

Petroleum Pipe Group Limited  
Pipeline Supplies Bahrain W.L.L. Limited  
both in Liquidation (together “the Companies”)

Six Monthly Progress Report

27 February 2023

Ernst & Young LLP



## Abbreviations

The following abbreviations are used in this report:

BoS	Bank of Scotland plc
Court	The Royal Court of Jersey
Creditors' Report	Creditors' Meeting Report dated 4 October 2018
date of appointment	28 August 2018
EY	Ernst & Young LLP
Joint Liquidators	CP Dempster, GD Yuill and SA Gardner
PPC Cayman	PPC Limited – in Official Liquidation
PPC UK	Petroleum Pipe Co Limited – in Administration
PPG	Petroleum Pipe Group Limited – in Liquidation
PSB	Pipeline Supplies Bahrain W.L.L. Limited – in Liquidation
the Banking Group	together, the PPG Group, the Petrostem Group and the Maxtube Group
the Companies	together, PPG and PSB
the Innospection Group	Innospection Group Limited and its subsidiary undertakings
the Law	Companies (Jersey) Law 1991
the Major Creditors	Salzgitter Mannesmann International (USA) Inc. Salzgitter Mannesmann International GmbH Longulf Trading (UK) Limited Traxys North America LLC
the Maxtube Group	Maxtube Holdings Limited and its subsidiary undertakings
the MRS Group	Machine Rebuilding & Sales Limited and its subsidiary undertakings
the Petrostem Group	Petrostem Group Limited (In Liquidation) and its subsidiary undertakings
the Pioneer Group	Pioneer Group Ventures Limited and its subsidiary undertakings
the PPG Group	The Petroleum Pipe Group of companies, a structure chart for which is provided at Appendix B

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# 1. Introduction

## 1.1 Introduction

On 28 August 2018, the Royal Court of Jersey ('the Court') ordered that, pursuant to Article 155 of the Companies (Jersey) Law 1991 ('the Law'), Petroleum Pipe Group Limited ('PPG') and Pipeline Supplies Bahrain W.L.L. Limited ('PSB') (together, 'the Companies') be placed into Just and Equitable Winding Up and that CP Dempster, SA Gardner and GD Yuill be appointed Joint Liquidators for the purposes of such winding up.

I write, in accordance with paragraph 11 of the Act of the Court under which we were appointed Joint Liquidators, to provide creditors with a report on the progress of the Liquidations. This report covers the period from 28 August 2022 to 27 February 2023 and should be read in conjunction with the Creditors' Meeting Report dated 4 October 2018 and our previous progress reports covering each six month period from 28 August 2018 to 27 August 2022.

Certain statutory information relating to the Companies and the appointment of the Joint Liquidators is provided at Appendix A.

SA Gardner, CP Dempster and GD Yuill are UK licenced insolvency practitioners and, consequently, are bound by the Insolvency Code of Ethics when carrying out all professional work relating to the liquidations.

## 1.2 Creditors' Meeting and Liquidation Committee

As previously reported, a meeting of creditors was held on 4 October 2018 and no liquidation committee was elected for either PPG or PSB. However, a Creditors' Steering Committee was elected in respect of the liquidations of the Companies and also of three related companies in the Petrostem Group.

We continue to liaise with the Creditors' Steering Committee on a regular basis, as required, in relation to the liquidations of the Companies. We expect to convene a further meeting of the Committee in April 2023.

## 2. Conduct of the liquidations since 28 August 2022

### 2.1 Purpose of the liquidation

As detailed in the Creditors' Report, the Joint Liquidators' strategy in respect of the insolvency of the PPG Group, including PPG and PSB, is to:

- ▶ Cease to trade the business of each of the entities to which the Joint Liquidators have been appointed (with the exception of the completion of certain orders, as discussed below);
- ▶ Collect in the debtor balances due to the PPG Group; and
- ▶ Market for sale their stock of production tubing and casing (and, in the case of PPC Cayman, a fellow subsidiary of the PPG Group, drilling pipe and related tools).

### 2.2 Asset realisations – PPG

There were no asset realisations in the period covered by this report. However, we provide an update regarding progress of outstanding asset realisations below.

