received in respect of Company funds held by a third party solicitor.



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

Legal fees and disbursements

A total of £17,512 has been paid to our Solicitors in the Period, for their ongoing legal assistance provided since the outset of the liquidation

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

3.1.1 Hargreaves Surface Mining Limited ("HSML")

HSML purchased the secured debt of the Company from Becap Capital Coal Limited on 1 March 2013 and hold a first ranking fixed and floating charge over the Company's assets. At the date of appointment, HSML were owed £13,123,343.

To date, a total of £9,929,800 has been distributed to HSML.

3.1.2 Euler Hermes (UK) Limited ("Euler Hermes")

Euler Hermes had a second ranking fixed and floating charge over the Company's assets. As there will be insufficient funds to enable a distribution to Euler Hermes, they have agreed to release their security. Therefore, the amount owed to Euler Hermes will rank as an unsecured claim in the liquidation.

3.2 Preferential creditors

A total of 237 employees transferred to HSML as part of the sale of the Company's business and assets. We do not anticipate any preferential claims arising in the liquidation.

3.3 Unsecured creditors

The Directors' statement of affairs estimated that unsecured creditors totalled £98,053,959, comprising mainly of amounts due to bond providers, outstanding restoration liabilities and a large intercompany balance owed to ATH Resources Plc.

In accordance with section 176A of Insolvency Act 1986, where a floating charge was created post 15 September 2003 and, therefore post Enterprise Act 2002, a prescribed part should be made available to unsecured creditors should floating charge realisations be sufficient.

The basis of the prescribed part calculation is a percentage of the net floating charge realisations (after preferential claims and costs) to be distributed exclusively to unsecured creditors. The process ensures that the unsecured creditors participate in a dividend which would not have applied under the old insolvency rules.

The prescribed part rules apply in this case as net floating charge realisations are over £10,000, following the deduction of costs and preferential claims.

It is estimated that a maximum prescribed part fund of £600,000 (before the costs of agreeing creditor claims and making the distribution) will be available for the benefit of unsecured creditors.

We will be writing to known creditors, inviting those who have yet to submit a claim to do so. Should any creditors wish to submit a proof of debt in the meantime, please submit the relevant documentation to Greg Clifford, at KPMG LLP, 1 Sovereign Square, Sovereign Street, Leeds, LS1 4DA.



4 Joint Liquidators' remuneration and disbursements

Time costs

During the period from 15 May 2015 to 14 May 2016, we have incurred time costs of £121,000. These represent 446 hours at an average rate of £271 per hour.

Remuneration

During the Period, we have not drawn any remuneration.

Disbursements

During the Period, we have incurred a total of £1,582 in disbursements (Appendix 4 - Joint Liquidators' charging and disbursements policy).

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 15 May 2015 to 14 May 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

- agreeing unsecured creditor claims and distributing the prescribed part fund accordingly,
- recovery of the Corporation Tax terminal loss relief claim repayment due to the Company,
- making further distributions to HSML, in accordance with its security, and
- closure related formalities, including the final meetings of members and creditors

Once the above matters have been completed, we will take steps to conclude the liquidation and exit office. Our expectation is that this can be completed before the end of 2016

5.2 Future reporting

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



Appendix 1 Statutory information

Company information

Company name	Aardvark TMC Limited
Date of incorporation	21 May 1997
Company registration number	03374330
Previous registered office	Aardvark House, Sidings Court, Doncaster, South Yorkshire, DN4 5NU
Present registered office	1 Sovereign Square, Sovereign Street, Leeds, LS1 4DA
Trading address	Aardvark House, Sidings Court, Doncaster, South Yorkshire, DN4 5NU
Nature of business	Coal Mining

Liquidation information

Appointed by	Members and creditors pursuant to Section 98 of the Insolvency Act 1986
Date of appointment	15 May 2013
Joint Liquidators' details	Brian Green, Mark Firmin and Howard Smith
Joint Liquidators' address	c/o KPMG LLP, 1 Sovereign Square, Sovereign Street, Leeds, LS1 4DA
Values of the Net Property and Prescribed Part	Net Property is £11,500 000 Prescribed Part is £600,000 The Prescribed Part has been taken into account when determining the dividend prospects for unsecured creditors (Section 3)
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

