

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 9 3 6 0 3 4 6

Company name in full Norwegian Air UK Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) David John

Surname Pike

### 3 Liquidator's address

Building name/number 10 Fleet Place

Street

Post town London

County/Region

Postcode E C 4 M 7 R B

Country

### 4 Liquidator's name ①

Full forename(s) Michael Robert

Surname Pink

#### ① Other liquidator

Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number 10 Fleet Place

Street

Post town London

County/Region

Postcode E C 4 M 7 R B

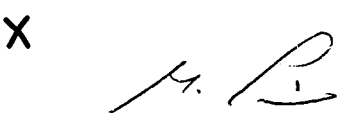
Country

#### ② Other liquidator

Use this section to tell us about  
another liquidator.

# LIQ03

## Notice of progress report in voluntary winding up

<b>6</b>	<b>Period of progress report</b>															
From date	d	0	d	2	m	1	m	2	y	2	y	0	y	2	y	1
To date	d	0	d	1	m	1	m	2	y	2	y	0	y	2	y	2
<b>7</b>	<b>Progress report</b>															
<input checked="" type="checkbox"/> The progress report is attached																
<b>8</b>	<b>Sign and date</b>															
Liquidator's signature	<div>Signature</div> <div>  </div>															
Signature date	d	3	d	0	m	0	m	1	y	2	y	0	y	2	y	3

**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 **Ella Damman-Smith**

Company name **Interpath Ltd**

Address **5th Floor, 130 St Vincent Street  
Glasgow**

Post town **G2 5HF**

County/Region

Postcode

Country

DX

Telephone **Tel +44 (0) 203 989 2800**

**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)**

# 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. ①  
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

① 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  
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14, WU07, WU15  
- COM1, COM2, COM3, COM4  
- NDISC

## 2 Insolvency practitioner's name

Full forename(s)

Stuart

Surname

Irwin

## 3 Insolvency practitioner's address

Building name/number

70 Sir John Rogerson's Quay

Street

Post town

Belfast

County/Region

Postcode

Country

Joint  
Liquidators'  
progress report  
for the period 2  
December 2021  
to 1 December  
2022

Norwegian Air UK Limited – in  
Liquidation

30 January 2023

# Notice to creditors

This report provides an update on the liquidation of the Company.

We have included (Appendix 2) an account of all amounts received and payments made during the period 2 December 2021 to 1 December 2022, including the cumulative receipts and payments since the date of our appointment.

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

You will find other important information in this report such as the costs which we have incurred to date.

A glossary of the abbreviations used throughout this document is attached (Appendix 7).

Stuart Irwin ceased his employment with KPMG Ireland on 13 October 2022 and joined Interpath (Ireland) Limited ("Interpath") on 17 October 2022.

Stuart Irwin was authorised to act as an insolvency practitioner by the Insolvency Practitioners Association, up to 31 December 2022. As of 1 January 2023, Stuart Irwin has been granted an Insolvency Practising Certificate and is licensed to act as an Insolvency Practitioner in the Republic of Ireland, Great Britain, and Northern Ireland by Chartered Accountants Ireland.

The Officeholders are Data Controllers of personal data as defined by the Data Protection Act 2018. Personal data will be kept secure and processed only for matters relating to the appointment. To understand how we respect and protect your personal data, please see our online privacy policy at [www.interpathadvisory.com/ie/privacy-notice-northern-ireland](http://www.interpathadvisory.com/ie/privacy-notice-northern-ireland)

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following website, [www.ia-insolv.com/case+INTERPATH+NL209A0240.html](http://www.ia-insolv.com/case+INTERPATH+NL209A0240.html) We hope this is helpful to you.

**Please also note that an important legal notice about this report is attached (Appendix 8).**

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# 1 Executive summary

This progress report covers the period from 2 December 2021 to 1 December 2022.

David Pike, Stuart Irwin and I were appointed Joint Liquidators of the Company with effect from 2 December 2021.

Whilst the Company was not trading at the point of liquidation, it is a complex company to wind down due to the nature of the outstanding receivables and the various jurisdictions it had operated in.

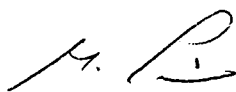
Assets realisations to date are £9.7 million (Section 2 - Progress to date).

There are not believed to be any secured or preferential creditors (neither ordinary preferential nor secondary preferential) in the liquidation.

A dividend will be paid to unsecured creditors; however, the quantum and timing are uncertain (Section 3 - Dividend prospects).

We are seeking a number of decisions from the unsecured creditors, with a copy of the notice of decision procedure, together with a proof of debt form circulated by post to the unsecured creditors, and a copy available to download and print from our insolvency portal at <https://www.ia-insolv.com/case+INTERPATH+NL209A0240.html>. A summary of the requested decision, which include approval of our fee basis and estimate for our remuneration, along with inviting nominations from creditors for membership of a Creditors' Committee, is set out in Section 3. Please note that a person is entitled to vote only if they have given to the Joint Administrators, before 23.59 on the decision date, Thursday 23 February 2023, details in writing of the debt which they claim to be due from the Company and the claim has been duly admitted by the Joint Liquidators (Section 3.5 – Decision procedure).