Intragroup and intergroup balances

#### *Petrostem Group*

As previously reported, PPG's claim of \$42.9m against Petrostem Group Limited ("PGL") has been accepted by the Liquidators of PGL. The recovery from this balance depends on the outcome of the insolvency process in PGL. To date, an interim dividend of \$357k has been received from the liquidation of PGL and, based on current estimates, a further dividend of c. \$0.1m is anticipated.

#### *MRS Group*

As previously reported, we had engaged in discussions with the sole shareholder of the MRS Group in relation to the recovery of the intergroup balance of \$8.4m due to PPG. Based on those discussions, and a review of the trading and balance sheet position of MRS, a material recovery from MRS appears unlikely. No further action in respect of the recovery of this balance will be taken.

In September 2018, the KTT Trust (the investment vehicle which held a 50.01% shareholding in MRS Group) sold its shareholding in the holding company which owned the MRS Group ("MRS Holdco") for a consideration of \$0.1m payable in 10 equal instalments. In December 2018, the Joint Liquidators agreed with the KTT Trust that this consideration would be paid to PPG, as PPG had provided the funds to acquire the KTT Trust's 50.01% interest in MRS Holdco.

To date, we have received \$40k in respect of the sale of the KTT Trust's investment in MRS but have yet to receive any information regarding when further sums can be expected.

#### *Pioneer Group*

Pioneer Group is due \$4.1m to PPG. As previously reported, we had agreed heads of terms with an independent third party interested in acquiring the Pioneer Group on a debt free basis. However, the interested party was unwilling to complete the purchase until a \$5m tax demand received from the Kurdistan Ministry of Finance and Economy was resolved to its satisfaction.

During the period covered by this report, the interested party has advised that it now has obtained sufficient comfort regarding the tax position of the Pioneer Group such that it is willing to progress discussions in respect of its acquisition of the Pioneer Group on substantially the same conditions as previously agreed. The most significant change to the terms of the sale is that a portion of the consideration is proposed to be deferred for a period of six months. Discussions with the interested party are ongoing. We will, therefore, provide a further update to creditors in our next report.

#### *Innospection Group*

Innospection Group is due \$6.4m to PPG. As noted in our prior report, administrators (from FRP Advisory) were appointed to Innospection Limited in August 2022. The appointment only extends to the UK entity of the Innospection group and not to its parent entity from whom the debt due to PGL is owed.

The administrators completed a sale of the group's business and assets in October 2022. However, no recovery is anticipated for PGL from this insolvency. Further, based on discussions with the directors of and legal advisors to the parent entity of Innospection Limited, there is no prospect of PPG recovering any sums from the debt due to it by Innospection Group. No further action in respect of the recovery of this balance will, therefore, be taken.

### 2.3 Asset realisations – PSB

There were no asset realisations in the period covered by this report.

As detailed in our previous reports, all asset realisations in respect of PSB are complete, with the exception of further recoveries from the intragroup debtor balance due to PSB by PPG.

### 2.4 Asset realisations for the PPG Group

The other insolvent entities within the PPG Group (PPC UK and PPC Cayman) are not registered in Jersey and are therefore subject to insolvency proceedings in other jurisdictions. Accordingly, these entities are not within the remit of this report. Notwithstanding this, the Joint Administrators recognise the inter-linked nature of the PPG Group and therefore detailed discussion of the insolvency proceedings and potential asset realisations for these entities is provided within the separate reports to the creditors of these companies which are available from the following website:

<https://www.ey.com/uk/en/services/transactions/restructuring/ey-ppg-petrostem-insolvencies>

### 2.5 Investigations

As detailed in our previous report, the Joint Liquidators have performed a thorough review of the conduct of the directors in the lead up to the insolvency of the Companies and have had lengthy correspondence with the directors in this regard. The Joint Liquidators have secured funding from a third party to enable certain transactions that took place across both the PPG Group and Petrostem Group in the periods prior to our appointment to be pursued. As we do not wish to prejudice these potential actions, we will provide further details to creditors only when the outcome of this area of our work is determined.

### 3. Outcome for creditors

We provide below, for information, an indication of the current position with regard to creditors' claims.

#### 3.1 Secured creditors

The principal lender to the Companies is Bank of Scotland plc (BoS). BoS had submitted a formal claim against the Companies of \$28.0m. This debt comprised amounts directly owed by the PPG Group to BoS and amounts due to BoS by the PPG Group under cross-guarantees granted in favour of BoS in relation to its lending to certain companies within the Petrostem and Maxtube Groups.

