



 **Polarcus UK Limited (Company Number 07068161)**

Joint Liquidators' Progress Report

For the period from 27 April 2023 to 26 April 2024

Table of Contents

Glossary	3
Introduction	5
Progress of the Liquidation	8
Key Matters Remaining	13
Appendices	17



Glossary

Glossary

Commonly Used Terms	Definition
Act / IA86	Insolvency Act 1986 (as amended)
BEIS	Department for Business, Energy and Industrial Strategy
c.	Approximately
CDDA	Company Directors Disqualification Act 1986
CT	Corporation Tax
CVL	Creditor's Voluntary Liquidation
EBITDAP	Earnings Before Interest, Taxes, Depreciation, Amortization and Pension Income
FTI / FTI UK	FTI Consulting LLP
HMRC	HM Revenue & Customs
ICAEW	Institute of Chartered Accountants in England & Wales
IR16 / the Rules	Insolvency (England and Wales) Rules 2016 (as amended)
NDA	Non-Disclosure Agreement
PAYE / NIC	Pay-as-you-earn tax / National Insurance Contributions
Preferential creditors	Principally employee claims for unpaid wages (max £800 per employee), holiday pay, and certain unpaid pension contributions
RPS	Redundancy Payments Service
RTI	Real Time Information
SIP	Statement of Insolvency Practice
SIP 2	Investigations by office holders in administration and insolvent liquidations
SIP 7	Presentation of financial information in insolvency proceedings
SIP 9	Payments to insolvency office holders and their associates from an estate
Unsecured creditors	Creditors who do not have security in respect of their debt (in accordance with Section 248 IA86) and are not preferential creditors. They include the Group Facility Lenders, group companies, trade creditors and depending on the circumstances employees.

Case Specific References	Meaning
Appointment Date	27 April 2021
Directors	Caleb Raywood and Hans-Peter Sigvard Burlid
DNK	Norwegian shipowners' mutual war risk insurance association
Group Facility	A USD\$236m bank facility borrowed by Polarcus Limited, the Group's parent company, of which the Company is a guarantor
Group Facility Lenders	The lenders of the Group Facility
Ikern	Ikern Associates Limited
Liquidators / Joint Liquidators / we / our / us	Lisa Jane Rickelton, Matthew Boyd Callaghan (and Simon Ian Kirkhope from 27 April 2021 to 25 September 2023), all of FTI Consulting LLP
Liquidation	The Liquidation of Polarcus UK Limited
Polarcus Asia	Polarcus Asia Pte Limited
Scottish Widows / the Provider /	The Group's Pension Scheme Provider
Statement of Affairs / Sofa	Statement of Affairs of the Company prepared on 22 April 2021
The Company / Polarcus UK / Company	Polarcus UK Limited
The Period / Reporting Period	From 27 April 2023 to 26 April 2024



Introduction

Purpose of This Report

Pursuant to Section 104A IA86 and Rule 18.7 IR16, we are required to provide creditors and members with a report explaining the progress of the Liquidation for the period 27 April 2023 to 26 April 2024.

- Lisa Rickelton, Simon Kirkhope and Matthew Callaghan were appointed as joint liquidators of the Company on 27 April 2021 by its members and creditors.
- Due to leaving FTI Consulting LLP, Simon Kirkhope resigned as one of the joint liquidators on 25 September 2023 following the filing of the requisite notice with the Registrar of Companies. Mr Kirkhope's release was effective 21 days thereafter and no replacement liquidator was appointed.
- The purpose of the Liquidation is to realise the Company's assets and make distributions to the preferential and unsecured creditors of the Company. The Company will then be dissolved.
- This report covers the Period from 27 April 2023 to 26 April 2024 and contains:
 - An explanation of the work we have undertaken during the Period and how the Liquidation has progressed;
 - An update on the estimated outcome for each class of creditor;
 - Details of the work we still need to undertake before the Liquidation can be concluded;
 - A statement of our receipts and payments in the Liquidation and details of expenses we have incurred;
 - An update on our remuneration for acting as joint liquidators; and
 - Further information required by statute regarding our appointment as joint liquidators.
- As part of this report, we are also asking the Company's creditors to agree that we may draw remuneration in excess of the total amount set out in the fees estimate previously approved by creditors. Further details of the creditors' decision procedure, the amount we are seeking to draw and the reasons for the proposed increase are set out in this report.
- Details surrounding the Liquidation can be found in our Remuneration Report dated 10 August 2021, the previous annual reports, and the Explanatory Information for Creditors dated 23 April 2021, all of which continue to be available online (see website details on the right of this page).
- Certain legal notices regarding this report, our appointment and creditors' rights are included as an appendix.

How to Contact Us

- Creditors can contact us using the preferred methods below:

Email: PolarcusUK@fticonsulting.com

Post: Polarcus UK Limited (in liquidation)
c/o FTI Consulting LLP
200 Aldersgate
Aldersgate Street
London
EC1A 4HD
United Kingdom

Tel: +44 (0)20 7269 7281

- Further information can be found online at:

Website: <https://www.ips-docs.com/>

Login name: PUL01

Login ID: Previously provided to creditors

- Alternatively, information can be found at <https://www.fticonsulting.com/emea/cip/polarcus-uk-limited>

Recap on the Liquidation

Significant asset realisations were made in the first year of the Liquidation, enabling distributions to both the preferential and unsecured creditors. A further dividend continues to be expected, but the timing is uncertain.

Background to the Liquidation

- Previous reports to creditors and members have explained the Company's background, the reasons for its financial difficulties and why it was placed into Liquidation. These are not repeated here in detail unless considered necessary or beneficial for the purposes of this report. On the previous page we explained how these reports can still be accessed online.
- In summary, the Company's financial performance suffered as a result of Covid-19, leading to the Group Facility Lenders taking enforcement steps over the Company's key assets. With liabilities significantly exceeding the Company's remaining assets, which it was unable to pay as they fell due, the Company was insolvent and its directors duly commenced its winding-up in April 2021.

Asset Realisations

- At the date of our appointment, the Company's directors had estimated that an amount of £506k could be realised from the Company's assets; principally cash held in bank accounts and investments in subsidiaries.
- In our previous report, we confirmed that we had successfully recovered assets with a combined value of £1.37m and that further recoveries were expected. The key reasons for significantly exceeding the directors' estimates, include:
 - The discovery and realisation of an insurance refund of £502k, due to the Company in relation to prior premiums paid in relation to war risk;
 - Fluctuations in exchange rates leading to better than anticipated GBP recoveries on assets recovered from overseas jurisdictions;
 - Following work by our tax team and due to tax treaties between the UK and Mexico tax authorities, withholding tax had not been applied to the equity distribution from the Mexican subsidiary; and
 - The costs associated with the winding down of the Mexican subsidiary were less than anticipated.

- Additionally, in the period, we have also recovered the withheld tax by the Norwegian tax authorities in relation to the insurance refund, having made an application for this refund in 2021.
- Further potential recoveries continue to be expected from additional distributions from subsidiaries and distributions due on other intercompany receivables. An update on these matters is set out in this report.