Please note: you should read this report in conjunction with any previous reports issued to the Company's creditors; these can be found at [www.ia-insolv.com/case+INTERPATH+NL209A0240.html](https://www.ia-insolv.com/case+INTERPATH+NL209A0240.html). Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.



Michael Pink  
Joint Liquidator



## 2 Strategy and progress to date

This report covers the period from 2 December 2021 to 1 December 2022. However, this report should be read in conjunction with our previous report to creditors dated 22 August 2022.

This section updates you on our strategy for the liquidation and on our progress to date.

### 2.1 Strategy to date

Our strategy has focused primarily on the preservation and recovery of assets identified in the Directors' statement of affairs as well as additional assets identified through the exercise of winding down various international branches. Further details of our recoveries to date and key matters being progressed by the Joint Liquidators are provided below.

### 2.2 Asset realisations

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

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

Intercompany debtor – Oslofjorden Limited

As reported previously, the Director's Statement of Affairs ("SOA") identified an intercompany balance due from Oslofjorden Limited amounting to £5.8 million. Following initial discussions and subsequent negotiations with the debtor, a settlement in full has been agreed and the balance was to be paid over nine monthly instalments, commencing from April 2022. As part of the settlement negotiated by the Joint Liquidators the parent of Oslofjorden Limited, NAS, has provided a guarantee for all sums due.

To date, we have received £5.95 million, representing all nine months of the agreed instalments. We have now realised all remaining funds, and the amounts realised are higher than originally estimated in SOA due to currency exchange gains as the realisations were in US\$.

Cash at bank

As previously reported, the Company held bank accounts with DNB ASA in the UK, Germany, and the United States, which were frozen upon appointment. A total of £3.6 million has been received from cash at bank.

The SOA indicated a realisation value of £4 million. The difference in the amount realised was as a consequence of expenses and currency exchange losses on conversion to GBP, including pre-appointment advisory fees paid to Interpath.

Credit balance from Civil Aviation

During the reporting period, we were made aware of a credit balance due to the Company of £62,000 from the Civil Aviation Authority, which has since been realised in full.

Third party funding

As previously reported, prior to the liquidation date we were engaged to assist the Parent, Norwegian Air Shuttle ASA (“NAS”), in providing advice surrounding the Company’s options. NAS paid monies on account for our pre-appointment services and it was subsequently agreed with NAS that the balance of £60,000 was to be used towards paying the liquidators’ fees related to the Company following our appointment.

Bank Interest

During the period, gross interest of £46,000, has been received.

## **2.3 Other Assets**

Sale of Norwegian Air Argentina Holding (“NAAH”)

As previously reported at the date of our appointment there was a contingent asset with a net book value of £102,000, being NUK’s share of the potential deferred consideration from the sale of NAAH to JetSmart. JetSmart are seeking to offset certain tax liabilities against the deferred consideration and have proposed a settlement to NAS/NUK. This proposal was rejected and negotiations are still in progress.

Intercompany debtors in Liquidation

As mentioned in our previous report, from reviewing the Group accounts, the Director believed there were intercompany balances due to the Company of approximately £13.4 million. Of this amount, £7.6 million is owed from entities which are in liquidation and from which no recovery is expected. These entities are Norwegian Air Sweden AB, Norwegian Air Resources Ltd and Norwegian Cargo AS. The Liquidators continue to pursue these balances and have made contact with the appointed liquidators. Claims are in the process of being quantified by the Joint Liquidators with a view to being submitted in these various liquidations. It remains uncertain at this time whether there will be any realisation from these claims.

The residual balance (£5.8 million) was primarily related to the Oslofjorden debtor balance detailed above, which has now been realised in full.

International Branches

### **Brazil**

As reported previously, the Director advised that the Company had been in discussions with the Brazilian Department of Airspace Control (“DECEA”) regarding the Company’s account, which held credit balances in the sum of £8.5 million. The Director further advised that there are outstanding invoices on the Company’s accounts showing a balance owing to DECEA of £7.8 million.

The Director is of the opinion that if the overcharge credit is applied to the Company's account showing owed to the Company by DECEA, the net balance should be realisable.

Since our previous report, we have consulted with local lawyers surrounding the recovery of this net balance and have identified various legal and practical issues that might result in a negligible return from this asset, if any.

Furthermore, it has since come to our attention that the Company also operated out of a branch in Brazil, and we have been seeking preliminary legal advice to explore our options in winding down of this branch.

We will provide a further update regarding the prospects for recovery of this balance and the winding up of the branch in our next report.

### **Argentina**

Since our previous report, the Joint Liquidators have not received any viable offers for the aircraft galleys that were situated in a storage facility in Argentina. Having appointed agents to undertake a formal valuation and to seek a buyer for these assets, there is no viable solution that avoids incurring significant costs that would outweigh their value. Therefore, arrangements have been made to dispose of the aircraft galleys without further cost to the estate.