BoS holds security over the assets of PPG under the terms of a Jersey Law security interest agreement granted by PPG in its favour. This security covers all of the asset realisations in PPG. Accordingly, the net realisations from the liquidation of PPG will fall to be paid to BoS in full.

However, whilst PSB granted in favour of BoS an English law debenture, BoS has not submitted a claim to hold security over the assets of PSB. Accordingly, BoS's claim in the liquidation of PSB will, therefore, be an unsecured non-priority claim.

As previously reported, we have adjudicated BoS's secured claim in the liquidation of PPG at \$27.3m and its unsecured non-priority claim in the sum of \$26.1m in the liquidation of PSB.

#### 3.2 Priority creditors

Neither PPG nor PSB employed any employees. Accordingly, the balance due to priority creditors is \$Nil in respect of claims for employees' salaries and holiday pay.

We are also currently not aware of any other priority creditors under the Law.

#### 3.3 Unsecured non-priority creditors

As BoS has a secured claim in the liquidation of PPG, we have put on hold the adjudication process in respect of the unsecured non-priority creditors in that company.

However, as previously reported, we declared a dividend in PSB of \$780k (2.6%) which was paid in February 2020. This represented the majority of the net funds available in PSB. Therefore, any future dividend is expected to be minimal.

#### 3.4 Creditor claims

If you have not yet submitted a formal claim in the liquidations please complete and return a proof of debt form along with any supporting documentation (invoices, statements, contracts, etc.) to Alastair Casey at this office or by email to [ppcgroup@uk.ey.com](mailto:ppcgroup@uk.ey.com). The proof of debt form can be downloaded from the following web site:

<https://www.ey.com/uk/en/services/transactions/restructuring/ey-ppg-petrostem-insolvencies>

Certain debts due from the Companies may have priority in accordance with Article 166 of the Law. If you consider that you have a claim in this category, please advise me immediately. If you hold any security for your claim or you consider that you have title to any assets in either Companies' possession, please forward details to me as soon as possible.

Any sums due to either company arising after our appointment must be paid in full and without set-off against any debts incurred by the relevant company prior to our appointment.



## 4. Liquidators' receipts and payments

A summary of the Liquidators' receipts and payments for the period from 28 August 2022 to 27 February 2023 is attached at Appendix C for PPG and Appendix D for PSB.

## 5. Costs of the liquidations, the Joint Liquidators' remuneration, disbursements and payments to other professionals

### 5.1 Cost of the liquidation

In accordance with Article 165 of the Law, all costs, charges and expenses properly incurred in a winding up, including the remuneration of the liquidator, are payable out of the Companies' assets in priority to all other claims.

### 5.2 Remuneration and disbursements

By order of the Act of Court, the Joint Liquidators are permitted to charge their remuneration and any reasonable costs, charges and expenses of the Liquidation in accordance with Article 165 of the Law.

The above, in accordance with Article 163 of the Law, is subject to agreement between the Joint Liquidators and the Liquidation Committee or, if there is no Liquidation Committee, between the Joint Liquidators and the creditors or, failing such an agreement, as is fixed by the Court.

As no liquidation committee was formed, the Joint Liquidators wrote to the general body of creditors on 11 October 2018 seeking approval for:

- ▶ Their remuneration to be fixed on the basis of time properly given at the hourly rates set out below;
- ▶ Approval to draw their disbursements;
- ▶ For the Joint Liquidators to draw, as an interim claim, their remuneration for the period from the date of their appointment to Friday 21 September 2018; and
- ▶ That the Joint Liquidators may draw their remuneration four weekly in arrears subject to the provision in advance of a statement of such costs.

These resolutions were passed by the general body of creditors on 26 October 2018.

Grade	Hourly rate (\$)	Equivalent hourly rate (£)
Partner	855	658
Executive Director / Director	700	538
Senior Manager	590	454
Manager	490	377
Senior (Level 3)	450	346
Senior (Level 1 / 2)	355	273
Analyst	210	162
Intern	185	142

Note: Equivalent hourly rate is based on exchange rate of £1 / \$1.30

To 27 February 2023, the Joint Liquidators have incurred time costs (based on the above hourly rates) of \$945,841 and \$643,976 in relation to PPG and PSB respectively. Attached at Appendices E and F are detailed analyses of these time costs.