Distributions to Creditors

- There are no creditors with security over the Company's realisable assets in the Liquidation, such that amounts recovered would be available (after costs of the Liquidation) for preferential and unsecured creditors.
- Shortly after significant recoveries were made in February 2022, we declared the following dividends to the Company's creditors:
 - **First and second ranking preferential creditors:** a full and final dividend of 100p/£ was declared on 20 May 2022 and the total amount distributed was £78,978 (including PAYE/NIC deductions remitted to HMRC); and
 - **Non-preferential unsecured creditors:** we declared an interim dividend of 0.167p/£ to the Company's creditors on 22 July 2022 and the total amount distributed was £500k.
- In addition to the above, we were aware that there may also have been a first-ranking preferential claim in respect of unpaid pension contributions. This has now been resolved as explained later in this report.
- A further non-preferential unsecured dividend continues to be expected once the remaining asset realisations are completed, an update on which is set out in the next section.



Progress of the Liquidation

Asset Realisations

Our work is continuing in relation to potential recoveries from intercompany receivables and investments in subsidiaries. Any future realisations are subject to significant uncertainty in relation to both quantum and timing.

Polarcus Brazil

- We previously reported that there was a potential return from the Company's investment in Polarcus Brazil, but that it was subject to significant uncertainty. That entity has made some realisations, most notably c.USD\$0.7m in tax refunds with a further \$0.3m expected to be received in the near future.
- Therefore, it is now expected that a recovery will be made in the wind-down of the Brazilian entity, although the quantum remains highly uncertain as it is dependent on finding a purchaser for it. However, we have been informed by the FTI advisors of the Brazilian entity that we should expect further recoveries of c.USD\$500k.
- We continue to monitor the situation and send regular update requests to the advisors of the entity. Given its significance, resolution of this matter will be a key factor in the duration of the Liquidation and the timing of future dividends. We are not expecting any development in relation to these realisations until Q3 2024.

Polarcus Ghana

- As set out in our previous correspondence, we were anticipating intercompany receivable realisations from the Ghana entity, with c.£20k expected to be realised.
- During the Period we have had various further discussions with the two directors of the Polarcus Ghana entity around the winding down of that entity and any potential realisations that may flow to Polarcus UK Limited.
- During these discussions it has become clear that the prospects of a distribution to the Company are now minimal and were a distribution to be made, any amounts received would be negligible. Consequently, it is not cost effective or in the creditors' interests to actively pursue any recoveries from this source, and the Liquidation would not be kept open solely for this potential immaterial recovery, once all other matters are completed.

Polarcus Asia

- The liquidators of Polarcus Asia have forecast a dividend of c.0.5c/\$, which based on the Company's claim of \$153,214 would result in a distribution of c.\$858. The liquidators have indicated there may be further recoveries into the estate as a consequence of recoverable international tax balances. Given the size of the Company's claim, any recovery is not expected to be material.
- No further action is required by us at this time. We will continue to monitor the situation for updates and provide information to the liquidators of Polarcus Asia as needed, mindful that our work on this matter must be proportionate to the potential benefit.
- As for the Polarcus Asia receivable, in circumstances where we finalise the position with Polarcus Brazil, similarly to Polarcus Ghana, in circumstances where this is the only matter outstanding, given the minimal expected realisations, we would expect to proceed to conclude the Liquidation.

Withholding Tax on DNK refund

- In our previous progress reports, we confirmed that following lengthy correspondence with the insurance provider and regulatory approval from the Norwegian tax authorities, we received a refund from DNK totalling c.£502k.
- Withholding tax was applied by the Norwegian tax authorities and our tax specialists submitted an application in the previous period to reclaim this. In the Period, a refund of c.£62k has been received, as shown on the enclosed receipts and payments account.

Dealing with Stakeholders and Creditors

During the Period, we settled a small additional preferential claim in relation to unpaid pension contributions. We continue to expect a further dividend for unsecured creditors once asset realisations are complete.

- Our current Estimated Outcome Statement is set out in Appendix C, showing how estimated final asset realisations of c.£1.8m have been sufficient to pay preferential creditors in full, with an anticipated surplus of c.£1m for unsecured creditors.
- Please note that the final level of asset realisations, costs and creditor claims are all subject to change and therefore the estimates given should be viewed with an appropriate degree of caution.

Secured Creditors

- The Company had granted to the Group Facility Lenders certain share pledge security which was enforced over prior to the commencement of the Company's Liquidation; and no surplus is anticipated to be available to the Company.
- There are no creditors with security over the Company's realisable assets in the Liquidation, such that amounts recovered would be available (after costs of the Liquidation) for preferential and unsecured creditors.

Preferential Creditors

- A distribution at a rate of 100p/£ was declared and paid to known first and second ranking preferential creditors on 20 May 2022. The total value of the distributions was £78,978 (including the PAYE and employee NIC deductions on the employee claims).
- At that time, we understood that the Company had no outstanding pension liabilities, having written to the Company's pension provider (without response) and having received confirmation from Company management that no contributions remained outstanding.
- However, we subsequently decided to instruct third party advisers (Courts Trustees) to obtain formal confirmation from the Company's pension provider regarding the exact position.
- This review highlighted that one month of outstanding contributions remained unpaid (for March 2021 in the sum of c.£8k).

- Following correspondence between the Joint Liquidators, RPS and Scottish Widows around who was due payment of the distribution in respect of outstanding pension contributions, Scottish Widows confirmed the amount was due to the RPS at which point the required amount was paid across to the RPS.
- During the Period and upon receipt of a proof of debt from the RPS, a second preferential distribution at a rate of 100p/£ was declared and paid to settle the outstanding pension liability on 27 March 2024.
- No further claims or distributions to the Company's preferential creditors are anticipated.

Unsecured Creditors

- The directors' Statement of Affairs included 28 non-preferential unsecured creditors with an estimated total liability of £382,682,575 (including the Group Facility Lenders).
- On 4 May 2022, a Notice of Intended Dividend was issued to all known unsecured creditors, with a last date for proving claims of 30 May 2022. Subsequently, an interim distribution of £500,000 to unsecured creditors was made on 22 July 2022. This represented a distribution of 0.167p/£.
- Based on current information, we anticipate that at least one further distribution to non-preferential unsecured creditors will be made, however the timing and quantum of this will depend on future realisations in the Liquidation as explained earlier.
- As shown in our enclosed Estimated Outcome Statement, we have estimated the total surplus for unsecured creditors in this Liquidation to be c.£978k (including the amount distributed to date), representing c.0.3% of the total unsecured liabilities. The quantum of the dividend reflects the magnitude of intercompany liabilities and the guarantee in relation to the Group Facility.
- However, the return to creditors may be greater than stated in this report as we have taken conservative estimates of the expected realisation of intercompany receivables and investment in subsidiaries as explained in Appendix C.

Managing the Company's Affairs

Until such time as the Company is dissolved, it must continue to fulfil certain obligations. Whilst appointed to manage the affairs of the Company, we are responsible for ensuring these obligations are met.

Company Subsidiaries

- We have continued to provide assistance (where required) to Group subsidiaries and their local advisors in order to facilitate and expedite the recovery of assets into the Liquidation estate.
- During the Period, the work undertaken has included assistance to both advisors and management of the subsidiary in Ghana. Specifically, this has included assistance to local advisors and management in Ghana around both the winding-up of the Ghanaian entity and the provision of information from management to Ikern (who are assisting with the wind down of the business).
- However, through the work undertaken during the Period on Polarcus Ghana, it became increasingly clear that recovery of assets in the Polarcus Ghana estate will not result in a recovery for the Company.