In relation to the branch in Argentina, and as previously reported, there are no recoverable assets relating to the branch. We sought advice from Dentons surrounding our options in relation to closing the branch. The Joint Liquidators concluded that it was not necessary, appropriate or in the best interests of the Company's creditors generally to take any further steps to wind up the Argentina branch. However, since receiving Dentons advice the Joint Liquidators have received confirmation from NAS that they provided an indemnity in favour of NUK's Argentinian branch's legal representative and accordingly, they have proposed a process to formally wind down NUK's Argentinian branch. NAS have advised that they will require some input from the company in liquidation, acting by its Joint Liquidators to assist with the wind down of the branch.

The Joint Liquidators are exploring whether they can assist in this process on the basis that doing so will mitigate unsecured claims in the liquidation, save the costs of agreeing and distributing dividends to those Argentinian creditors, ensure no additional risk or liability crystallises as an expense in the liquidation and ensure that NAS fund any costs of the formal wind down of NUK's Argentinian branch.

We will provide a further update regarding the winding up of the branch in our next report.

### **United States**

As previously reported, post-appointment we became aware of seven potential branches in the United States. Our initial review indicates that these have been incorporated for local state tax registration purposes; however, we continue to investigate and are taking legal advice on the necessary steps to exit any live US tax registrations and/or branches.

In January 2022, the liquidators began communication with the Port of Seattle regarding the termination of the Company's parking lease at Seattle Airport. After a protracted period of negotiation over the termination procedures and documentation, the termination was finally agreed in December 2022 (with effect from our appointment) and we are now awaiting the return of a deposit of \$363,000 (c£302,000) Company in respect of the lease.

## **2.4 Investigations**

We concluded our review into the affairs of the Company, which sought to ascertain whether there are any actions which can be taken against third parties to increase recoveries for creditors. Whilst our review has been completed, if creditors have any details that the liquidators should be aware of in this regard, please send details to [nukcreditors@interpathadvisory.com](mailto:nukcreditors@interpathadvisory.com).

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

## **2.5 Costs**

Payments made in this period are set out in the attached receipts and payments account (Appendix 2).

To date, there have been minimal costs paid from the estate.

## **2.6 Schedule of expenses**

We have detailed the costs incurred during the period, whether paid or unpaid, in the schedule of expenses attached (Appendix 3).

Summaries of the most significant expenses which have been incurred in the period but have not yet been paid are provided below.

Summaries of the most significant payments made during the period are provided below.

Liquidator's fees

The Joint Liquidators have drawn fees of £410,604, in relation to their work to date in realising assets, dealing with the various branches as mentioned above, and for their work on general day to day and statutory tasks.

Liquidator's expenses

The Joint Liquidators have paid expenses of £1,786; this is mainly in relation to printing and postage costs.

Legal fees

As previously reported, we have engaged Dentons UK LLP to provide various legal advice surrounding the various branches noted above. Due to the geography of the branches, we have also engaged a local Dentons firms in Argentina, Brazil and USA to provide legal advice to support our work in these jurisdictions.

To date, we have incurred costs of £97,346 relating to legal advice from Dentons UK LLP and legal advice from Dentons Rattagan Arocena in Argentina. These amounts are net of VAT.

Statutory advertising

In the period statutory advertising of £166 has been incurred.

Bank charges

Bank charge of £15 have been incurred, during the period.

## **3 Dividend prospects**

### **3.1 Secured creditor**

We are not aware of any secured claims against the Company.

### **3.2 Ordinary preferential creditors (employees)**

Claims from employees in respect of (1) arrears of wages up to a maximum of £800 per employee, (2) unlimited accrued holiday pay and (3) certain pension benefits, rank preferentially (in advance of floating charge holders and ordinary unsecured creditors) and in priority to other preferential creditors (see 3.3 below). These claims are referred to as "ordinary preferential creditors".

As previously reported, we are not aware of any ordinary preferential claims against the Company.

### **3.3 Secondary preferential creditors (HMRC and the Financial Services Compensation Scheme)**

Claims from the Financial Services Compensation Scheme ('FSCS') and HMRC, in relation to VAT, PAYE, employees' National Insurance contributions ('NIC') and Construction Industry Scheme ('CIS') deductions, rank preferentially, but secondary to the employee, ordinary preferential creditors above. These claims are therefore referred to as "secondary preferential creditors".

As previously reported, we are not aware of any secondary preferential claims against the Company.

### **3.4 Unsecured creditors**

Based on current estimates, a distribution will be available to unsecured creditors. The Directors' Statement of Affairs identified unsecured creditors totalling £221 million, which includes £161 million of intercompany claims. The final value of these claims will be determined once the liquidators undertake a claim adjudication process, which will be initiated prior to any distribution.

Accordingly, it is currently uncertain as to the extent of the quantum and timing of the anticipated distribution to unsecured creditors.

### **3.5 Decision procedure**

Notice of seeking a decision by correspondence is attached to the covering letter. This decision by correspondence procedure is being used to seek approval for:

a revision of our fees estimate; and

any nominations from creditors for members of a new Creditors' Committee.

Please note that if a Liquidation Committee is formed, the votes cast by creditors in relation to the proposed decisions above will be disregarded.

Creditors' right to request a physical meeting

We will summon a physical meeting (1) if asked to do so by (a) creditors whose debts amount to at least 10% of the total debts of the Company, or (b) 10% in number of creditors or (c) 10 creditors and (2) if the procedures set out below are followed.

