

In accordance with Rule 3.61(1) of the Insolvency (England & Wales) Rules 2016 & Paragraph 84(8) of Schedule B1 of the Insolvency Act 1986.

# AM23

## Notice of move from administration to dissolution



Companies House

FRIDAY



A20 \*A71UFD74\* #51  
16/03/2018  
COMPANIES HOUSE

### 1 Company details

Company number 0 5 6 7 4 9 4 8

Company name in full PUPL Realisation Limited

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

### 2 Court details

Court name High Court of Justice Chancery Division

Leeds District Registry

Court number 2 8 5 o f 2 0 1 6

### 3 Administrator's name

Full forename(s) David Robert

Surname Baxendale

### 4 Administrator's address

Building name/number 7

Street More London

Riverside

Post town London

County/Region

Postcode S E 1 2 R T

Country

AM23

Notice of move from administration to dissolution

**5 Administrator's name**

Full forename(s)	Matthew Boyd	<b>Other administrator</b> Use this section to tell us about another administrator.
Surname	Caliaghan	


**6 Administrator's address**

Building name/number	1	<b>Other administrator</b> Use this section to tell us about another administrator.
Street	Embankment Place	
Post town	London	
County/Region		
Postcode	W C 2 N 6 R H	
Country		

**7 Final progress report**

<input checked="" type="checkbox"/> I have attached a copy of the final progress report	
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**8 Sign and date**

Administrator's signature	Signature <b>X</b>  <b>X</b>																	
Signature date	<table border="1"><tr><td>d</td><td>0</td><td>d</td><td>8</td><td>m</td><td>0</td><td>m</td><td>3</td><td>y</td><td>2</td><td>y</td><td>0</td><td>y</td><td>1</td><td>y</td><td>8</td></tr></table>	d	0	d	8	m	0	m	3	y	2	y	0	y	1	y	8	
d	0	d	8	m	0	m	3	y	2	y	0	y	1	y	8			

# Continuation page

## Name and address of insolvency practitioner

✓ **What this form is for**  
 Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ●  
 Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**  
 You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**  
 Please complete in typescript or in bold black capitals.  
 All fields are mandatory unless specified or indicated by \*

### 1 Appointment type

Tick to show the nature of the appointment:

- Administrator
- Administrative receiver
- Receiver
- Manager
- Nominee
- Supervisor
- Liquidator
- Provisional liquidator

● You can use this continuation page with the following forms:  
 - VAM1, VAM2, VAM3, VAM4, VAM6, VAM7  
 - CVA1, CVA3, CVA4  
 - AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25  
 - REC1, REC2, REC3  
 - LIQ02, LIQ03, LIQ05, LIQ13, LIQ14,  
 - WU07, WU15  
 - COM1, COM2, COM3, COM4  
 - NDISC

### 2 Insolvency practitioner's name

Full forename(s) Toby Scott

Surname Underwood

### 3 Insolvency practitioner's address

Building name/number 8h Floor, Central Square

Street 29 Wellington Street

Post town Leeds

County/Region West Yorkshire

Postcode L S 1 4 D L

Country

AM23

Notice of move from administration to dissolution

 **Presenter information**

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

Contact name **Sandra Andrews**

Company name **PricewaterhouseCoopers LLP**

Address **8th Floor, Central Square**

**29 Wellington Street**

Post town **Leeds**

County/Region **West Yorkshire**

Postcode 

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Country

DX

Telephone **0113 289 4926**

 **Checklist**

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

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

 **Important information**

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

 **Where to send**

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

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

 **Further information**

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

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Joint administrators' final progress  
report from 25 August 2017 to  
8 March 2018

***PUPL Realisation Limited - in  
administration (formerly  
Polestar UK Print Limited until 24  
March 2016)***

8 March 2018

High Court of Justice, Chancery Division, Leeds  
District Registry

Case no. 285 of 2016

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## ***Abbreviations and definitions***

The following table shows the abbreviations and insolvency terms that may be used in this report:

<b>Abbreviation or definition</b>	<b>Meaning</b>
Company	PUPL Realisation Limited (formerly Polestar UK Print Limited until 24 March 2016)
Administrators	David Baxendale, Toby Underwood, Matthew Callaghan
the Group	The Polestar Group of companies
CDBL	CDBL Realisation Limited (formerly Compass Delta Bidco Limited)
PBL	PBL Realisation Limited (formerly Polestar Bicester Limited)
PIL	PIL Realisation Limited (formerly Polestar Investments Limited)
PPHL	PPHL Realisation Limited (formerly Polestar Print Holdings Limited)
River	River Publishing Limited
Proventus	Proventus Capital Partners
the Purchaser	Polestar UK Print Limited (formerly Prospect Bidco Limited)
the transaction	The sale of the entirety of the Company's assets to the Purchaser on 24 March 2016
firm	PricewaterhouseCoopers LLP
IA86	Insolvency Act 1986
HMRC	HM Revenue & Customs
prescribed part	The amount set aside for unsecured creditors from floating charge funds in accordance with Section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003
secured creditors	Creditors with security in respect of their debt, in accordance with section 248 IA86
preferential creditors	Claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
unsecured creditors	Creditors who are neither secured nor preferential

## Key messages

### *Why we've sent you this report*

We're writing to let you know that our work in the administration of the Company is now complete and to provide our final report.

You can still view our earlier reports on our website at [www.pwc.co.uk/polestargroup](http://www.pwc.co.uk/polestargroup). Please get in touch with Sandra Andrews on 0113 289 4926 or at [sandra.andrews@uk.pwc.com](mailto:sandra.andrews@uk.pwc.com) if you need any of the passwords to access the reports.

### *How much creditors have received*

The following table summarises the outcome for creditors.

<b>Class of creditor</b>	<b>Distributed (p in £)</b>	<b>Previous estimate (p in £)</b>
Secured creditors	50	50
Preferential creditors	N/A	N/A
Unsecured creditors	0.37	0.37

As at the date of our appointment, amounts due to the secured creditors across the Group (excluding finance lease creditors) totalled £131m, comprising Barclays Bank (£25m) and Proventus (£106m). The Company's indebtedness to these creditors was secured by way of debentures containing fixed and floating charges and cross guarantees.

Barclays Bank was paid in full. As the only remaining secured creditor, Proventus suffered a £67m shortfall on the debt remaining in the Company.

The Company had no preferential creditors as it did not have any employees.

A first and final dividend of 0.37p in the £ was paid to unsecured creditors by virtue of the prescribed part.

### *What you need to do*

This report is for information only and you don't need to do anything.

### *What happens next*

The administration is due to end on 23 March 2018 in line with our proposals approved by creditors and the extension subsequently granted by the secured creditor.

We filed a notice today to move the Company from administration to dissolution. The Company will be dissolved three months after the notice has been registered by the Registrar of Companies.

This exit route was considered the most appropriate in the circumstances as the purpose of the administration has been achieved and there are no assets left to realise.

As resolved by the secured creditors, we will be discharged from liability in respect of any of our actions as joint administrators 14 days after we cease to be joint administrators of the Company.



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## *Overview of our work*

### *Why we were appointed*

We set out below a short reminder of the reasons for our appointment:

#### *Background*

The Group provided a range of physical printing and associated services to newspaper, magazines, catalogues and direct mail businesses. It had a turnover of circa £200m and employed approximately 1,500 people at twelve production sites and offices across England.

The Company was one of the Group's three trading entities, along with PBL and River. The Group also consisted of various holding companies.

#### *The circumstances giving rise to our appointment*

Over the last few years, the Group's major customers experienced falling circulation which impacted the Group through reduced revenue and overcapacity.