The fees incurred to date in respect of PPG include fees of \$11,931 which have been incurred in connection with the potential legal actions outlined in paragraph 2.5 above and will be met by a third party.

The Steering Committee has approved our fees for the periods to 27 August 2022 in the sums of \$886,268 in respect of PPG and \$614,612 in respect of PSB. We have however agreed with the Steering committee that we will restrict the drawing of our fees as follows:

- ▶ In respect of statutory and reporting work, we will restrict our fees to \$40,000 per annum for each of PPG and PSB from 28 August 2021 onwards.
- ▶ In respect of all other aspects of our work, we will restrict our fees to \$400,000 in respect of PPG and \$525,000 in respect of PSB unless the net realisations from their insolvency processes improves from that estimated at 28 October 2021. In that event, we will be entitled to draw 50% of the increased net realisations as further fees.
- ▶ Fees will only be billed where funds are available to enable payment to be made.

To date, Joint Liquidators' fees of \$341,090 have been paid in respect of PPG and \$525,000 have been paid in respect of PSB.

To 27 February 2023, time has principally been spent in relation to the following activities:

- ▶ Fulfilling the statutory obligations required of the Joint Liquidators including preparation of this report, preparation of the previous progress reports, preparation of the Creditors' Meeting reports, and notifying the Joint Liquidators' appointment to all known creditors;
- ▶ Investigating the conduct of the Directors' and the circumstances leading up to our appointments as Joint Liquidators;
- ▶ Negotiating the sale of PPG's shareholding in PSG and trade names to Maxtube ME Limited;
- ▶ Undertaking all activities associated with evaluating and delivering the completion of PSB's outstanding customer orders with Tatweer;
- ▶ Realising of the intragroup and intergroup debts due to the Companies;
- ▶ Addressing correspondence and queries received from creditors; and
- ▶ Adjudicating on the claim of BoS and the unsecured non-priority claims in PSB and calculating and paying an interim dividend thereto.

Appendices E and F also include a breakdown of the Joint Liquidators' disbursements and statements detailing the Joint Liquidators' policy for charging disbursements.

To 27 February 2023, the Joint Liquidators have incurred Category 1 disbursements of \$3,993 and \$4,605 in relation to PPG and PSB respectively. To the date of this report, \$2,064 has been paid in respect of PPG and \$4,605 has been paid in respect of PSB.

### 5.3 Statement of Liquidators' charging policy for remuneration

The Joint Liquidators have engaged managers and other staff to work on the Liquidations. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by accounting and treasury executives dealing with the Companies' bank accounts and statutory compliance diaries. Work carried out by all staff is subject to the overall supervision of the Joint Liquidators.

All time spent by staff working directly on case-related matters is charged to a time code established for each entity. Time is recorded in units of six minutes. Each member of staff has a specific hourly rate, which is subject to change over time. The average hourly rate for each category of staff over the period is shown at Appendices E and F. The current hourly rates are shown in paragraph 5.2 above.

### 5.4 Payments to other professionals

By order of the Act of Court, the Joint Liquidators are permitted to engage such other professional advisors as the Joint Liquidators may deem appropriate or necessary and providing for their fees and expenses (whether incurred before or after the date on which the Companies were placed into liquidation in accordance with Article 155 of the Law) to be settled in accordance with Article 165 of the Law.

The Joint Liquidators have engaged the services of the following during the course of the liquidations:

Name of firm	Nature of service	How contracted to be paid
Pinsent Masons	Legal advisors – UK and UAE	Time costs
CMS Cameron McKenna	Legal advisors – UK	Time costs
Carey Olsen	Legal advisors – Jersey and Cayman Islands	Time costs
ANM Group	Asset safeguarding and realisation strategy	Time costs
Dean Foster (former director of the Petrostem Group)	Asset marketing and realisation	Combination of day rate and commission
Calash Limited	Energy sector strategy consultants	Time costs
Wallbrook Advisory Limited	Diligence	Time costs
Wynterhill LLP	Legal advice – UK	Time costs

## 6. Other matters

### 6.1 Replacement of liquidator

C P Dempster is due to retire from Ernst & Young LLP with effect from 30 June 2023 and will resign as liquidator of the Companies on or prior to that date. Accordingly, we will shortly make an application to the Royal Court of Jersey to seek the Court's approval to appoint K S Aspin as liquidator. K S Aspin is licensed to act as Insolvency Practitioner by the Institute of Chartered Accountants of Scotland. For the avoidance of doubt, GD Yuill and SA Gardner will remain appointed as liquidators.