Accounting

- An account of our receipts and payments for the period covered by this report is provided at Appendix B.
- Receipts in the Period consist of the Norwegian withholding tax refund as well as the receipt of bank interest.
- Payments in the Period consist of approved office-holder remuneration and the repayment of an overpayment by HMRC.

PAYE

- Given the redundancy of all employees immediately on appointment, no PAYE filings have been required for the post-appointment period.
- The preferential distribution made to the former employees of the Company included necessary deductions for PAYE and NIC, which were paid to HMRC in prior periods, with the support of our external advisors ERA Solutions.
- No further PAYE and NIC deductions are expected to be required given that no employees have submitted an unsecured claim in the Liquidation.

VAT

- In the Period, we have submitted VAT returns which relate to the periods ended 30 June 2023, 30 September 2023 and 31 December 2023.
- We are currently awaiting a VAT refund of £20,090 for the period ending 31 December 2023, which we will continue to chase regularly.
- The business has been deregistered by HMRC with effect from 2 January 2024 and as such, Forms VAT 427 will be used to recover any VAT incurred either following this period or not claimed in prior periods.
- Since the end of the Period, we have received a final Form VAT 100 for the 1 January 2024 (one day) and this return will be filed shortly as a nil return and will mean the necessary returns have been filed for all relevant periods.

Corporation Tax

- During the Period, the corporation tax return for the period ended 26 April 2023 was submitted, with support from our specialist tax team.
- Corporation tax returns for the period ending 26 April 2024 are currently being reviewed and will likely be submitted in the next two months.

Fulfilling our Statutory Duties

As a consequence of our appointment as liquidators, we have a number of ongoing responsibilities that include updating creditors on the progress of the Liquidation.

Progress Report

- In June 2023, we prepared and delivered to members and creditors our second annual report on the progress of the Liquidation. This is our third annual report.
- All reports will continue to be available for viewing and downloading online until two months after the end of the Liquidation (or the release of the last person holding office as liquidator).

Case Reviews

- We have continued to perform a review of the Liquidation at six-monthly intervals to ensure that the strategy for the Liquidation continues to be appropriate and is being progressed as quickly and cost effectively as possible.

Statutory Investigations

- We confirmed in our previous progress reports, that we had undertaken a review of the directors' conduct and submitted information to BEIS in this regard. The content of these investigatory findings is confidential; however, it was concluded that there were no recovery actions relating to the directors' conduct that should be pursued.
- No further information has come to light during the Period that has required further investigation regarding the directors' conduct or any potential asset recovery actions.

Sales to Connected Parties (SIP 13 Disclosure)

- No sales to connected parties have taken place during the Period.

Joint Liquidators' remuneration





- In August 2021, the Company's creditors determined that:
 - our remuneration should be on a time cost basis;
 - such time to be charged at the hourly charge-out rate of the grade of staff undertaking the work at the time the work is undertaken; and
 - fees could not be drawn in excess of the fees estimate of £198,690 plus VAT without further approval from creditors.
- In our previous reports, we explained that our costs had exceeded this initial estimate due to the additional work that had been required and our successful efforts to significantly increase the value realised from the Company's assets.
- As a consequence, the creditors have approved requests to draw remuneration in excess of previously approved fees estimates. The current fees estimate of £575,000 was approved by creditors on 7 July 2023.
- As explained in more detail later, during the 12 months to 26 April 2024, we have incurred time costs totalling £136,915. This brings total time costs from the date of our appointment to 26 April 2024 to £584,529, exceeding the current fees estimate above.
- As a consequence, in conjunction with issuing this report, we are seeking further approval for a small increase in the fee estimate of £50,000, to £625,000. Please note the following:
 - A fee estimate is an estimate of total time costs for the insolvency process, not necessary the amount that will be drawn as fees (which could be lower, but not higher); and
 - Our time costs to 26 April 2024 were £584,529 and we have calculated that our future work will cost £40,471, together totalling the £625,000 detailed above.



Key Matters Remaining

Work We Still Need To Do

The key remaining steps that need to be taken ahead of concluding the Liquidation are shown below, in addition to certain periodic statutory duties we must fulfil whilst we remain appointed.

Area	<p style="text-align: center;">Intercompany</p> 	<p style="text-align: center;">Tax / VAT</p> 	<p style="text-align: center;">Distributions</p> 	<p style="text-align: center;">Winding-down</p> 
Work Required	<ul style="list-style-type: none"> Continue to provide assistance (where required) to Group subsidiaries and their advisors, for the purpose of asset realisations in the Liquidation. In particular, monitor the situations in respect of the Brazilian and Asian entities, obtaining regular updates to determine the likely timing and quantum of recoveries for the Company. 	<ul style="list-style-type: none"> Prepare and lodge CT returns for the period ended 26 April 2024 as well as any future CT returns as required. Prepare a final VAT return for the period 1 January 2024. Prepare forms VAT 427 for any recoverable VAT arising in the period following 2 January 2024. 	<ul style="list-style-type: none"> Pay further distributions as required to the Company's unsecured creditors. Adjudicate any additional claims that may be received. 	<ul style="list-style-type: none"> Progress any other matters required to wind-down the Company's affairs generally prior to the Liquidation concluding and the Company being dissolved.
Timing	<ul style="list-style-type: none"> Uncertain 	<ul style="list-style-type: none"> Ongoing whilst we remain in office as liquidators. 	<ul style="list-style-type: none"> 12 months, but subject to the timing of further asset realisations. 	<ul style="list-style-type: none"> Ongoing, but closure formalities will start only once all other work is completed.

Joint Liquidators' Revised Fees Estimate

We have incurred costs to date of c.£585k and are expecting additional time costs of c.£40k. We are therefore seeking approval to exceed the approved fees estimate by up to £50k.

	Previous fees estimate			Costs incurred to date			Costs still to be incurred			Revised fees estimate		
	GBP/Hr	Hr	GBP	GBP/Hr	Hr	GBP	GBP/Hr	Hr	GBP	GBP/Hr	Hr	GBP
Administration and Planning	482	325	156,526	479	396	188,322	415	25	10,173	473	420	198,494
Investigations	439	25	11,152	439	25	11,152	0	0	0	439	25	11,152
Realisation of assets	431	225	97,326	660	105	69,281	197	45	8,883	521	150	78,163
Creditors	437	359	156,806	463	280	129,785	403	25	10,043	458	305	139,828
Tax	557	132	72,611	584	130	75,860	573	8	4,644	583	138	80,504
Reporting	456	177	80,580	512	215.3	110,130	1004	7	6,729	526	222	116,859
Total	463	1,243	575,000	512	1,152	584,529	370	109	40,471	496	1,260	625,000

- The table above shows the fees estimate previously approved by creditors in comparison to our current view of estimated total time costs for the Liquidation (revised fees estimate), based on costs incurred in the first three years of the Liquidation (c.£585k) and the cost of anticipated future work (c.£40k) assuming the Liquidation ends prior to its fourth anniversary in April 2025.
- With total time costs now expected to be £625,000, we are requesting that the Company's creditors approve that we may draw amounts up to the total of our revised fees estimate. The principal reasons for exceeding our current fees estimate are set out below:
 - **Administration and Planning:** Additional time has (and will be) incurred relating to statutory work due to the Liquidation going beyond its third anniversary. This includes periodic case reviews, bonding reviews, as well as the review and filing of company documents.
 - **Realisation of Assets:** Additional work is required in relation to the continued pursuit of the intercompany assets in Brazil, including frequent efforts to receive updates and push the process forwards.
 - **Tax:** As part of our statutory duties, additional time will be incurred in the preparation of CT and VAT returns in the next 12 months as a result of the Liquidation going beyond its three-year anniversary. In addition, we continue to liaise with HMRC regarding amounts due to the Company, e.g., the receivable due to the Company from the 31 December 2023 VAT return.
 - **Reporting:** The previous estimate assumed that the Liquidation would end prior to its three-year anniversary, which has not been the case for the reasons described in this report. This has (and will) result in additional statutory work, including preparing this progress report for members and creditors.
- Should no significant work relating to the realisation of assets be required, or any additional work be necessary beyond the above which has been included in the revised fees estimate and detailed above (and should the Liquidation complete before its fourth anniversary), we do not expect our costs to exceed the revised fees estimate; and no further approval should be required.