During 2014 and 2015 the Group invested significantly in new printing presses at the Sheffield production facility as part of a £50m restructuring and capital expenditure programme. The delivery and installation of these presses was delayed and upon installation, operational issues had a significant detrimental impact on the trading performance of the business. The financial implications of this were estimated by the Group to be in excess of £15m and created significant cash pressure across the Group.

As a result, the directors determined that a restructure of the Group was required. Initially, the directors sought to restructure the business solvently but the estimated costs to deliver this were substantial and could not be supported. Therefore, the directors had no option but to seek the appointment of administrators and David Baxendale, Toby Underwood and Matthew Callaghan of PwC were appointed administrators of the Company, together with CDBL, PBL, PIL and PPHL on 24 March 2016.

### *Asset realisation*

#### *Sale of business*

We notified creditors on 30 March 2016 that, immediately following our appointment, the assets of the Company were sold to Prospect Holdco Limited (subsequently Polestar Print Holdings Limited) for £44.0m, allocated against the Company's various assets as shown on the receipts and payments account at Appendix B. Details of the transaction are available on our website ([www.pwc.co.uk/polestar](http://www.pwc.co.uk/polestar)).

The sale of the Company's assets was part of a wider transaction which included CDBL, PBL, PIL and PPHL which entered administration at the same time. In addition to the above, the Purchaser acquired the following:

- All of the business and assets of PBL;
- The 100% shareholding of The River Group Limited held by CDBL;
- Various intellectual property held by PIL; and
- Certain intercompany assets owned by PPHL.

The total consideration for the assets of the Group, including the Company, was £65.93m.

All employees of the Group transferred to the Purchaser at the time of the transaction, including over 1,000 people that were employed by the Company.

There was no deferred consideration, however the Purchaser was required to make a further payment over and above the consideration agreed for the business and assets, should a subsequent sale of the Group (or any part of it) occur within nine months of the date of the administration. No such sale took place and the Purchaser itself entered administration on 25 April 2016.

We continued to liaise with the Purchaser in relation to post-sale matters, as well as complying with our statutory and regulatory obligations.

### *Litigation*

We assessed the merits of any litigation claims that the Company may have had, as any such claims were excluded from the sale, but no realisations were made from this source.

### *Properties*

At the time of our last report, we were continuing to deal with the leasehold property at Unit 2, Wyncolls Road, Colchester. We were advised that the lease did not have any value. The landlord did not accept a formal surrender of the lease and, in our position as administrators, we do not have the power to disclaim it. We will therefore proceed to close the administration and the Company will be dissolved three months after the notice has been registered by the Registrar of Companies. We have paid insurance premiums for this three month period to ensure that the property is adequately covered.

During the period of the administration we have dealt with ten other properties leased by the Company. We were advised that none of these leases held any premium value and these were either formally surrendered to the landlord or assigned to the purchasers of Group or the Company.

We've now finished realising the Company's assets.

### *Connected party transactions*

In accordance with SIP13, we are required to disclose any known connected party transactions that occurred in the period of two years preceding our appointment, in the period following our appointment or any proposed transactions. Connected party transactions principally relate to the acquisition of company assets by its directors and we have a duty to investigate whether any disposal of assets was conducted at less than market value.

Details of the connected party transactions were included in our SIP16 report which is available on our website ([www.pwc.co.uk/polestar](http://www.pwc.co.uk/polestar)).

As the Purchaser was a connected party, it duly approached the Pre-Pack Pool prior to completion of the transaction. The Pre-Pack Pool is a body of experienced business people set up in response to a series of recommendations contained in an independent review of pre-packaged administrations (The Graham Review) to provide an independent opinion on pre-packaged administration sales to connected parties.

The Purchaser also prepared a viability statement to show how it would survive for at least 12 months from the date of the sale and explained what it would do differently from the Company to ensure that the business would not fail. Copies of the Pre-Pack Pool opinion dated 21 March 2016 and the viability statement can also be found on our website.

### *Other issues*

Since we last wrote to you, we've submitted the final VAT returns and have paid the final costs of the administration.