### 6.2 Future conduct of the liquidations

The Joint Liquidators will continue to manage the affairs, business and property of the Companies to achieve the purpose of the liquidations. This will include, inter alia:

- ▶ Realising the remaining assets of the Companies and in particular any intragroup and intergroup debtor balances;
- ▶ Dealing with corporation tax and VAT matters, which includes filing statutory returns;
- ▶ Dealing with unsecured creditor enquiries;
- ▶ Completing our investigations into the conduct of the directors in the lead up to the insolvencies of the Companies;
- ▶ Distributing realisations to BoS in its capacity as a secured creditor of PPG;
- ▶ Where possible, making further distributions to unsecured creditors;
- ▶ Ensuring all statutory reporting and compliance obligations are met; and
- ▶ Finalising the liquidations of the Companies, including payment of all liquidation liabilities.

### 6.3 The end of the liquidations

At the end of the liquidations the Joint Liquidators shall apply to the Court to close the liquidations and will send a notice to that effect to the Jersey Registrar of Companies. The Companies will be dissolved shortly after registration of the notice.

### 6.4 Matters to be brought to the attention of the Joint Liquidators

In accordance with Article 184 of the Law, the Joint Liquidators are required to report possible misconduct to the Attorney General.

If there are any matters concerning the Companies' affairs which you consider may require investigation and consequently should be brought to our attention, please forward the details to me in writing as soon as possible.

### 6.5 Reporting

I will report to you again at the conclusion of the Liquidations or in six months' time, whichever is the sooner.

The report will be made available on the following website:

<https://www.ey.com/uk/en/services/transactions/restructuring/ey-ppg-petrostem-insolvencies>

Should you wish to discuss any aspect of this report, please contact Alastair Casey on +44 (0) 141 226 9320.

Yours faithfully  
for the Companies



Gavin Yuill  
Joint Liquidator

C P Dempster and G D Yuill are licensed in the United Kingdom to act as an Insolvency Practitioner by The Institute of Chartered Accountants of Scotland. S A Gardner is licensed in the United Kingdom to act as an Insolvency Practitioner by The Institute of Chartered Accountants in England and Wales.

The Joint Liquidators may act as data controllers of personal data as defined by the UK General Data Protection Regulation (as incorporated in the Data Protection Act 2018), depending upon the specific processing activities undertaken. Ernst & Young LLP and/or the Companies may act as a data processor on the instructions of the Joint Liquidators. Personal data will be kept secure and processed only for matters relating to the Joint Liquidators appointment. The Office Holder Data Privacy Notice can be found at [www.ey.com/uk/officeholderprivacy](http://www.ey.com/uk/officeholderprivacy).

## Appendix A Statutory information

### Company Information

Company Name:	Petroleum Pipe Group Limited – in Liquidation Pipeline Supplies Bahrain W.L.L Limited – in Liquidation
Registered Office Address:	c/o Ernst & Young LLP Liberation House Castle Street St Helier Jersey, JE1 1EY
Registered Number:	PPG – 93767 PSB – 114076
Trading Name(s):	n/a

### Details of the Liquidators and of their appointment

Liquidators:	C P Dempster, G D Yuill and S A Gardner
Date of Appointment:	28 August 2018
By Whom Appointed:	The appointment was made by an Act of the Royal Court of Jersey
Court Reference:	220 of 2018.

All powers and obligations granted or imposed upon the Joint Liquidators by Acts of the Royal Court of Jersey, the Law or otherwise may be exercised by the Joint Liquidators on a joint and several basis such that both act together or one may act without the other (and by so doing will bind the other) in the exercise of their said powers and obligations.

### Share capital

Petroleum Pipe Group Limited (in Liquidation) is wholly owned by PPH Petroleum Pipe Holdings Limited, a company registered in Cyprus.

Pipeline Supplies Bahrain W.L.L Limited (in Liquidation) is wholly owned by Petroleum Pipe Group Limited (In Liquidation).