Aardvark TMC Limited - in Liquidation

Abstract of receipts & payments

Statement of affairs (£)	From 15/05/2015 To 14/05/2016 (£)	From 15/05/2013 To 14/05/2016 (£)
FIXED CHARGE ASSETS		
750,000 00 Freehold land & buildings	NIL	615,800 00
480,000 00 Fixed plant	NIL	650,000 00
1 00 Goodwill	NIL	1 00
	NIL	1,265,801 00
FIXED CHARGE CREDITORS		
(13,123,343 00) First ranking fixed charge holder	NIL	(1,265,801 00)
(28,135,000 00) Second ranking fixed charge holder	NIL	NIL
	NIL	(1,265,801 00)
HP/LEASING		
7,803,825 00 Mobile plant	NIL	NIL
(6,485,522 00) HP creditor inc claim on full proceeds	NIL	NIL
	NIL	NIL
ASSET REALISATIONS		
Motor Vehicles	NIL	50,000 00
1,724,453 00 Mobile plant unencumbered	NIL	1,454,350 00
10,000 00 Fixtures and fittings	NIL	NIL
1,117,710 00 Coal stocks	NIL	1,000,000 00
45,182 00 Fuel stock	NIL	NIL
1,836,142 00 Book debts	NIL	1,299,998 00
123,478 00 Plant spares	NIL	46,000 00
236,148 00 Other debtors	NIL	NIL
Other assets	NIL	1 00
Financed equipment	NIL	1,313,650 00
Pre-appointment funds held by solicitors	93 57	336,113 55
6,448,433 00 Cash at bank	NIL	6,443,118 29
1,323 00 Petty cash	NIL	854 01
50,000 00 Prepayments	NIL	NIL
	93 57	11,944,084 85
OTHER REALISATIONS		
Bank interest, gross	NIL	11,587 89
Bank interest, net	8,810 17	15,252 36
Legal fees refund	NIL	2,514 87



Aardvark TMC Limited - in Liquidation**Abstract of receipts & payments**

Statement of affairs (£)		From 15/05/2015 To 14/05/2016 (£)	From 15/05/2013 To 14/05/2016 (£)
	Rates refund	NIL	282,774 98
	Sundry refunds	4,148 41	11,358 72
	Third party funds	NIL	1,825,348 13
	Pension refund	NIL	355 56
		12,958 58	2,149,192 51
	COST OF REALISATIONS		
	Fee for preparing statement of affairs	NIL	(1,500 00)
	Liquidators' fees	NIL	(300,000 00)
	Liquidators' expenses	NIL	(1,581 64)
	Fee for convening section 98 meeting	NIL	(25,000 00)
	Section 98 expenses	NIL	(1,328 99)
	Cash to OCCW (Netherton)	NIL	(93,000 00)
	Cash to OCCW (Duncanziemere)	NIL	(57,000 00)
	Legal fees	(17,059 92)	(217,293 46)
	Legal disbursements	(452 00)	(19,769 58)
	Pre-appointment legal fees	NIL	(77,915 84)
	Pre-appointment disbursements	NIL	(42,602 52)
	Repayment of third party funds	NIL	(1,825,348 13)
	Agents fees	NIL	(43,500 00)
	Storage costs	NIL	(545 19)
	Re-direction of mail	NIL	(1,020 00)
	Statutory advertising	NIL	(1,741 35)
	Insurance of assets	NIL	(339 20)
	Wages, salaries & holiday pay	NIL	(1,124 59)
	Bank charges	NIL	(268 30)
		(17,511 92)	(2,710,878 79)
	PREFERENTIAL CREDITORS		
(415,351 00)	Wages, salaries & holiday pay	NIL	NIL
		NIL	NIL
	FLOATING CHARGE CREDITORS		
	Floating charge	NIL	(8,663,999 00)
		NIL	(8,663,999 00)
	UNSECURED CREDITORS		
(2,383,409 54)	Trade & expense	NIL	NIL
(2,462,771 00)	Staff claims for redundancy	NIL	NIL



Aardvark TMC Limited - in Liquidation

Abstract of receipts & payments

Statement of affairs (£)		From 15/05/2015 To 14/05/2016 (£)	From 15/05/2013 To 14/05/2016 (£)
(30,743,527 00)	Restoration liabilities	NIL	NIL
(1,846,136 00)	Contract termination claims	NIL	NIL
(26,641,136 00)	Intercompany loans	NIL	NIL
(557,727 00)	Accruals	NIL	NIL
(3,968,428 00)	HMRC	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(1,000 00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
(96,136,655 54)		(4,459 77)	2,718,399 57
	REPRESENTED BY		
	VAT receivable		136,727 56
	Current account		2,699,891 49
	Fixed charge VAT payable		(87,640 00)
	VAT payable		(142 73)
	Floating ch VAT control		(30,436 75)
			2,718,399 57



Appendix 3 Schedule of expenses

Schedule of expenses (15/05/2015 to 14/05/2016)

Expenses (£)	Incurred and paid in the Period (£)	Incurred in the Period not yet paid (£)	Total (£)
Cost of realisations			
Joint Liquidators' fees	0 00	121,000 00	121,000 00
Legal fees	15,418 91	0 00	15,418 91
TOTAL	15,418 91	121,000 00	136,418 91

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 Greg Clifford at KPMG LLP, 1 Sovereign Square, Sovereign Street, Leeds, LS1 4DA



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 Greg Clifford on 0113 2313084.