Creditors' Decision:

On the **enclosed voting form in Appendix G**, we are seeking approval to the following resolution with respect to our fees:

That the Joint Liquidators' revised fees estimate be approved at £625,000.

The decision date (deadline for votes) is 23:59 hours on 26 July 2024.

Our Next Report to Creditors

- We are required to provide a further progress report to all members and creditors within two months of the end of the period ending 26 April 2025. However, if the Liquidation can be brought to a close prior to that time, we will issue to creditors our final account on the Liquidation as part of the required closing formalities.
- As before, all future reports will be placed on our website, details of which were provided at the beginning of this report.
- All documents will be retained on the website and will remain live until at least two months after the conclusion of the proceedings.
- If you require any hard copy documents, please contact us by email at PolarcusUK@fticonsulting.com or by post at Polarcus UK Limited – In Liquidation, c/o FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London EC1A 4HD and you will be provided, free of charge, a hard copy of documents posted to the website, either now or in the future.
- If you have any specific queries in relation to this report or the Liquidation in general, please contact us.

For and on behalf of the Company



Lisa Jane Rickelton
Joint Liquidator

The affairs, business and property of the Company are being managed by the Joint Liquidators, who act as agents of the Company and without personal liability.

The Joint Liquidators are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales, under Section 390A(2)(a) of the Insolvency Act 1986.

The Joint Liquidators are bound by the Insolvency Code of Ethics which can be found at:
<https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>



Appendices

Appendix A: Statutory Information

Registered Office	c/o FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London EC1A 4HD (in January 2023, the Company's registered office address was changed without our knowledge or consent, to 1 Chapel Street, Warwick, UK, CV34 4HL. This appears to have been done in error and has been corrected)
Company Registration Number	07068161
Former Registered Office	24 Old Queen Street, London SW1H 9HP
Incorporation Date	6 November 2009
Previous Company Names	None
Nature of Business (SIC)	Other business support service activities not elsewhere classified (SIC 82990)
Authorised Share Capital	156,447,144 ordinary £1 shares, issued and fully paid with Polarcus Limited as the only shareholder.
Liquidators' Names	Lisa Jane Rickelton, Simon Ian Kirkhope and Matthew Boyd Callaghan
Liquidators' Address	FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London EC1A 4HD
Liquidators' Regulator	ICAEW
Appointment Date	27 April 2021

Directors, Officers and their Status	Director Name	Position	Resigned
	Caleb Raywood	Director	n/a
	Hans-Peter Sigvard Burlid	Director	n/a
	Goodwille Limited	Secretary	n/a
	Charles Richard Price	Director	19-Dec-17
	Jonathan David Banyard	Director	09-Feb-17
	Richard William Donoghue	Director	11-Nov-16
	Tom Henrik Sundby	Director	03-Mar-16
	Eirin Martha Inderberg	Director & Secretary	17-Nov-15

Appendix B: Receipts and Payments Account

Joint Liquidators' Account of Receipts and Payments - 27 April 2021 to 26 April 2024						
GBP	Notes	Statement of Affairs Estimated to Realise ¹	From 27 April 2021 To 26 April 2022	From 27 April 2022 To 26 April 2023	From 27 April 2023 To 26 April 2024	Total Receipts and Payments
Receipts						
Bank Interest			29.95	871.52	4,588.16	5,489.63
Cash at bank		89,500	138,933.71	-	-	138,933.71
Intangible assets		1	-	-	-	-
Intercompany receivables		8,921	-	-	-	-
Investment in subsidiaries	2	402,736	625,286.99	-	-	625,286.99
DNK insurance refund			502,180.28	-	-	502,180.28
Other current assets		-	-	-	-	-
Property, plant and equipment		5,000	4,500.00	-	-	4,500.00
VAT Refund			-	4,669.90	-	4,669.90
Third party funds	4,5		100,000.00	6,000.00	-	106,000.00
DNK insurance refund withheld tax			-	-	62,169.45	62,169.45
Subtotal		506,158	1,370,930.93	11,541.42	66,757.61	1,449,229.96
Payments						
Bank charges			(37.00)	(195.00)	-	(232.00)
Employee related expenses			(670.00)	(540.00)	-	(1,210.00)
Insurance			(112.00)	-	-	(112.00)
Statutory advertising			(184.00)	(95.00)	-	(279.00)
Legal fees			(16,192.09)	(9,079.50)	-	(25,271.59)
Office holders fees (time cost basis)			(198,690.00)	(151,310.00)	(200,000.00)	(550,000.00)
Office holders expenses			(396.56)	-	-	(396.56)
Third party funds	4,5		-	(100,000.00)	(6,000.00)	(106,000.00)
Subtotal			(216,281.65)	(261,219.50)	(206,000.00)	(683,501.15)
Surplus/ (Deficit)			1,154,649.28	(249,678.08)	(139,242.39)	765,728.81
Net realisations			1,154,649.28	(249,678.08)	(139,242.39)	765,728.81
Distributions						
Preferential Creditor Distribution	3	(61,743)	-	(78,978.23)	(8,038.17)	(87,016.40)
Unsecured Creditor Distribution	6	(382,682,575)	-	(500,000.00)	-	(500,000.00)
Subtotal		(382,744,318)	-	(578,978.23)	(8,038.17)	(587,016.40)
Total balance held			1,154,649.28	(828,656.31)	(147,280.56)	178,712.41
Made up as follows						
VAT - net VAT receivable	7					20,027.13
Cash at bank	8,9					158,685.28
Total			-	-	-	178,712.41

Appendix B: Receipts and Payments Account

For the period from 27 April 2021 to 26 April 2024

Notes to the Receipts and Payments Account

1. The Statement of Affairs amounts have been taken from the directors' Statement of Affairs dated 20 April 2021 and for asset values, represents the directors' estimated to realise value (not book value). For all values in US dollars, the directors used an exchange rate of \$1:£0.716 (as at 20 April 2021) for the purpose of presenting the statement in GBP.
2. The realisation of c.£625k relates to the investment in Polarcus Mexico, which exceeded initial estimates as stated in the Company's Statement of Affairs.
3. The amount paid includes first and second ranking preferential claims, including HMRC's (second-ranking) claim for unpaid PAYE and NIC for the 2021/2022 tax year. The distribution made on 20 May 2022 represented a return of 100p/£ on admitted claims. As set out earlier in this report, a further distribution to RPS of c.£8k has been declared and paid in the period.
4. The previously reported £100k VAT overpayment from HMRC was repaid in July 2022.
5. The second-ranking preferential creditor claim wholly consisted of an HMRC claim for PAYE and NIC for the 2021/2022 tax year. The Company also had a claim against HMRC for £6,000 in relation to a pre-appointment VAT refund, which was therefore netted-off (on a pro-rata basis) against HMRC's preferential and unsecured claims against the Company. We mistakenly received payment of the £6,000 amount from HMRC in the previous period, which has now been repaid.
6. An interim distribution to unsecured creditors was made on 22 July 2022. This represented a distribution of 0.167p/£. We anticipate making another distribution to unsecured creditors once all assets have been realised.
7. VAT receivable relates to amounts of VAT due back to the Company which have not yet been recovered.
8. The Liquidation bank account has been reconciled as at the end of the Period.
9. Funds are held with Barclays Bank Plc and have been put on deposit in the Period in an interest-bearing account.
10. All amounts are stated in GBP and exclusive of VAT (unless otherwise stated).