## Directors and their shareholdings

### *Petroleum Pipe Group Limited*

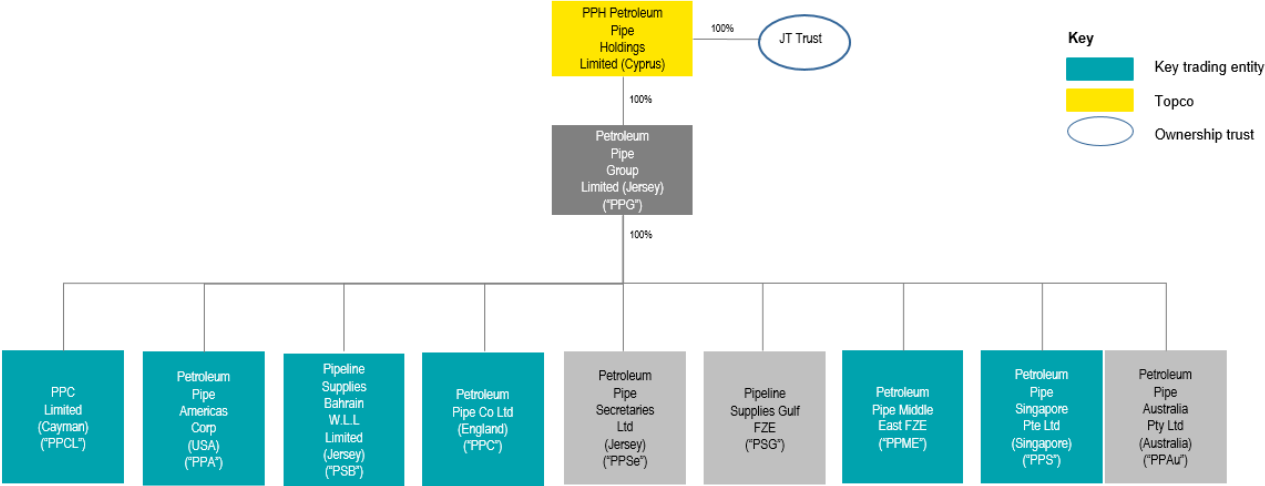
Name	Date appointed	Date resigned	Current shareholding
Richard Gordon Morrice	20 June 2006	n/a	-
Julian Charles Tyacke	27 June 2006	n/a	-
John Alan Simpson	31 July 2010	n/a	-
Richard Mark Farnfield	31 July 2006	n/a	-
Peter Robin Schulte	27 November 2006	26 August 2016	-
Peter Duthie	17 May 2008	1 December 2017	-

### *Pipeline Supplies Bahrain W.L.L Limited*

Name	Date appointed	Date resigned	Current shareholding
Richard Gordon Morrice	25 June 2010	n/a	-
Julian Charles Tyacke	16 January 2012	n/a	-
Craig Brand	10 September 2012	n/a	-
Paul John Moir	10 September 2012	n/a	-



# Appendix B PPG Group structure



## Appendix C Receipts and payments account – PPG

	Period 28 August 2018 to 27 August 2022	Period 28 August 2022 to 27 February 2023	Total Period 28 August 2018 to 27 February 2023
<b>Receipts</b>			
Cash at Date of Appointment	259		259
Recovery of Pre-Appointment Deposit	26,679		26,679
Sale of investment in MRS	40,000		40,000
Recovery of Inter-company balance (PPS)	63,673		63,673
Sale of investment in Pipeline Supplies Gulf	64,019		64,019
Deposit re Pioneer sale	5,000		5,000
Legal fees contribution re Pioneer sale	15,000		15,000
Dividend from liquidation of Petrostem Group Ltd	357,473		357,473
	572,103	-	572,103
<b>Payments</b>			
Advertising	107		107
Bank charges	267		267
Insurance	3,399		3,399
Joint Liquidators' fees and disbursements	343,154		343,154
Consultants' fees	47,127		47,127
Legal Fees	153,047	5,311	158,358
Exchange rate difference on f/x payments	784		784
	547,885	5,311	553,195
	24,218	(5,311)	18,908
<b>Represented by:</b>			
<b>Bank balances</b>			
Royal Bank of Scotland			27,165
Inter-company - Petroleum Pipe Company Limited (In Administration)			(8,258)
			18,908

### Notes

1. Certain payments have been apportioned between the four entities within the PPG Group which are subject to insolvency proceedings (e.g. where multiple entities utilise staff, yard space, etc. but are paid for by one entity). Further apportionment may, however, be required once final costs are known.
2. Receipts and payments are stated net of VAT or other applicable goods and services taxes.
3. These accounts do not reflect estimated future realisations or associated costs.
4. The following exchange rates have been applied to the above: GB£:US\$, 1.3; and US\$:AED, 3.673.