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 2012 £/hr
Partner	565
Associate Partner	485
Director	485
Senior Manager	450
Manager	365
Senior Administrator	250
Administrator	185
Support	115
Work Experience	45

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 14 May 2016

SIP 9 - Disbursements					
Disbursements	Category 1		Category 2		Totals (£)
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)	
Total	1,484.14	0.00	97.50	0.00	1,581.64

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 are to be approved in the same manner as our remuneration

Narrative of work carried out for the period 15 May 2015 to 14 May 2016

The key areas of work have been

Statutory and compliance	<ul style="list-style-type: none">■ preparing statutory receipts and payments accounts,■ complying with statutory requirements,■ 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,■ 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,



	<ul style="list-style-type: none"> ■ liaising with our Solicitors regarding the various instructions, ■ complying with internal filing and information recording practices, including documenting strategy decisions
Reports to debenture holders	<ul style="list-style-type: none"> ■ providing written and oral updates to representatives of HSML regarding the progress of the liquidation and case strategy
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
Tax	<ul style="list-style-type: none"> ■ reviewing the Company's pre-appointment corporation tax and VAT position, ■ working on tax returns relating to the periods affected by the liquidation, ■ analysing VAT related transactions, ■ 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
Asset realisations	<ul style="list-style-type: none"> ■ dealing with issues associated with the Company's freehold and leasehold property
Creditors and claims	<ul style="list-style-type: none"> ■ updating the list of unsecured creditors, ■ responding to enquiries from creditors regarding the liquidation and submission of their claims, ■ reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records, ■ agreeing unsecured claims, ■ drafting our report



Time costs

SIP 9 –Time costs analysis (15/05/2015 to 14/05/2016)			
	Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning			
Cashiering			
General (Cashiering)	30 10	5,994 50	199 15
Reconciliations (& IPS accounting reviews)	3 70	1,105 00	298 65
General			
Books and records	1 20	402 00	335 00
Fees and WIP	11 80	2,765 00	234 32
Statutory and compliance			
Appointment and related formalities	0 30	85 50	285 00
Checklist & reviews	38 30	9,817 00	256 32
Pre-appointment checks	6 90	3,346 50	485 00
Reports to debenture holders	13 70	3,885 00	283 58
Statutory receipts and payments accounts	7 80	1,950 00	250 00
Strategy documents	33 50	10,354 50	309 09
Tax			
Post appointment corporation tax	89 40	23,706 00	265 17
Post appointment VAT	20 10	4,876 00	242 59
Creditors			
Creditors and claims			
Agreement of unsecured claims	22 60	4,681 00	207 12
General correspondence	31 60	7,284 00	230 51
Payment of dividends	6 30	1 764 50	280 08
Secured creditors	25 20	9,452 00	375 08
Statutory reports	49 30	12,596 00	255 50
Realisation of assets			
Asset Realisation			
Cash and investments	9 80	2 967 50	302 81
Freehold property	1 90	632 50	332 89
Leasehold property	29 00	7,126 00	245 72
Other assets	13 50	6,209 50	459 96
Total in Period	446 00	121,000 00	271 30

Brought forward time (appointment date to SIP 9 Period start date)	1,957 75	595,685 25
SIP 9 Period time (SIP 9 Period start date to SIP 9 Period end date)	446 00	121,000 00
Carry forward time (appointment date to SIP 9 Period end date)	2,403 75	716,685 25



Appendix 5 Glossary

Agents	Mr David Chalmers
ATH Resources	ATH Resources Plc
Company	Aardvark TMC Limited - in Liquidation
Euler Hermes	Euler Hermes (UK) Limited
Hivecos	OCCW (Netherton) Limited OCCW (Duncanziemere) Limited
HMRC	Her Majesty's Revenue and Customs
HSML	Hargreaves Surface Mining Limited
Joint Liquidators/we/our/us	Brian Green, Mark Firmin and Howard Smith
KPMG	KPMG LLP
Secured creditors	Hargreaves Surface Mining Limited Euler Hermes (UK) Limited
Solicitors	CMS Cameron McKenna LLP Dentons UKMEA LLP

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 Brian Green, Mark Firmin and Howard Smith, the Joint Liquidators of Aardvark TMC 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 is not suitable to be relied upon by any other person, or for any other purpose or in any other context including any decision in relation to the debt of or any financial interest in the Company or any other company in the Group. 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

Brian Green and Mark Granville Firmin are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England & Wales

Howard Smith is authorised to act as an insolvency practitioner by the Insolvency Practitioners Association

We are bound by the Insolvency Code of Ethics

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