Requests for a physical meeting must be made within five business days of the date on which notice of the decision procedure was delivered. They must include:

- a statement of the requesting creditors' claim;
- a list of the creditors concurring with the request, showing the amounts of their respective debts in the liquidation;
- written confirmation of their concurrence from each concurring creditor; and
- a statement of the purpose of the proposed meeting.

In addition, the expenses of summoning and holding a meeting at the request of a creditor must be paid by that creditor. That creditor is required to deposit security for such expenses with us.

If you wish to request a physical meeting, please complete and return the physical meeting requisition form available to download via the Portal.

## **4 Joint Liquidators' remuneration and expenses and payments to KPMG**

### **4.1 Joint Liquidators' remuneration and expenses**

The creditors provided approval on 27 September 2022 that:

our remuneration will be drawn on the basis of time properly given by us and the various grades of our staff in accordance with the fee estimate of £606,161.85 and the charge-out rates included in Appendix 6.

category 2 expenses (as defined in Statement of Insolvency Practice 9) will be charged and drawn in accordance with Interpath Advisory's policy as set out in Appendix 6 of our previous report.

However, we are now seeking approval from the creditors to draw additional remuneration of c£196,000 as per the revised fees estimate included in Appendix 4.

See Section 3 for details regarding the decision procedure.

#### Time costs

The duties of the Joint Liquidators' in conducting the work required during the liquidation are divided between Interpath UK and Interpath Ireland (formerly KPMG IE), with the statutory responsibilities primarily residing with Interpath UK and the asset realisations and creditor claims activities residing with Interpath Ireland. Accordingly, the majority of the activity is being managed by Interpath Ireland and as will be observed in Appendix 6, have a lower charge out rate and therefore this is considered a cost-effective approach to managing the tasks in the liquidation.

Please note, our time costs are reported on a consolidated basis, for the purposes of this report to creditors.

During the period from 2 December 2021 to 1 December 2022, we have incurred time costs of £428,648. These represent 1,285 hours at an average rate of £333 per hour.

#### Remuneration

During the period, we have drawn floating charge remuneration of £410,605.

#### Liquidators' Expenses

These are any payments which are neither liquidators' remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements which are payments first met by the liquidators, and then reimbursed to the liquidators from the estate.



During the period, we have incurred expenses of £506,791.49, including the Joint Liquidators remuneration. Of these expenses, £506,409.68 have been paid. Further details are provided at Appendix 3.

#### Additional information

We have attached a revised fees estimate at Appendix 4. Our time costs have increased due to the complex nature of the case and additional issues identified in dealing with the closure of the international branches, which we were not aware of upon appointment.

We have attached a revised expenses estimate at Appendix 5. Our estimated expenses have increased because of additional advice needed in the winding down of the Company's international branches as well as agent's support in dealing with the Company's chattel assets abroad.

We have attached (Appendix 6) an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by Interpath for the period from 2 December 2021 to 1 December 2022. We have also attached our charging and expenses policy.

# 5 Future strategy

## 5.1 Future conduct of the liquidation

The following matters are still ongoing in the liquidation:

- Pursuing all other debtor balances, including but not limited to JetSmart and DECEA;
- Communicating with all known creditors in the liquidation;
- Addressing and resolving international branch situations to realise any assets and to mitigate any potential further claims against the Company;
- Finalise costs, including legal and liquidators' fees and obtain final tax clearance; and
- Undertake a claim adjudication process, pay distribution(s) to unsecured creditors and close the liquidation.

## 5.2 Future reporting

We will report again on the progress of this liquidation by 30 Jan 2024 or in the final report if matters have been concluded earlier.

## Appendix 1      Statutory information

### Company information

Company name	Norwegian Air UK Limited
Previous company names if applicable	Westforce Aviation Limited
Date of incorporation	18 December 2014
Company registration number	09360346
Previous registered office	First Point Buckingham Gate, Gatwick Airport, England, RH6 0NT
Present registered office	10 Fleet Place, London, EC4M 7QS
Trading address	First Point Buckingham Gate, Gatwick Airport, England, RH6 0NT
Nature of business	Scheduled passenger air transport

### Liquidation information

Appointed by	Creditors
Date of appointment	2 December 2021
Joint Liquidators' details	David Pike, Mike Pink and Stuart Irwin
Joint Liquidators' address	10 Fleet Place, London, EC4M 7RB
Functions	The functions of the Joint Liquidators are being exercised by them individually or together in accordance with Section 231(2) of the Insolvency Act 1986.