## Appendix D Receipts and payments account – PSB

	Period 28 August 2018 to 27 August 2022	Period 28 August 2022 to 27 February 2023	Total Period 28 August 2018 to 27 February 2023
<b>Receipts</b>			
Cash at Date of Appointment	7,740		7,740
Post-appointment sales	6,906,121		6,906,121
Pre-appointment debtors	84,922		84,922
Prepayment (Inter-company settlement)	61,251		61,251
	7,060,034	-	7,060,034
<b>Payments</b>			
Bank charges	976		976
Exchange rate difference on f/x payments	(27)		(27)
Inspection fees	2,000		2,000
Legal fees and expenses	10,601		10,601
Liquidators' fees & disbursements	529,605		529,605
Material purchases	4,900,828		4,900,828
Pipe handling / packing / shipment charges	464,688		464,688
Statutory advertising	107		107
Prepayment (Inter-company settlement)	164,521		164,521
Payroll (intercompany settlement)	115,785		115,785
Insurance (Inter-company settlement)	84,000		84,000
Distribution to ordinary creditors	780,000		780,000
	7,053,084	-	7,053,084
	6,950	-	6,950
<b>Represented by:</b>			
Bank balances			
Royal Bank of Scotland			6,950
			6,950

### Notes

1. Certain payments have been apportioned between the four entities within the PPG Group which are subject to insolvency proceedings (e.g. where multiple entities utilise staff, yard space, etc. but are paid for by one entity). Further apportionment may, however, be required once final costs are known.
2. Receipts and payments are stated net of VAT or other applicable goods and services taxes.
3. These accounts do not reflect estimated future realisations or associated costs.
4. The following exchange rates have been applied to the above: GB£:US\$, 1.3; and US\$:AED, 3.673

## Appendix E PPG – Joint Liquidators’ time costs for the period from 28 August 2018 to 27 February 2023

	Staff Grade							Total hours	Total cost \$	Average rate \$
	Partner	Associate Partner	Director	Assistant Director	Manager	Executive	Analyst			
Accounting and Administration	2.5	0.2	7.3	81.6	0.5	117.3	162.2	371.6	131,480.00	353.8
Bank & Statutory Reporting	36.2	-	45.8	250.1	-	11.5	58.0	401.6	226,832.50	564.8
Creditors (Mandatory)	5.0	0.4	26.7	94.0	2.0	66.3	60.8	255.2	115,989.50	454.5
Debtors	7.5	-	32.6	20.1	-	25.5	0.3	86.0	50,207.00	583.8
Director Litigation	-	-	10.9	6.4	-	-	2.5	19.8	11,931.00	602.6
Immediate Tasks	0.5	-	2.9	1.1	1.3	-	1.0	6.8	3,953.50	581.4
Investigation/CDDA (Mandatory)	24.0	-	183.7	215.7	-	27.2	8.6	459.2	287,835.00	626.8
Job Acceptance & Strategy (M)	-	-	6.8	0.5	-	-	-	7.3	5,055.00	692.5
Legal Issues	12.5	0.6	0.6	1.9	-	-	-	15.6	12,648.50	810.8
Other Assets (Mandatory)	3.0	-	40.0	23.3	-	2.0	-	68.3	45,022.00	659.2
Other Matters	2.5	-	11.1	10.5	-	-	-	24.1	16,102.50	668.2
Statutory Duties	1.0	-	11.2	2.7	-	48.7	7.3	70.9	29,109.50	410.6
Trading (Mandatory)	-	-	1.5	4.0	-	-	0.4	5.9	3,494.00	592.2
VAT & Taxation	-	0.4	0.2	5.4	0.3	4.0	4.8	15.1	6,181.00	409.3
<b>Total hours</b>	<b>94.7</b>	<b>1.6</b>	<b>381.3</b>	<b>717.3</b>	<b>4.1</b>	<b>302.5</b>	<b>305.9</b>	<b>1,807.4</b>		
<b>Time costs (\$)</b>	<b>80,968.50</b>	<b>1,120.00</b>	<b>266,910.00</b>	<b>423,207.00</b>	<b>2,009.00</b>	<b>107,387.50</b>	<b>64,239.00</b>		<b>945,841.00</b>	
<b>Average hourly rate (\$)</b>	855.0	700.0	700.0	590.0	490.0	355.0	210.0		523.3	
<b>Category 1 disbursements (\$)</b>	3,993.10									
<b>Category 2 disbursements (\$)</b>	-									
	<b>3,993.10</b>									

Note: Time is charged in 6 minute intervals

Fees in respect of time charged to Directors Litigation will be met by a third party and will not be met by the general estate.