### *Approval of our proposals*

We issued to creditors our proposals dated 26 April 2016 for achieving the purpose of administration.

We said in our proposals that we thought the Company did not have enough assets to pay a dividend to unsecured creditors other than from the prescribed part.

This meant that we did not have to hold a creditors' meeting to approve our proposals and our proposals would be treated as approved if creditors did not request a meeting in the required manner. As creditors did not request a meeting, our proposals were treated as approved on 9 May 2016.

We attach a summary of our proposals at Appendix A.

### *Investigations and actions*

Nothing came to our attention during the administration to suggest that we needed to do any more work in line with our duties under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice No.2.

### *Tax clearance*

We fulfilled our duties as proper officers for tax purposes during the administration and filed corporation tax returns for all relevant accounting periods. HMRC raised no queries on our returns and has confirmed that it has no objection to the administration ending.

### *Our final receipts and payments account*

We set out in Appendix B an account of our final receipts and payments in the administration from 24 March 2016 to 8 March 2018.

A dividend of 0.37p in the £ was paid to unsecured creditors by virtue of the prescribed part on 15 March 2017.

### *Our expenses*

We set out in Appendix C a statement of the final expenses that we incurred to the date covered by this report.

### *Our fees*

We set out in Appendix D an update on our remuneration which covers our fees, disbursements and other related matters.

### *Pre-administration costs*

We are not seeking approval to recover the unpaid pre-administration costs in the administration.

## ***Creditors' rights***

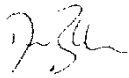
Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge fees and expenses within eight weeks of receiving this report as set out in Rule 18.34 IR16. This information can also be found in the guide to fees at:

<https://www.r3.org.uk/media/documents/publications/professional/Administration%20Creditor%20Fee%20Guide%20April%202017.pdf>

You can also get a copy free of charge by telephoning Sandra Andrews on 0113 289 4926.

If you've got any questions, please get in touch with Sandra.

Yours faithfully  
For and on behalf of the Company



David Baxendale  
Joint administrator

*David Baxendale, Toby Underwood and Matthew Callaghan have been appointed as joint administrators of the Company to manage its affairs, business and property as its agents. They are licensed in the United Kingdom to act as insolvency practitioners by The Institute of Chartered Accountants England and Wales. The joint administrators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>.*

*The joint administrators are Data Controllers of personal data as defined by the Data Protection Act 1998. PricewaterhouseCoopers LLP will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the administration.*

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# ***Appendix A: Summary of our proposals***

Our proposals for achieving the purpose of the administration are as follows:

- i. We will continue to manage and finance the Company's business, affairs and property from asset realisations as we consider expedient with a view to achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration).
- ii. We may investigate and, if appropriate, pursue any claims that the Company may have under the Company Act 1985 or 1A86 or otherwise. In addition, we shall do all such other things and generally exercise all our powers as administrators as we in our discretion consider desirable in order to achieve the purpose of the administration or to protect and preserve the assets of the Company or to maximise realisations or for any other purpose incidental to these proposals.
- iii. If we believe that funds will become available for unsecured creditors over and above the Prescribed Part, we may at our discretion establish in principle the claims of unsecured creditors for adjudication by a subsequent liquidator (or ourselves as administrators) and that the costs of so doing be met as a cost of the administration as part of the administrators' remuneration (where the administrators believe there will be sufficient funds for a distribution to unsecured creditors other than by virtue of the Prescribed Part) or out of the Prescribed Part as costs associated with the Prescribed Part (where the administrators believe that funds will become available to the unsecured creditors by virtue of the Prescribed Part but not otherwise).
- iv. If we believe that funds will become available for unsecured creditors over and above the Prescribed Part, we may make an application to court for permission to make distributions to unsecured creditors under Paragraph 65(3) Sch.Bi 1A86. If we choose not to ask the court for such an order and there are funds available for unsecured creditors (other than a Prescribed Part), a subsequent liquidator will pay the dividend.
- v. We may use any or a combination of "exit route" strategies in order to bring the administration to an end, but in this particular instance we may pursue the following options as being the most cost effective and practical in the present circumstances: -
  - a) If there are sufficient funds to make a distribution to unsecured creditors by virtue of the Prescribed Part or if it transpires that there are insufficient funds to make a distribution to unsecured creditors by virtue of the Prescribed Part, once all of the assets have been realised, the Prescribed Part distribution made (if applicable) and we have concluded all work within the administration, we will file a notice under Paragraph 84(1) Sch.Bi 1A86 with the Registrar of Companies, following registration of which the Company will be dissolved three months later.
  - b) We may apply to court at any time under Paragraph 79 Sch.Bi 1A86 for our appointment as administrators to cease to have effect, with a simultaneous application to court to place the Company into compulsory liquidation. We may also make an application under Section 140 1A86 to appoint David Baxendale, Toby Underwood and Matthew Callaghan as joint liquidators and if so appointed by the court, any act required or authorised to be done by the joint liquidators may be done by all or any one or more of them.
- vi. We will be discharged from liability pursuant to Paragraph 98(1) Sch.Br 1A86 in respect of any action of ours as administrators at a time resolved by the secured creditors, or if a distribution has been or may be made to preferential creditors, at a time resolved by the secured and preferential creditors or in any case at a time determined by the court.