## Appendix 2

## Joint Liquidators' receipts and payment account

Norwegian Air UK Limited - in Liquidation			
Abstract of receipts & payments			
Statement of affairs (£)		From 02/12/2021 To 01/12/2022 (£)	From 02/12/2021 To 01/12/2022 (£)
ASSET REALISATIONS			
	Third party funding	59,905.20	59,905.20
	Credit balance from Civil Aviation	61,767.08	61,767.08
5,823,702.00	Intercompany debtors - still trading	5,947,448.79	5,947,448.79
72,511.00	Fixed assets	NIL	NIL
715,633.00	Short term receivables	NIL	NIL
3,963,001.00	Cash at bank	3,655,427.21	3,655,427.21
		9,724,548.28	9,724,548.28
OTHER REALISATIONS			
	Bank interest, gross	46,610.34	46,610.34
		46,610.34	46,610.34
COST OF REALISATIONS			
	Liquidator's fees	(410,604.85)	(410,604.85)
	Liquidator's expenses	(1,786.87)	(1,786.87)
	Legal fees	(93,836.96)	(93,836.96)
	Statutory advertising	(166.00)	(166.00)
	Bank charges	(15.00)	(15.00)
		(506,409.68)	(506,409.68)
UNSECURED CREDITORS			
(50,273,966.00)	Trade & expense	NIL	NIL
(4,279,941.00)	HM Revenue & Customs	NIL	NIL
(16,898,080.00)	Intercompany - trading	NIL	NIL
(144,122,312.00)	Intercompany - insolvent	NIL	NIL
(4,598,108.00)	Accrued expenses	NIL	NIL
(393,357.00)	EU261 Claims	NIL	NIL
		NIL	NIL
<b>(209,990,917.00)</b>		<b>9,264,748.94</b>	<b>9,264,748.94</b>
REPRESENTED BY			
	VAT receivable		101,240.92
	Current account		2,863,508.02
	3 Month Fixed Term treasury deposit		6,300,000.00
			<b>9,264,748.94</b>

## Appendix 3

## Schedule of expenses

<b>Schedule of expenses (02/12/2021 to 01/12/2022)</b>			
<b>Expenses (£)</b>	<b>Incurred and paid in the period (£)</b>	<b>Incurred in the period not yet paid (£)</b>	<b>Total (£)</b>
<b>Cost of realisations</b>			
Liquidator's fees	410,604.85	0.00	<b>410,604.85</b>
Liquidator's expenses	1,786.87	0.00	<b>1,786.87</b>
Legal fees	93,836.96	0.00	<b>93,836.96</b>
Storage costs	0.00	228.93	<b>381.81</b>
Statutory advertising	166.00	0.00	<b>166.00</b>
Bank charges	15.00	0.00	<b>15.00</b>
<b>TOTAL</b>	<b>506,409.68</b>	<b>228.93</b>	<b>506,791.49</b>

### Requests for further information and right to challenge our remuneration and expenses

#### Creditors' requests for further information

If you would like to request more information about our remuneration and expenses disclosed in this report, you must do so in writing within 21 days of receiving this report.

Requests from unsecured creditors must be made with the concurrence of at least 5% in value of unsecured creditors (including, the unsecured creditor making the request) or with the permission of the Court.

#### Creditors' right to challenge our remuneration and expenses

If you wish to challenge the basis of our remuneration, the remuneration charged, or the expenses incurred during the period covered by this report, you must do so by making an application to Court within eight weeks of receiving this report.

Applications by unsecured creditors must be made with concurrence of at least 10% in value of unsecured creditors (including the unsecured creditor making the challenge) or with the permission of the Court.

The full text of the relevant Rules can be provided on request by writing to Ella Damman-Smith at Interpath Advisory, 10 Fleet Place, London, EC4M 7QS.

## Appendix 4

## Joint Liquidators' revised fees estimate

<b>Administration &amp; Planning</b>								
<b>Bankrupt/Director/Member</b>	Note 1	235.30	50,557.00	214.86	-163.73	-37,659.00	230.00	12,898.00
<b>Cashiering</b> - processing receipts, payments and bank reconciliations		22.30	11,159.50	500.43	4.40	2,209.50	502.16	13,369.00
<b>General</b> - books & records, fees & work in progress		134.10	44,172.40	329.40	-22.40	-5,001.15	223.27	39,171.25
<b>Statutory and compliance</b> - appointment & related formalities, bonding, checklist & reviews, advertising, strategy	Note 2	548.90	184,031.85	335.27	129.10	82,060.10	635.63	266,091.95
<b>Tax</b> - VAT & Corporation tax, initial reviews, pre and post appointment tax		23.80	15,572.00	654.29	14.60	10,429.50	714.35	26,001.50
<b>Creditors</b>								
<b>Creditors and claims</b> - general correspondence, notification of appointment, statutory reports	Note 3	169.70	69,917.25	412.01	749.65	185,823.75	247.88	255,741.00
<b>Employees</b> - correspondence		0.00	0.00	0.00	30.30	17,843.00	588.88	17,843.00
<b>Investigations</b>								
<b>Directors</b> - correspondence, statement of affairs, questionnaires		41.90	26,160.00	624.34	0.00	0.00	0.00	26,160.00
<b>Investigations</b> - director conduct and affairs of the Company	Note 4	114.20	34,575.75	302.76	-74.75	-19,286.00	258.01	15,289.75
<b>Realisation of Assets</b>								
<b>Asset Realisation</b> - including insurance of assets	Note 5	647.65	170,016.10	262.51	-142.66	-40,658.70	285.00	129,357.40
<b>Total</b>		<b>1,937.85</b>	<b>606,161.85</b>	<b>312.80</b>	<b>524.50</b>	<b>195,761.00</b>	<b>373.23</b>	<b>801,922.85</b>

In our previous report to creditors dated 22 August 2022, we provided our initial estimate of Joint Liquidators' fees. At that time, we estimated fees of c£606,000. Given the additional work carried out since August 2022, particularly in relation to the international branches identified in jurisdictions not previously known, and setting off these increased estimates against certain costs we have revised downwards in recognition of savings we have achieved, our latest estimated Joint Liquidators' time costs is c£802,000, a net increase of c£196,000.