Appendix C: Joint Liquidators' Estimated Outcome Statement

Polarcus UK Limited - In Liquidation Estimated Outcome Statement					
GBP	Notes	27 April 2021 To 26 April 2024	Estimated From 27 April 2024 To Closure	Estimated Total Receipts and Payments	Previous EOS for Comparison
Receipts					
Bank Interest		5,489.63	-	5,489.63	901.47
Cash at bank		138,933.71	-	138,933.71	138,933.71
DNK Insurance refund		502,180.28	-	502,180.28	502,180.28
DNK Insurance refund withheld tax		62,169.45	-	62,169.45	65,156.00
Intangible assets		-	-	-	-
Intercompany receivables	1,3	-	-	-	20,000.00
Investment in subsidiaries	2	625,286.99	358,000.00	983,286.99	983,286.99
Other current assets		-	-	-	-
Property, plant and equipment		4,500.00	-	4,500.00	4,500.00
Third party funds	4	106,000.00	-	106,000.00	106,000.00
VAT Refund (Pre-appointment)		4,669.90	-	4,669.90	4,669.90
Subtotal		1,449,229.96	358,000.00	1,807,229.96	1,825,628.35
Payments					
Bank charges		(232.00)	(195.00)	(427.00)	(427.00)
Employee related expenses		(1,210.00)	-	(1,210.00)	(1,210.00)
Insurance		(112.00)	-	(112.00)	(112.00)
Legal fees	5	(25,271.59)	(5,000.00)	(30,271.59)	(30,271.59)
Office holders fees	6	(550,000.00)	(75,000.00)	(625,000.00)	(575,000.00)
Office holders expenses	7	(396.56)	(1,000.00)	(1,396.56)	(1,396.56)
Statutory advertising		(279.00)	(190.00)	(469.00)	(469.00)
Third party funds	4	(106,000.00)	-	(106,000.00)	(106,000.00)
Subtotal		(683,501.15)	(81,385.00)	(764,886.15)	(714,886.15)
Surplus/ (Deficit)		765,728.81	276,615.00	1,042,343.81	1,110,742.20
Realisations available to Creditors		765,729	455,327	1,042,344	1,110,742
First ranking preferential creditors	7	(69,939.44)	-	(69,939.44)	(69,939.44)
Second ranking preferential creditors		(17,076.96)	-	(17,076.96)	(17,076.96)
Unsecured creditor distribution	8	(500,000.00)	(455,327.41)	(955,327.41)	(1,023,725.80)
Total distributed to creditors		(587,016.40)	(455,327.41)	(1,042,343.81)	(1,110,742.20)
Available to Unsecured Creditors			-	-	-
Cash Movement		178,712.41	(178,712.41)	-	-

Appendix C: Notes to the Joint Liquidators' Estimated Outcome Statement

Notes

* In the directors' Statement of Affairs, all values were converted to GBP from USD at exchange rate of: \$1:£0.716 on 20 April 2021. Where appropriate, this exchange rate has been used in our progress reports for comparison purposes. Therefore, given the current exchange rates, we expect future realisations could be greater than those stated on the Estimated Outcome Statement.

1. We are pursuing a potential intercompany receivable due from Polarcus Asia, however the amount and timing is uncertain, so it has not been included in the statement.
2. We are pursuing a potential recovery from the Company's equity holding in Polarcus Brazil, whilst the exact quantum and timing is uncertain, the Brazilian entities advisors have indicated a minimum likely recovery of USD \$500k (c.£358k) will be received by the Company from the Brazilian entity. As of date of issuing this progress report, no other investments in subsidiaries are expected to yield any return to the Company.
3. From our discussions with the directors of Polarcus Ghana, the c.£20k previously reported due is not expected to be realised. No other realisations are expected from intercompany receivables.
4. The second-ranking preferential creditor claim wholly consisted of an HMRC claim for PAYE and NIC for the 2021/2022 tax year. The Company also had a claim against HMRC for £6,000 in relation to a pre-appointment VAT refund, which was therefore netted-off (on a pro-rata basis) against HMRC's preferential and unsecured claims against the Company. We have mistakenly received payment of the £6,000 amount from HMRC in the previous period, which has now been repaid.
5. We do not anticipate incurring any significant legal fees or office-holder expenses, but have provided for these potential future costs in the estimated outcome statement in case of any unexpected circumstances that may occur in the next 12 months that lead us to incur additional expenses.
6. A further £200k of approved fees have been drawn in the Period.
7. A further first-ranking preferential distribution of £8,038 has been made in respect of unpaid contributions to the Group's pension scheme.
8. A part assignment of \$132m exists on the intercompany payable from Polarcus UK Limited to Polarcus Limited, with the assignment rights being due to the Group Facility lenders. However, these rights have not been enforced.

Appendix D: Work undertaken or to be undertaken in the Liquidation

This Appendix provides further detail on the work undertaken during the Period and (as at the end of the Period) work still expected to be performed by us in the Liquidation.

Administration & Planning

■ Work completed in the period

- Monitoring the strategy for dealing with the case and delegating work to appropriate grades of staff and supervising them accordingly.
- Documentation of key decisions and strategy.
- Dealing with all routine correspondence and emails relating to the case.
- Maintaining and managing the office-holder's estate bank account.
- Maintaining and managing the office-holder's cashbook.
- Undertaking regular reconciliations of the bank account containing estate funds.
- Reviewing the adequacy of the specific penalty bond on a periodic basis.
- Undertaking periodic reviews of the progress of the case.
- Preparing and revising estimated outcome statements for creditors.
- Providing information to creditors, seeking fee approval and maintaining budgets.

■ Work still to be completed

- The work above generally relates to the ongoing work required whilst we continue to be liquidators and therefore it will continue until such time as the Liquidation is closed.
- Other work will relate to the actual formalities and statutory process for bringing the Liquidation to an end.

Realisation of Assets

■ Work completed in the period

- Liaising with advisors to assist in the realisation of intercompany receivables or equity dividends in respect of subsidiaries registered in Brazil, Ghana, and Singapore, and in relation to Polarcus Ghana confirming that there are now unlikely to be recoveries from this entity.
- Instructing solicitors to assist in the realisation of assets (where required).

■ Work still to be completed

- Continued assistance to advisors of the Company's subsidiaries in Brazil and Singapore with ongoing monitoring of the quantum and timing of any potential realisations.