- vii. As detailed in the attached remuneration report: initial information for creditors, we expect to propose that our fees be fixed at a set amount. We also propose that disbursements for services provided by our firm (defined as Category 2 disbursements in SIP9) are charged as per our firm's policy.

It will be up to the creditors' committee to fix the basis of our fees and Category 2 disbursements. But if there's no committee, we will ask the secured creditors (and if appropriate, any preferential creditors) to do so instead. If creditors or the committee do not fix the basis of our fees and Category 2 disbursements, we may apply to the court to fix them no later than 18 months after the date of our appointment

## Appendix B: Receipts and payments

Directors' statement of affairs (£)		24 March 2016 to 24 August 2017 (£)	25 August 2017 to 8 March 2018 (£)	Total (£)
	<b>Fixed charge</b>			
	<b>Receipts</b>			
15,000,000	Applied Technology goodwill	15,000,000.00	-	15,000,000.00
	Goodwill	1.00	-	1.00
14,000,000	Plant & machinery	14,000,000.00	-	14,000,000.00
<b>29,000,000</b>	<b>Total receipts</b>	<b>29,000,001.00</b>	<b>-</b>	<b>29,000,001.00</b>
	Fixed charge distribution to chargeholder	(29,000,001.00)	-	(29,000,001.00)
	<b>Surplus fixed charge realisations</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Floating charge</b>			
	<b>Receipts</b>			
7,900,000	Debtors	5,999,990.00	-	5,999,990.00
100,000	Intercompany debtors	2,000,000.00	-	2,000,000.00
	Other debtors	500,000.00	-	500,000.00
3,500,000	Plant and machinery	3,500,000.00	-	3,500,000.00
	Inventory	3,000,000.00	-	3,000,000.00
	Bank interest received gross	2,550.63	122.93	2,673.56
	Cash in hand	1.00	-	1.00
	Leasehold property	1.00	-	1.00
	Books and records	1.00	-	1.00
	Customer contracts	1.00	-	1.00
	Customer list	1.00	-	1.00
	Vehicles	1.00	-	1.00
	Work in progress	1.00	-	1.00
	Environment permits	1.00	-	1.00
	Information technology	1.00	-	1.00
<b>11,500,000</b>	<b>Total receipts</b>	<b>15,002,549.63</b>	<b>122.93</b>	<b>15,002,672.56</b>
	<b>Payments</b>			
	Bank charges	(256.59)	(25.75)	(282.34)
	Statutory advertising	(140.44)	-	(140.44)
	Sundry expenses	(687.38)	(437.17)	(1,124.55)
	Legal fees & expenses	(61,990.37)	-	(61,990.37)
	Office holder's disbursements	-	(5,850.87)	(5,850.87)
	Office holders' fee (fixed fee)	(180,000.00)	(118,957.49)	(298,957.49)
	Office holder's fee (time costs)	-	(50,000.00)	(50,000.00)
	Distribution to unsecured creditors of 0.37p/£ on 15 March 2017 by virtue of the prescribed part	(550,000.00)	-	(550,000.00)
<b>40,500,000</b>	<b>Net floating charge realisations</b>	<b>14,209,474.85</b>	<b>(175,148.35)</b>	<b>14,034,326.50</b>
	Floating charge distribution to chargeholder	(14,039,999.00)	-	(14,039,999.00)
	VAT payable/(receivable)	(113,596.17)	119,268.67	5,672.50
	<b>Balance held in interest bearing current account</b>	<b>55,879.68</b>	<b>(231,125.21)</b>	<b>Nil</b>
	<b>Third party funds held at 24 January 2018</b>	<b>70,027.83</b>	<b>(70,027.83)</b>	<b>Nil</b>
<b>40,500,000</b>	<b>Total</b>			<b>Nil</b>