As part of our latest forecasting exercise, we have considered key factors that have materially affected the previous forecast estimate to aide in explaining the material increases to our forecast in this report. These factors include a greater understanding of the complexities within certain workstreams, such as the winding down of international branches, which has identified material additional potential customer claims that would impact on costs relating to the claims adjudication process.

Furthermore, our latest revised budget recognises that the Company's liquidation is likely to continue for a longer period than previously forecast as a consequence of these latest issues.

Below we comment on the material increases to our forecast time cost estimates.

### Note 1 – Bankrupt/Director/Member

This work relates to various correspondence with directors surrounding the liquidation, including initial appointment formalities and issuance of statutory reports.

We have reduced our fee estimate in this workstream by c£38,000 (representing c.164 hours) to c£13,000 (previously c£51,000) on the basis that the level of correspondence with directors is now foreseen to be significantly lower than previously forecast.

#### Note 2 – Statutory and compliance

This work relates to initial appointment related formalities (including initial notifications and statutory filings) and advertising, and regular ongoing file reviews to ensure compliance with governing body regulation as well as the UK Insolvency Act.

We have increased our fee estimate in this workstream by c£82,000 (representing c129 hours) to c£266,000 (previously c£184,000) to reflect additional reporting requirements as a consequence of the additional time anticipated in the liquidation, as well as ongoing requirements of senior team time to discuss strategy, in particular surrounding the various international branches.

#### Note 3 – Creditors and claims

This estimated time relates to regular correspondence with creditors as is governed by the UK Insolvency Act, including both UK based creditors and international creditors / customers pertaining to various Norwegian Air UK Limited branches (including Argentina, Brazil and the United States of America). This time also includes estimated time to adjudicate upon creditors' and customers' claims as part of the distribution to unsecured creditors.

We have increased our fee estimate in this workstream by c£186,000 (representing c750 hours) to c£256,000 (previously c£70,000) to reflect additional reporting requirements to creditors as a consequence of the additional time anticipated in the liquidation, as well as additional work anticipated surrounding the adjudication of customer claims prior to distribution.

#### Note 4 – Investigations

Work in relation to our statutory obligation to conduct a preliminary investigation into the conduct of the directors, including the submission of an initial report to the Department of Business, Energy and Industrial Strategy.

We have decreased our fee estimate in this workstream by c£19,000 (representing c75 hours) to c£15,000 (previously c£35,000) on the basis that our work surrounding any ongoing investigations are currently not anticipated to be conducted at the previous forecast level.

#### Note 5 – Asset realisations

Work in relation to realising assets, including negotiations with debtors to recover outstanding balances, liaising with bank institutions to recover cash balances, and recovery other assets, as detailed above.

We have decreased our fee estimate in this workstream by c£41,000 (representing c143 hours) to c£129,000 (previously c£170,000) on the basis that our work surrounding realisation of assets has been concluded sooner than anticipated and at a lower cost than previously forecast.

## Appendix 5      Joint Liquidators' revised expenses estimate

	Notes	Estimated in August 2022 (£)	Current estimate (£)
Legal fees	1	130,577	130,577
Agents / Valuers fees	2	0	100,000
Liquidators' expenses	3	0	1,787
Statutory advertising		566	566
Bank charges		100	115
<b>Net total expenses estimated as at December 2022</b>		<b>131,243</b>	<b>233,045</b>

### Note 1 – Legal fees

Legal fees expected to be incurred during the liquidation by our lawyers, Dentons, relate to work undertaken surrounding the various asset realisations and the ongoing complexities with international branches (such as Argentina and Brazil).

### Note 2 – Agents / Valuers fees

Estimated fees relating to agents in dealing with the Company's chattel assets situated both in the UK and in international jurisdictions.

### Note 3 – Liquidators' expenses

Third party expenses paid by the Joint Liquidators on behalf of the estate, including IT software cost (in relation to accessing the Company's books and records), insurance costs and travel costs.



## Appendix 6 Joint Liquidators' charging and expenses policy

### Joint Liquidators' charging policy

The time charged to the liquidation is by reference to the time properly given by us and our staff in attending to matters arising in the liquidation. This includes work undertaken in respect of in-house Interpath Advisory tax and employee specialists.

Our policy is to delegate tasks in the liquidation to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

A copy of "A Creditors' Guide to Joint Liquidators' Fees" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available at:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29114/page/1/guide-to-liquidators-fees/>

If you are unable to access this guide and would like a copy, please contact Ella Damman-Smith on 0203 989 2716.