Benefit to creditors

- Work in relation to the realisation of assets (and maintaining an appropriate strategy for the case) has a direct financial benefit for creditors as it maximises the amount available for distribution to them. Our work in agreeing claims and paying dividends delivers this benefit to them.
- Most other tasks are undertaken as part of routine administrative functions, statutory duties as liquidators and management of the Company's affairs and do not necessarily or directly have a financial benefit for creditors; but still have to be carried out.

Appendix D: Work undertaken or to be undertaken in the Liquidation

This Appendix provides further detail on the work undertaken during the Period and (as at the end of the Period) work still expected to be performed by us in the Liquidation.

Creditors

■ Work completed in the period

- Corresponding with employees and the RPS regarding their claims.
- Liaising with the Redundancy Payments Service regarding employee claims.
- Dealing with creditor correspondence, emails and telephone conversations regarding claims.
- Maintaining up to date creditor information on the case management system.
- Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting (or rejecting) them for the payment of a dividend.
- Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims.
- Obtaining formal confirmation on the position of the Group's Pension Scheme.
- Issued a notice of declaration of dividend for the second final distribution to first ranking preferential creditors relating to outstanding amounts for pension contributions.

■ Work still to be completed

- Calculating and paying a dividend to unsecured creditors, including issuing the notice of declaration of dividend. No additional creditors are expected, so no further claims are anticipated for adjudication.

Reporting

■ Work completed in the period

- Preparing, reviewing and issuing the second annual progress report to creditors and members, and filing it at Companies House.
- Preparing updates to key stakeholders where required including the liquidators of Polarcus Limited.

■ Work still to be completed

- As needed, preparing updates to key stakeholders when requested.
- When the Liquidation is capable of closure, preparing, reviewing and issuing a final account of the Liquidation and filing at Companies House.
- If necessary, issuing a further annual progress report.

Tax

■ Work completed in the period

- Reviewing the withholding tax position in respect of asset realisations in foreign jurisdictions e.g. Norway, Ghana and Brazil.
- Preparing and filing VAT returns, including liaising with HMRC on amounts due to the Company.
- VAT Deregistration of the business by HMRC with effect from 2 January 2024.
- Repayment of £6k to HMRC that has wrongly been paid out to the Company.
- Preparing and filing Corporation Tax returns.

■ Work still to be completed

- Monitoring the withholding tax position in respect of asset realisations in foreign jurisdictions e.g. Brazil.
- Preparing and filing annual Corporation Tax returns.

Appendix E: Joint Liquidators' Remuneration and Expenses

The Company's creditors determined that our fees be determined on a time cost basis. As a result, the manner in which we allocate staff, charge our time and the hourly rates we use, are all important factors.

Staff Allocation and Time Charging Policy

- Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case. The constitution of the case team at any point in time will usually consist of one or more of the grades shown in the table opposite, depending on the anticipated size and complexity of the assignment.
- Work is delegated to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed and they are supervised accordingly to maximise the cost effectiveness of the work done.
- Complex issues or important matters of exceptional responsibility are handled by more experienced senior staff or the office-holders themselves.
- All of our staff who work on the case charge time directly to it and are included in any analysis of time charged. Only if there is a large block of time incurred by a member of the secretarial team, e.g. report compilation and distribution, do we seek to charge and recover our time in this regard. Time is charged in six minute units. We don't charge general overhead costs.
- The Liquidation will also utilise the services of specialist teams within FTI Consulting LLP, principally in relation to VAT and tax matters and the costs of which are included within our fees estimates and all analyses of our time.
- We consider that the rates chargeable for these services are in line with general market practice and that the service is at least comparable to similar firms of professional advisors. In addition, by working closely with our internal teams, we believe a more coordinated and efficient approach to the Liquidation workstreams is possible.

Hourly Charge-Out Rates

- In the table below, we set out the hourly charge-out rates for the various grades of staff who have worked (or who may work) on the Liquidation.
- In common with many professional firms, these rates may be subject to change periodically, for example to cover annual inflationary cost increases.

Grade of Staff	2021 (£/h)		To 30-Sep-22 (£/h)		From 1-Oct-22 (£/h)		From 1-Oct-23 (£/h)	
	Restructuring	Tax	Restructuring	Tax	Restructuring	Tax	Restructuring	Tax
Senior Managing Director	925	865	960	900	1080	1015	1145	1250
Managing Director	795	730	825	760	930	855	985	1000
Senior Director	740	675	770	700	865	790	915	900
Director	660	640	685	665	770	750	815	795
Senior Consultant	585	390	610	405	685	455	725	480
Consultant	500	325	520	340	585	385	620	410
Associate (Experienced)	335	220	350	270	395	305	420	-
Associate (New)	235	-	245	230	275	260	290	275
Administrative Staff	180	160	185	165	210	185	225	195

Appendix E: Joint Liquidators' Remuneration and Expenses

Time Costs for the Period 27 April 2023 to 26 April 2024										
	Senior Managing Dir	Managing Dir	Senior Director	Director	Senior Consultant	Consultant	Associate	Total WIP	Total Time	Average Cost
Administration and Planning										
Strategy and planning	972	-	2,288	29,230	-	-	141	32,630	40	808
Initial actions	432	-	-	-	-	-	-	432	0	1,080
Appointment and related formalities	802	-	-	-	-	-	-	802	1	1,145
Receipts and payments accounts	-	93	-	1,223	-	-	2,824	4,139	12	348
Checklist and reviews	3,206	-	-	-	-	-	4,840	8,046	20	400
Cashiering and reconciliations	-	679	-	-	-	-	1,088	1,766	5	384
Bonding and IPS maintenance	-	-	-	-	-	-	-	-	-	-
Case Administration	-	-	-	-	-	-	3,893	3,893	14	280
Subtotal	5,412	772	2,288	30,453	-	-	12,785	51,708	92	562
Realisation of assets										
Cash and investments	648	-	-	-	-	-	-	648	1	1,080
Sale of business	-	-	-	3,668	-	-	-	-	5	-
Book debts	-	-	-	-	-	-	-	-	-	-
Property, plant and vehicles	-	-	-	-	-	-	-	-	-	-
Other assets	-	99	-	9,283	-	-	2,620	12,001	21	577
Fixed charge property	-	-	-	-	-	-	-	-	-	-
Subtotal	648	99	-	12,950	-	-	2,620	16,317	26	630
Creditors (correspondence and claims)										
Unsecured creditors	573	296	-	1,155	-	-	1,858	3,881	9	441
Secured creditors	-	-	-	-	-	-	-	-	-	-
Secured creditors calls	-	-	-	-	-	-	-	-	-	-
Pensions	-	-	-	-	-	-	348	-	1	-
Employees	-	-	-	-	-	-	-	-	-	-
Subtotal	573	296	-	1,155	-	-	2,206	4,229	10	423
Tax										
Initial Review of Tax	-	-	-	-	-	-	495	495	2	275
Pre-appointment CT	-	-	-	-	-	-	-	-	-	-
Pre-Appointment VAT	-	-	1,170	-	-	-	-	1,170	1	900
Post-Appointment CT	2,699	-	1,433	2,440	-	-	-	6,572	7	888
Post-Appointment VAT	-	-	3,659	-	336	305	3,437	7,737	18	423
Tax advice on transactions	-	-	-	-	-	-	-	-	-	-
Other Post-Appointment Tax	-	-	-	-	-	305	83	388	1	298
Subtotal	2,699	-	6,262	2,440	336	610	4,015	16,361	30	544
Reporting										
Other statutory reports/meetings	972	3,906	-	34,265	-	-	9,158	48,301	81	599
Subtotal	972	3,906	-	34,265	-	-	9,158	48,301	83	583
Total by Grade	10,303	5,072	8,550	81,262	336	610	30,783	136,915	241	568
Total Time by Grade	9	5	11	102	1	-	113			
Average hourly cost by Grade	1,145	939	-	794	480	-	273			