## Appendix C: Expenses

The following table provides details of our expenses. Expenses are amounts properly payable by us as administrators from the estate and exclude our fees and distributions to creditors.

The table should be read in conjunction with the receipts and payments account at Appendix B, which shows expenses actually paid during the period and the total paid to date.

	Brought forward from preceding period £	Incurred in the period £	Total £	Initial estimate £	Variance £
Bank charges	256.59	25.75	282.34	-	282.34
Legal fees and expenses	61,990.37	-	61,990.37	60,000.00	1,990.37
Office holders' expenses – Category 1	4,082.16	676.72	4,758.88	200.00	4,558.88
Office holders' expenses – Printing	386.55	-	386.55	800.00	(413.45)
Office holders' expenses – Mileage	705.44	-	705.44	200.00	505.44
Office holders' fees (time cost basis)	138,861.15	1,884.75	140,745.90	50,000.00	90,745.90
Statutory advertising	140.44	-	140.44	70.00	70.44
Sundry expenses	687.38	437.17	1,124.55	-	1,124.55
<b>Total</b>	<b>207,110.08</b>	<b>3,024.39</b>	<b>210,134.47</b>	<b>111,270.00</b>	<b>98,864.47</b>

Office holders' expenses have exceeded the estimate as postage costs were higher than anticipated and the costs arising from our attendance on site had not been included.

Office holders' fees have exceeded the initial estimate as the claims agreement process was more time consuming than originally envisaged.

The sundry expenses relate to costs incurred in the surrender of a permit and interest charges. These expenses were not anticipated at the commencement of the administration.

The fixed fee of £360,000, of which we have drawn £298,957.49, is not allocated to a specific period.



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## ***Appendix D: Remuneration update***

Our fees were approved on a time cost basis by the secured creditor for dealing with the agreement of creditor claims and distribution of the prescribed part dividend. In respect of these time costs, we spent 598.22 hours dealing with creditor claims, paying a distribution to unsecured creditors and dealing with creditor queries at a cost of £140,745.90. We drew £50,000 in respect of these costs in line with the approval given, as shown on the enclosed receipts and payments account.

Our time costs exceeded our initial estimate of £50,000, the amount approved by the secured creditor as fee approving body. We did not seek approval to exceed the fees estimate and will therefore suffer a shortfall.

The basis of our remuneration for all other work was approved as a fixed fee of £360,000. We drew £298,957.49 in respect of these costs in line with the approval given, as shown on the enclosed receipts and payments account.

We set out later in this Appendix details of our work, disbursements, subcontracted work and payments to associates.