### Joint Liquidators’ charging policy for disbursements

Statement of Insolvency Practice No.9 defines expenses as any payments from the insolvency estate which are neither an office holder’s remuneration or a distribution to a creditor or member.

Expenses are divided into those that do not need approval before they are charged to the estate (Category 1) and those that do require prior approval (Category 2):

- ▶ Category 1 expenses are payments to persons providing the service to which the expense relates who are not an associate of the office holder
- ▶ Category 2 expenses are payments to associates or which have an element of shared costs.

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. Disbursements fall into either Category 1 or Category 2.

It is our policy to disclose Category 1 disbursements drawn but not to seek approval for their payment. We are prepared to provide such additional information as may reasonably be required to support the disbursements drawn. It is our policy, to seek approval for Category 2 disbursements before they are drawn.

## Appendix F PSB – Joint Liquidators’ time costs for the period from 28 August 2018 to 27 February 2023

	Staff Grade						Total hours	Total cost \$	Average rate \$	
	Partner	Associate Partner	Director	Assistant Director	Manager	Executive				Analyst
Accounting and Administration	2.5	0.5	4.6	52.3	1.1	105.6	80.7	247.3	91,538.50	370.2
Bank & Statutory Reporting	26.2	-	32.1	253.1	-	2.6	13.4	327.4	197,937.00	604.6
Creditors (Mandatory)	2.0	0.4	13.3	40.1	-	30.5	1.7	88.0	46,143.50	524.4
Debtors	11.0	-	3.0	24.0	-	-	-	38.0	25,665.00	675.4
Employee Matters	-	-	-	-	-	0.5	-	0.5	177.50	355.0
Immediate Tasks	0.5	-	3.1	1.1	1.3	-	-	6.0	3,883.50	647.3
Investigation/CDDA (Mandatory)	19.0	-	4.8	10.8	0.4	15.5	-	50.5	31,675.50	627.2
Job Acceptance & Strategy (M)	-	-	2.0	0.2	-	-	-	2.2	1,518.00	690.0
Legal Issues	9.0	-	1.2	-	-	-	-	10.2	8,535.00	836.8
Other Matters	-	-	11.6	0.3	7.8	-	-	19.7	12,119.00	615.2
Statutory Duties	0.5	-	7.4	2.7	0.4	40.5	4.9	56.4	22,803.00	404.3
Stock and Fixed Assets	-	-	-	-	1.0	0.5	2.1	3.6	1,108.50	307.9
Trading (Mandatory)	15.5	-	28.7	244.4	-	49.3	9.3	347.2	196,993.00	567.4
VAT & Taxation	-	0.4	0.1	3.7	0.3	3.2	0.3	8.0	3,879.00	484.9
<b>Total hours</b>	<b>86.2</b>	<b>1.3</b>	<b>111.9</b>	<b>632.7</b>	<b>12.3</b>	<b>248.2</b>	<b>112.4</b>	<b>1,205.0</b>		
<b>Time costs (\$)</b>	<b>73,701.00</b>	<b>910.00</b>	<b>78,330.00</b>	<b>373,293.00</b>	<b>6,027.00</b>	<b>88,111.00</b>	<b>23,604.00</b>		<b>643,976.00</b>	
<b>Average hourly rate (\$)</b>	855.0	700.0	700.0	590.0	490.0	355.0	210.0		534.4	
Category 1 disbursements (\$)	4,605.00									
Category 2 disbursements (\$)	-									
	<u>4,605.00</u>									

Note: Time is charged in 6 minute intervals

### Joint Liquidators’ charging policy for disbursements

Statement of Insolvency Practice No.9 defines expenses as any payments from the insolvency estate which are neither an office holder’s remuneration or a distribution to a creditor or member.

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Ernst & Young LLP, 1 More London Place, London, SE1 2AF.

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