Summary:

- The table provides details of our **time incurred in the Period.**
- **Total cost:** £136,915
- **Total time:** 241 hours
- **Average cost:** £568 per hour

Appendix E: Joint Liquidators' Remuneration and Expenses

Time Costs for the Period 27 April 2021 - 26 April 2024

	Senior Managing Dir	Managing Dir	Senior Director	Director	Senior Consultant	Consultant	Associate	Total WIP	Total Time	Average Cost
Administration and Planning										
Strategy and planning	16,893	159	2,288	78,665	-	-	10,305	108,309	159	681
Initial actions	2,400	2,544	-	-	-	-	-	4,944	28	175
Appointment and related formalities	802	318	-	-	-	-	10,186	11,306	33	342
Receipts and payments accounts	-	173	-	1,223	-	-	6,039	7,434	22	332
Checklist and reviews	3,206	-	-	8,085	-	-	17,067	28,358	73	386
Cashiering and reconciliations	648	3,415	-	-	-	-	7,988	12,050	33	361
Bonding and IPS maintenance	-	159	-	-	-	-	889	1,048	3	317
Case Administration	4,704	-	-	-	-	-	10,171	14,875	43	348
Subtotal	28,652	6,767	2,288	87,973	-	-	62,643	188,322	395.5	476
Investigations										
Directors questionnaire/checklists	-	-	-	-	-	-	1,240	1,240	4	335
Reports of Directors' conduct	1,573	-	-	3,300	-	-	4,489	9,362	20	466
Books and records	-	-	-	-	-	-	350	350	1	350
Other investigations	-	-	-	-	-	-	201	201	1	335
Subtotal	1,573	-	-	3,300	-	-	6,280	11,152	25.4	439
Realisation of assets										
Cash and investments	8,410	1,473	-	2,640	-	-	16,863	29,385	62	475
Sale of business	-	-	-	3,668	-	-	-	3,668	5	815
Book debts	617	-	-	-	-	-	1,169	1,786	5	397
Property, plant and vehicles	-	-	-	13,860	-	-	-	13,860	1	13,860
Other assets	1,515	1,053	-	13,433	-	-	3,263	19,263	31	619
Fixed charge property	-	-	-	1,320	-	-	-	1,320	2	660
Subtotal	10,542	2,526	-	34,920	-	-	21,294	69,281	104.9	660
Creditors (correspondence and claims)										
Unsecured creditors	15,143	2,930	-	38,275	3,233	-	45,170	104,751	228	460
Secured creditors	648	-	-	-	-	-	1,632	2,279	7	345
Pensions	-	-	-	-	-	-	348	348	1	290
Employees	-	-	-	6,505	-	15,902	-	22,407	46	490
Subtotal	15,791	2,930	-	44,780	3,233	15,902	47,150	129,785	281.1	462
Tax										
Initial Review of Tax	-	-	-	-	-	-	2,060	2,060	7	282
Pre-appointment CT	1,730	-	-	611	-	585	-	2,926	5	597
Pre-Appointment VAT	-	-	2,150	-	-	-	168	2,318	3	724
Post-Appointment CT	13,070	2,190	6,884	3,960	273	-	184	26,560	35	755
Post-Appointment VAT	-	730	7,429	5,173	542	305	8,152	22,330	48	467
Tax advice on transactions	-	1,095	-	-	-	-	-	1,095	2	730
Other Post-Appointment Tax	1,548	2,555	6,300	7,253	-	305	612	18,573	30	619
Subtotal	16,347	6,570	22,763	16,996	815	1,195	11,175	75,860	129.9	584
Reporting										
Other statutory reports/meetings	7,695	14,091	-	54,190	-	-	34,154	110,130	200	550
Subtotal	7,695	14,091	-	54,190	-	-	34,154	110,130	215.3	512
Total by Grade	80,598	32,884	25,051	242,158	4,048	17,097	182,695	584,529	1,152	507
Total Time by Grade	83	41	32	339	7	343	305			
Average hourly cost by Grade	968	810	780	714	587	50	599			

Summary:

- The table provides details of our **time incurred from the date of our appointment.**
- **Total cost:** £584,529
- **Total time:** 1,152 hours
- **Average cost:** £507 per hour

Appendix E: Joint Liquidators' Remuneration and Expenses

Expenses are necessarily incurred by the Company and ourselves during the course of the Liquidation. Certain categories of these expenses must be approved in the same manner as remuneration prior to payment.

Definition of Expenses

- Expenses are any payments from the estate which are neither office-holders' remuneration nor a distribution to a creditor or a member. Expenses also include disbursements.
- Disbursements are payments which are first met by the office-holder and then reimbursed to the office-holder from the estate.
- Expenses are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2):
 - Category 1 expenses: These are payments to persons providing the service to which the expense relates who are not an associate of the office-holder. Category 1 expenses can be paid without prior approval.
 - Category 2 expenses: These are payments to associates or which have an element of shared costs. Before being paid, Category 2 expenses require approval in the same manner as an office-holder's remuneration. Category 2 expenses require approval whether paid directly from the estate or as a disbursement.
- The types of disbursements categorised as Category 1 expenses typically include external supplies of incidental services specifically identifiable to the case such as postage, statutory case advertising, bonding, invoiced travel and external services such as printing, room hire and document storage. Also included would be any properly reimbursed expenses incurred by personnel in connection with the case.
- The types of disbursements categorised as Category 2 expenses typically include mileage, in-house printing and electronic data storage.

Professional Advisors and Subcontractors

- The following professional advisors and subcontractors have been engaged:

Firm	Services	Fee Arrangement	Reason Selected
ERA Solutions	Employee Claims	Fixed fee based on the number of employees	Experienced provider of employee services to insolvency practitioners
EPE Reynell	Gazette Notices	Fixed cost per advert	Specialists in dealing with legal advertising
Aon UK Limited	Insurance Risk Services	Insurance premiums	Experienced provider of insurance services to insolvency practitioners
Norton Rose Fulbright LLP	Legal Advice	Time costs and expenses	Experience and prior knowledge of the Company
Court Trustees Services	Pension Related Services	Fixed cost per submission	Specialists in dealing with pension matters

- Our choice of professional advisors and subcontractors was based on our perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. We also considered that the basis on which they will charge their fees is appropriate in the circumstances of the case.
- Other than the legal advice and insurance services, the work could have been undertaken by our teams, but we have outsourced it as we consider it to be more cost effective and the providers have relevant specialist experience.

Appendix E: Joint Liquidators' Remuneration and Expenses

No Category 1 expenses have been incurred in the Period.