## Our hours and average rates

Analysis of time costs for the period from 24 March 2016 to 2 March 2018

Aspect of assignment	Manager	Associate	Secretarial	Total hours	Time cost £	Average hourly rate £	Cumulative £
Creditors	3.00	4.29	0.75	8.04	1,884.75	234.42	140,745.90
<b>Total for the period</b>	<b>3.00</b>	<b>4.29</b>	<b>0.75</b>	<b>8.04</b>	<b>1,884.75</b>	<b>234.42</b>	<b>140,745.90</b>
Brought forward at 24 Aug 2017				590.18	138,861.15		
<b>Total</b>				<b>598.22</b>	<b>140,745.90</b>		

## *Our time charging policy and hourly rates*

We and our team charged our time for the work we needed to do in the administration. We delegated tasks to suitable grades of staff, taking into account their experience and any specialist knowledge needed and we supervised them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility was handled by our senior staff or us.

All of our staff who worked on the administration (including our cashiers, support and secretarial staff) charged time directly to the case and were included in any analysis of time charged. Each grade of staff has an hourly charge out rate which was reviewed from time to time. Work carried out by our cashiers, support and secretarial staff was charged for separately and isn't included in the hourly rates charged by partners or other staff members. Time has been charged in six minute units. The minimum time chargeable is three minutes (i.e. 0.05 units). We didn't charge general or overhead costs.

We set out below the maximum charge-out rates per hour for the grades of our staff who worked on the administration.

<b>Grade</b>	<b>Up to 30 June 2017 £</b>	<b>From 1 July 2017 £</b>
Partner	600	620
Director	500	525
Senior manager	435	450
Manager	345	355
Senior associate – qualified	260	268
Senior associate – unqualified	190	196
Associate	170	175
Support staff	89	92

We call on colleagues in our Tax, VAT, Real Estate and Pensions departments where we need their expert advice. Their specialist charge-out rates vary but the following are the maximum rates by grade per hour.

<b>Grade</b>	<b>Up to 30 June 2017 £</b>	<b>From 1 July 2017 £</b>
Partner	1,250	1,315
Director	1,150	1,210
Senior manager	970	1,230
Manager	700	735
Senior Associate / consultant	515	545
Associate / assistant consultant	255	270
Support staff	150	160

In common with many professional firms, our scale rates may rise to cover annual inflationary cost increases.

We set out later in this Appendix details of our work and disbursements and payments to associates.

## Our work in the period

Whilst this is not an exhaustive list, in the following table we provide more detail on the key areas of work.

Area of work	Work undertaken	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
<b>Strategy &amp; planning</b>	<ul style="list-style-type: none"> <li>Team meetings and other discussions regarding progress of the administration</li> </ul>	<ul style="list-style-type: none"> <li>For the proper management of the case</li> </ul>	<ul style="list-style-type: none"> <li>Controls efficiencies, time costs and ensures continued case progression</li> </ul>
<b>Creditors</b>	<ul style="list-style-type: none"> <li>Dealing with creditor enquiries</li> <li>Dealing with replacement cheques</li> <li>Dealing with unclaimed dividends</li> <li>Detailed review of time costs for dealing with creditors and the prescribed part</li> </ul>	<ul style="list-style-type: none"> <li>For the proper management of the case</li> </ul>	<ul style="list-style-type: none"> <li>Required by statute and other legislation</li> </ul>
<b>Accounting &amp; treasury</b>	<ul style="list-style-type: none"> <li>Dealing with payments</li> <li>Carrying out bank reconciliations</li> </ul>	<ul style="list-style-type: none"> <li>Proper and efficient stewardship and accounting for administration funds</li> </ul>	<ul style="list-style-type: none"> <li>Required by statute and other legislation</li> </ul>
<b>Statutory &amp; compliance</b>	<ul style="list-style-type: none"> <li>Conducting six monthly case reviews</li> <li>Preparing and issuing the progress report for the period ended 24 August 2017</li> <li>Filing of documents</li> <li>Updating checklists and diary management system</li> </ul>	<ul style="list-style-type: none"> <li>To comply with statutory and other obligations placed on the administrators</li> </ul>	<ul style="list-style-type: none"> <li>Required by statute and other legislation</li> </ul>
<b>Tax &amp; VAT</b>	<ul style="list-style-type: none"> <li>VAT reconciliation</li> </ul>	<ul style="list-style-type: none"> <li>For the proper management of the case</li> </ul>	<ul style="list-style-type: none"> <li>Required by statute and other legislation</li> </ul>
<b>Closure procedures</b>	<ul style="list-style-type: none"> <li>Obtaining clearances from third parties</li> <li>Completing checklists and diary management system</li> <li>Preparing final progress report</li> </ul>	<ul style="list-style-type: none"> <li>To comply with statutory and other obligations placed on the administrators</li> </ul>	<ul style="list-style-type: none"> <li>Required by statute and other legislation</li> </ul>