### Hourly rates

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

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

### *Interpath UK*

Partner	920	985	985
Director	810	910	910
Senior Manager	710	810	810
Manager	565	650	650
Senior Administrator	415	475	475
Administrator	315	350	350
Support	157	475	165

*Interpath Ireland (formerly KPMG IE until 16 October 2022)*

Partner	390	410	525
Director	265	280	430
Senior Manager	220	235	378
Senior Administrator	100	115	152
Administrator	60-100	75-115	105

The charge-out rates used by us might periodically rise (for example to cover annual inflationary cost increases) over the period of the liquidation. In our next statutory report, we will inform creditors of any material amendments to these rates.

Policy for the recovery of expenses

Where funds permit, the officeholders will seek to recover both Category 1 and Category 2 expenses from the estate. For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

*Expenses:* These are any payments which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements which are payments first met by the office holder, and then reimbursed to the office holder from the estate.

*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. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

*Category 2 expenses:* These are payments to associates or which have an element of shared costs. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

*Associates:* are defined in the insolvency legislation but also extends to parties where a reasonable and informed third party might consider there would be an association between the third party and the office holder or their firm.

Category 2 expenses charged by Interpath Restructuring include mileage. This is calculated as follows:

Mileage claims fall into three categories:

- Use of privately-owned vehicle or car cash alternative – 45p per mile.
- Use of company car – 60p per mile.
- Use of partner's car – 60p per mile.

For all of the above car types, when carrying Interpath Advisory passengers an additional 5p per mile per passenger will also be charged where appropriate.

We have incurred the following expenses (excluding VAT) during the period 2 December 2021 to 1 December 2022.

**Interpath UK**

Postage	NIL	410.45	NIL	NIL	<b>410.45</b>
Stationery	NIL	1,140.80	NIL	NIL	<b>1,140.80</b>

**Interpath Ireland**

Insurance	190.00	NIL	NIL	NIL	<b>190.00</b>
Travel	NIL	NIL	57.07	NIL	<b>57.07</b>
IT software	1,539.80	NIL	NIL	NIL	<b>1,539.80</b>
<b>Total</b>	<b>1,729.80</b>	<b>1,551.25</b>	<b>57.07</b>	<b>NIL</b>	<b>3,338.12</b>

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

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

Narrative of work carried out for the period 2 December 2021 to 1 December 2022.

The key areas of work have been:

Statutory and compliance	collating initial information to enable us to carry out our statutory duties, including creditor information, details of assets and information relating to the licences; posting information on a dedicated web page; providing initial statutory notifications of our appointment to the Registrar of Companies, creditors and other stakeholders, and advertising our appointment; preparing statutory receipts and payments accounts; arranging bonding and complying with statutory requirements; ensuring compliance with all statutory obligations within the relevant timescales.
Strategy documents, Checklist and reviews	formulating, monitoring and reviewing the liquidation strategy briefing of our staff on the liquidation strategy and matters in relation to various work-streams; regular case management and reviewing of progress, including regular team update meetings and calls; reviewing and authorising junior staff correspondence and other work; dealing with queries arising during the appointment; reviewing matters affecting the outcome of the liquidation; allocating and managing staff/case resourcing and budgeting exercises and reviews; liaising with legal advisors regarding the various instructions, including agreeing content of engagement letters; complying with internal filing and information recording practices, including documenting strategy decisions.
Cashiering	setting up liquidation bank accounts and dealing with the Company's pre-appointment accounts; preparing and processing vouchers for the payment of post-appointment invoices; creating remittances and sending payments to settle post-appointment invoices; reconciling post-appointment bank accounts to internal systems; ensuring compliance with appropriate risk management procedures in respect of receipts and payments.

Tax	gathering initial information from the Company's records in relation to the taxation position of the Company; submitting relevant initial notifications to HM Revenue and Customs; reviewing the Company's pre-appointment corporation tax and VAT position; analysing and considering the tax effects of various sale options, tax planning for efficient use of tax assets and to maximise realisations; working initially on tax returns relating to the periods affected by the liquidation; analysing VAT related transactions; dealing with post appointment tax compliance.
General	reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9; drawing remuneration in accordance with the basis which has been approved by creditors; liaising with the joint appointee; locating relevant Company books and records, arranging for their collection and dealing with the ongoing storage.
Asset realisations	collating information from the Company's records regarding the assets; liaising with third party financial institutions for the realisation and recovery of cash at bank; reviewing outstanding third party debtors and management of debt collection strategy; liaising with management at NAS, where appropriate to obtain any supporting information related to assets; engaging external agents to assist in valuation of tangible assets; liaising/negotiating with debtor, including engagement and management of legal advisors in the UK and overseas when necessary.
Open cover insurance	arranging ongoing insurance cover for the Company's business and assets; liaising with the post-appointment insurance brokers to provide information, assess risks and ensure appropriate cover in place; assessing the level of insurance premiums.
Creditors and claims	creating and updating the list of unsecured creditors; responding to enquiries from creditors regarding the liquidation and submission of their claims; reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records; drafting our report.
Investigations/ Directors	reviewing Company and directorship searches and advising the directors of the effect of the liquidation; liaising with management to produce the Statement of Affairs and filing this document with the Registrar of Companies; reviewing the questionnaires submitted by the directors of the Company; reviewing pre-appointment transactions; submitting the online director conduct assessment to the relevant authority.