Polarcus UK Limited - Expenses Estimate (Excluding VAT)				
Name of Payee	Description	Costs to date (GBP)	Future Estimated Costs (GBP)	Estimated Final Costs (GBP)
ERA Solutions	Employee Claims	1,210	0	1,210
Courts Trustees	Pension Services	450	0	450
Norton Rose Fulbright LLP	Legal Advice	25,272	5,000	30,272
EPE Reynell	Gazette Notices	279	190	469
AON UK Limited	Insurance	112	0	112
AON UK Limited	Bonding	246	282	528
Courier Services	-	150	150	300
Total		27,719	5,622	33,341

Expenses Estimate

- The above table shows how our expenses estimate provided in our previous progress report compares to how much has been incurred to date. For the purpose of our current estimate, we have assumed that the Liquidation will not continue beyond its four year anniversary.
- No additional costs have been incurred in the Period and therefore the position on our expenses is unchanged from the previous progress report.
- We are satisfied that the amounts expected to be incurred are reasonable in the circumstances of the case.
- There is no requirement for us to seek approval to any of these expenses and the estimate provided does not represent a cap on the amount that can be paid. However, when reporting to creditors, we will provide an update on the amounts incurred and paid, together with an explanation for any material differences compared to estimates given.
- We still do not anticipate incurring any Category 2 expenses and therefore we are not asking creditors to approve the basis upon which these may be charged to the estate. If this changes, we will write to creditors at the appropriate time to seek the necessary approval.

Appendix F: Legal Notices

We have set out below some important notices regarding this report and the appointment of Liquidators.

About this report

- This report has been prepared by the Joint Liquidators solely to comply with their statutory duty to report to creditors under the Insolvency (England and Wales) Rules 2016 on the progress of the insolvency proceedings.
- 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 or Companies subject to these insolvency proceedings.
- Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency (England and Wales) Rules 2016 does so at its own risk. To the fullest extent permitted by law, the Joint Liquidators do not assume any responsibility and will not accept any liability in respect of this report to any such person.
- Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcome for creditors.

Provision of Services Regulations

- To comply with the Provision of Services Regulations, some general information about FTI Consulting LLP, including about our complaints policy and Professional Indemnity Insurance, can be found online at: <https://www.fticonsulting.com/uk/creditors-portal>.

Information on creditors' rights

- A creditors' guide to creditors' voluntary liquidations can be found on our website below. It includes information to help creditors understand their rights and describes how best these rights can be exercised.
<https://www.fticonsulting.com/uk/creditors-portal/forms-and-information>
- The website also has a creditors' guide to liquidators' fees which is intended to help creditors be aware of their rights under legislation to approve and monitor fees; and explains the basis on which fees are fixed and how creditors can seek information about expenses incurred by the liquidator and challenge those they consider to be excessive.
- The above documents on our website are called:
 - Creditors Guide to Creditors' Voluntary Liquidation (October 2022)
 - Guide to Liquidators Fees April 2021 England Wales
- Details of the above rights are also set out on the right.

Data Protection

- FTI Consulting LLP ("FTI") uses personal information in order to fulfil the legal obligations of its insolvency practitioners under the Insolvency Act and other relevant legislation, and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings. You can find more information on how FTI uses your personal information in our Data Privacy statement on our website at <https://www.fticonsulting.com/uk/creditors-portal>.

Creditors' Right to Challenge Remuneration and/or Expenses

- Any secured creditor, or unsecured creditor with the support of at least 10% in value of the unsecured creditors, or with the leave of the Court, may apply to the Court for one or more orders (in accordance with Rule 18.36 or 18.37 IR16), challenging the amount or the basis of the remuneration which the Joint Liquidators are entitled to charge or otherwise challenging some or all of the expenses incurred.
- Such application must be made within eight weeks of receipt by the applicant(s) of the report detailing the remuneration and/or expenses in question, in accordance with Rule 18.34 IR16.

Creditors Right to Request Information

- Any secured creditor or unsecured creditor with the support of at least 5% in value of the unsecured creditors, or with the leave of the Court, may, in writing, request the Joint Liquidators of the Company to provide additional information regarding remuneration or expenses to that already supplied within this document. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 18.9 IR16.

Appendix G: Notice of Decision by Correspondence

Polarcus UK Limited (“the Company”) – In Creditors’ Voluntary Liquidation Company Number: 07068161

Notice of Decision by Correspondence – Decision Date 26 July 2024

NOTICE IS GIVEN by Lisa Jane Rickelton and Matthew Boyd Callaghan of FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London EC1A 4HD to the creditors of the Company that set out below is a decision for your consideration under Paragraph 62 of Schedule B1 of the Insolvency Act 1986 and Rule 18.30 of the Insolvency (England and Wales) Rules 2016. Please complete and return the voting section on the following page indicating whether you are in favour or against the following decision:

1. THAT the Joint Administrators’ remuneration may draw remuneration in excess of the total amount previously approved by creditors, up to the revised fees estimate of £625,000 plus VAT.

The final date for votes is 26 July 2024, the decision date.

1. In order for their votes to be counted creditors must submit to me their completed voting form so that it is received at FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London, EC1A 4HD, United Kingdom by no later than 23.59 hours on 26 July 2024. It must be accompanied by proof of their debt, (if not already lodged). Failure to do so will lead to their vote being disregarded.
2. Creditors must lodge proof of their debt (if not already lodged) at the offices of FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London, EC1A 4HD, United Kingdom by no later than 23.59 on 26 July 2024, without which their vote will be invalid.
3. Creditors with claims of £1,000 or less must have lodged proof of their debt for their vote to be valid.
4. Any creditors who have previously opted out from receiving documents in respect of the insolvency proceedings are entitled to vote on the decision provided they have lodged proof of their debt.
5. Creditors may, within five business days of delivery of this notice to them, request a physical meeting of creditors be held to determine the outcome of the decision below. Any request for a physical meeting must be accompanied by valid proof of their debt (if not already lodged). A meeting will be convened if creditors requesting a meeting represent a minimum of 10% in value or 10% in number of creditors or simply 10 creditors, where “creditors” means “all creditors.”
6. Creditors have the right to appeal a decision of the convener made under Chapter 8 of Part 15 of The Insolvency (England and Wales) Rules 2016 about Creditors' Voting Rights and Majorities, by applying to court under Rule 15.35 of The Insolvency (England and Wales) Rules 2016 within 21 days of 26 July 2024, the Decision Date.

Creditors requiring further information regarding the above, should contact the Joint Administrators’ staff by email at PolarcusUK@fticonsulting.com , or by phone on 020 7269 7281.

DATED THIS 25 June 2024



Lisa Jane Rickelton
Joint Administrator

Appendix G: Notice of Decision by Correspondence

Polarcus UK Limited (“the Company”) – In Creditors’ Voluntary Liquidation Company Number: 07068161

Voting on Decision (Decision Date 26 July 2024 2024)

1. THAT the Joint Administrators’ remuneration may draw remuneration in excess of the total amount previously approved by creditors, up to the revised fees estimate of £625,000 plus VAT.

*** For / Against**

**delete as appropriate*

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:

Name of creditor: _____

Signature of creditor: _____

(Complete the following if signing on behalf of creditor, e.g. director/solicitor)

Capacity in which signing document: _____

This form must be received at PolarcusUK@fticonsulting.com or FTI Consulting LLP, 200 Aldersgate Street, Aldersgate, London EC1A 4HD, by 23:59 hours on 26 July 2024, in order to be counted.



Experts with Impact™