## Payments to associates

No payments have been made to associates in the period covered by this report.

## Disbursements

We didn't need to get approval to draw expenses or disbursements unless they were for shared or allocated services provided by our own firm, including room hire, document storage, photocopying, communication facilities. These types of expenses are called "Category 2" disbursements and they must be directly incurred on the case, subject to a reasonable method of calculation and allocation and approved by the same party who approves our fees.

Our expenses policy allowed for all properly incurred expenses to be recharged to the administration and has been approved by the Secured Creditor where required.

The following disbursements arose in the period of this report.

<b>Category</b>	<b>Policy</b>	<b>Costs incurred £</b>
2	<b>Photocopying</b> - at 5 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	Nil
2	<b>Mileage</b> - At a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	Nil
1	<b>Postage</b>	676.72
<b>Total</b>		<b>676.72</b>

The receipts and payments account at Appendix B shows what we have drawn in total in relation to our disbursements.

### *Our relationships*

We had no business or personal relationships with the parties who approved our fees or who provided services to the administration where the relationship could give rise to a conflict of interest.

### *Details of subcontracted work*

No work was done by subcontractors.

### *Legal and other professional firms*

We instructed the following professionals on this case:

<b>Service provided</b>	<b>Name of firm / organisation</b>	<b>Reason selected</b>	<b>Basis of fees</b>
Legal services, including: <ul style="list-style-type: none"> <li>• Property leases and licenses;</li> <li>• Litigation claims; and</li> <li>• Finance and operating leases.</li> </ul>	<ul style="list-style-type: none"> <li>• DLA Piper UK LLP</li> </ul>	<ul style="list-style-type: none"> <li>• Industry knowledge, insolvency expertise and knowledge of the Company</li> </ul>	<ul style="list-style-type: none"> <li>• Time costs and disbursements</li> </ul>
Legal services, including: <ul style="list-style-type: none"> <li>• Work summarising the litigation position.</li> </ul>	<ul style="list-style-type: none"> <li>• Freeths LLP</li> </ul>	<ul style="list-style-type: none"> <li>• Prior knowledge of the Company</li> </ul>	<ul style="list-style-type: none"> <li>• Fixed fee</li> </ul>

We require third party professional to submit time cost analyses and narrative in support of invoices rendered.

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## **Appendix F: Other information**

Court details for the administration:	High Court of Justice, Chancery Division, Leeds District Registry 285 of 2016
Company's registered name:	PUPL Realisation Limited (formerly Polestar UK Print Limited until 24 March 2016)
Trading name:	Polestar
Registered number:	05674948
Registered address:	8 <sup>th</sup> Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL
Date of the joint administrators' appointment:	24 March 2016
Joint administrators' names, addresses and contact details:	David Robert Baxendale of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT. Tel: 0113 289 4926  Matthew Boyd Callaghan of PricewaterhouseCoopers LLP, 1 Embankment Place, London, WC2N 6RH. Tel: 0113 289 4926  Toby Scott Underwood of PricewaterhouseCoopers LLP, Central Square, 29 Wellington Street, Leeds LS1 4DL. Tel 0113 289 4926
Extension to the initial period of appointment:	Secured creditor granted extension for 12 months to 23 March 2018

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