## Time costs

General (Cashiering)	<b>11.10</b>	5,159.00	464.77
Reconciliations (& IPS accounting reviews)	<b>0.60</b>	210.00	350.00
Books and records	<b>11.30</b>	5,165.50	457.12
Fees and WIP	<b>48.40</b>	11,614.25	239.96
Joint appointee	<b>1.60</b>	1,543.50	964.69
Other office holders	<b>0.40</b>	368.00	920.00

Appointment and related formalities	<b>39.30</b>	22,305.00	567.56
Bonding & Cover Schedule	<b>1.30</b>	285.20	219.38
Budgets & Estimated outcome statements	<b>4.60</b>	3,726.00	810.00
Checklist & reviews	<b>35.65</b>	17,656.75	495.28
Pre-liquidation checks	<b>1.70</b>	705.50	415.00
Reports to debenture holders	<b>1.00</b>	985.00	985.00
Strategy documents	<b>283.85</b>	84,317.50	297.05
Initial reviews - CT and VAT	<b>4.70</b>	2,623.50	558.19
Post appointment corporation tax	<b>4.10</b>	2,565.50	625.73
Post appointment VAT	<b>10.60</b>	8,247.50	778.07
Agreement of claims	<b>6.20</b>	4,485.50	723.47
General correspondence	<b>260.55</b>	64,958.35	249.31
Legal claims	<b>1.80</b>	1,458.00	810.00
Notification of appointment	<b>17.10</b>	5,858.00	342.57
Statutory reports	<b>201.90</b>	49,416.75	244.76
Correspondence	<b>0.30</b>	243.00	810.00
D form drafting and submission	<b>36.10</b>	23,405.00	648.34
Directors' questionnaire / checklist	<b>5.80</b>	2,755.00	475.00
Correspondence re investigations	<b>18.35</b>	8,391.25	457.29
Mail redirection	<b>0.20</b>	70.00	350.00
Review of pre-appt transactions	<b>20.90</b>	6,828.50	326.72
Cash and investments	<b>31.50</b>	16,730.00	531.11
Debtors	<b>87.00</b>	29,112.90	334.63
Freehold property	<b>0.50</b>	325.00	650.00
Office equipment, fixtures & fittings	<b>96.75</b>	26,787.50	276.87
Other assets	<b>36.00</b>	17,874.40	496.51
Sale of business	<b>4.20</b>	2,471.00	588.33
<b>Total in period</b>	<b>1,285.35</b>	<b>428,647.85</b>	<b>333.49</b>
Brought forward time (appointment date to SIP 9 period start date)	0.00	0.00	
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	1,285.35	428,647.85	
Carry forward time (appointment date to SIP 9 period end date)	1,285.35	428,647.85	

## Appendix 7      Glossary

<b>Act</b>	Insolvency Act 1986
<b>CAA</b>	Civil Aviation Authority
<b>Company</b>	Norwegian Air UK Limited
<b>Examinership</b>	The Irish law examinership process
<b>GBP or £ or Pounds Sterling</b>	The currency for the time being of the United Kingdom
<b>Group</b>	The group of companies of which Norwegian Air Shuttle ASA (“NAS”) is the ultimate parent company, and of which the Company and Norwegian Air Resources UK Limited (In Liquidation) (“NAR”) are members
<b>HMRC</b>	His Majesty’s Revenue and Customs
<b>JetSMART</b>	JetSmart Holdings Limited
<b>Joint Liquidators/we/our/us</b>	David Pike, Michael Pink and Stuart Irwin
<b>Interpath/Interpath Advisory</b>	Interpath Ltd
<b>KPMG</b>	KPMG LLP
<b>USD or \$ or dollars</b>	The currency for the time being of the United States of America

Any references in this report to Sections, Paragraphs and Rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, and the Insolvency (England and Wales) Rules 2016 respectively.

## Appendix 8      Notice: About this report

This progress report has been prepared by David Pike, Michael Pink and Stuart Irwin, the Joint Liquidators of Norwegian Air UK Limited (the 'Company'), solely to comply with their statutory duty under the Insolvency Rules (England and Wales) 2016 to provide members and creditors with an update on the progress of the liquidation of the estate, and for no other purpose.

This report is not suitable to be relied upon by any other person, or for any other purpose or in any other context including any decision in relation to the debt of or any financial interest in the Company or any other company in the Group. Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency Rules (England and Wales) 2016 does so at their own risk. Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for individual creditors.

David John Pike and Michael Robert Pink are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England & Wales.

Stuart Irwin was originally authorised to act as an insolvency practitioner by the Insolvency Practitioners Association. As of 1 January 2023, Stuart Irwin has been granted an Insolvency Practising Certificate and is licensed to act as an Insolvency Practitioner in the Republic of Ireland, Great Britain and Northern Ireland by Chartered Accountants Ireland.

We are bound by the Insolvency Code of Ethics.

The Officeholders are Data Controllers of personal data as defined by the Data Protection Act 2018. Personal data will be kept secure and processed only for matters relating to the appointment. For further information, please see our Privacy policy at – [www.interpathadvisory.com/privacy-insolvency](http://www.interpathadvisory.com/privacy-insolvency).

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

**[www.interpathadvisory.com](http://www.interpathadvisory.com)**

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