



To all known creditors and members

# **Joint Liquidators' Progress Report**

## **For the period from 7 August 2024 to 6 August 2025**

JFN Limited (formerly James Fisher Nuclear Limited) - in Liquidation,  
Company Number: SC204768

Pursuant to Rule 7.8 of the Insolvency (Scotland)(Receivership and Winding up) Rules  
2018

# Glossary

Term	Meaning
<b>Act / IA86</b>	Insolvency Act 1986 (as amended)
<b>Administration</b>	The Administration of the Company (that ended on 6 August 2024)
<b>AP</b>	Accounting period
<b>The Company/JFN</b>	JFN Limited – in Liquidation
<b>FTI</b>	FTI Consulting LLP
<b>Hilco</b>	Hilco Appraisal Limited, trading as Hilco Valuation Services, an independent specialist agent with adequate professional indemnity insurance cover
<b>JCP</b>	JCP Five Limited, an Rcapital lending vehicle
<b>JFS</b>	James Fisher & Sons plc
<b>IR18/the Rules</b>	Insolvency (Scotland)(Receivership and Winding up) Rules 2018
<b>IP</b>	Intellectual Property
<b>Joint Administrators/ Liquidators/we/our/us</b>	Oliver Wright, Matthew Callaghan and Christopher Bennett
<b>Liquidation</b>	The Liquidation of the Company (that commenced on 7 August 2024 when the Joint Liquidators were appointed)
<b>Magnox</b>	Magnox Limited, a nuclear decommissioning site licence company under the Nuclear Decommissioning Authority, a UK government body set up specifically to deal with the nuclear legacy under the Energy Act 2004. In September 2019, it became a direct subsidiary of the NDA. Magnox Limited rebranded as Nuclear Restoration Services on 31 October 2023.
<b>MJF</b>	MJF Records Management, storage provider
<b>PAYE/NIC</b>	Pay-as-you-earn tax/National Insurance Contributions
<b>Period</b>	7 August 2024 to 6 August 2025
<b>The First Accounting Period</b>	7 August 2024 to 6 February 2025
<b>The Second Accounting Period</b>	7 February 2025 to 6 August 2025

Term	Meaning
<b>Preferential creditors</b>	First ranking: principally employee claims for unpaid wages (up to £800 per employee), holiday pay and certain unpaid pension contributions. Second ranking: HMRC in respect of certain specified debts, such as VAT, PAYE, employee National Insurance Contributions, student loan deductions and Construction Industry Scheme deductions
<b>The Purchaser/HTSL</b>	High Technology Sources Limited, an associated company and purchaser of the business and assets of the Instrumentation division
<b>Rcapital</b>	Rcapital Partners LLP
<b>RPS</b>	Redundancy Payments Service
<b>Sch B1</b>	Schedule B1 to the Act
<b>Secured Creditor(s)</b>	Creditors with security in respect of their debt in accordance with Section 248 IA86. In this case, the Secured Creditor is JCP Five Limited, acting as security agent for itself and Rcapital Partners LLP
<b>SIP</b>	Statement of Insolvency Practice. The purpose of SIPs is to promote and maintain high standards by setting out required practice and harmonising the approach of insolvency practitioners to particular aspects of insolvency practice. SIPs set principles and key compliance standards with which insolvency practitioners are required to comply. They apply in parallel to the prevailing statutory framework. SIPs are issued to insolvency practitioners under procedures agreed between the insolvency regulatory authorities, acting through the Joint Insolvency Committee.
<b>SIP9</b>	Statement of Insolvency Practice 9: Payments to insolvency office holders and their associates from an estate
<b>SPB</b>	Squire Patton Boggs (UK) LLP, a law firm
<b>Stor-it Data</b>	Stor-it Data Management Ltd
<b>Unsecured creditors</b>	Creditors who are neither secured nor preferential: principally trade creditors, landlords, intercompany debts and utility providers. HMRC and employee-related claims that do not rank preferentially are also included here.

# Table of Contents

Introduction	4
Progress of the Liquidation	6
Appendices	13



# Introduction



## Purpose of this report

- Oliver Stuart Wright, Matthew Boyd Callaghan and Christopher Jon Bennett were appointed as joint liquidators of the Company on 7 August 2024, having previously been appointed as joint administrators on 9 August 2023.
- Pursuant to Rule 7.8 IR18, we are required to provide creditors with a report setting out what has happened in the Liquidation during the 12-month period since our appointment.
- This report covers the period from 7 August 2024 to 6 August 2025 and contains:
  - An explanation of the work we have done in the Period and how the Liquidation has progressed;
  - An update on the estimated outcome for each class of creditor;
  - Details of the work we still need to do before the Liquidation can be concluded;
  - A statement of our receipts and payments and details of expenses (outlays) we have incurred;
  - An update on our remuneration for acting as joint liquidators, including the determination on our claim for remuneration and outlays recently given by the Liquidation Committee; and
  - Further information required by statute regarding our appointment as liquidators.
- Background information on the Company, events leading up to the preceding Administration proceedings and how the Administration was conducted, are still available to view and download online (see How to Contact Us).
- Certain legal notices regarding this report, our appointment and creditors' rights are also included as an appendix.
- If you have any questions regarding this report or the Liquidation generally, please contact us.



.....  
Christopher Bennett  
Joint Liquidator

*The affairs, business and property of the Company are being managed by the Joint Liquidators, who act as agents of the Company and without personal liability. The Joint Liquidators are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales, under Section 390A(2)(a) IA86. The Joint Liquidators are bound by the Insolvency Code of Ethics which can be found at:*  
<https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

### How to Contact Us

- Creditors can contact us using the preferred methods below:

Email: [JFN\\_Administrators@fticonsulting.com](mailto:JFN_Administrators@fticonsulting.com)

Post: JFN Limited – in Liquidation  
c/o FTI Consulting LLP  
200 Aldersgate  
Aldersgate Street  
London, EC1A 4HD

Tel: +44 (0) 203 077 0363

- Further information can be found online at:  
[www.fticonsulting.com/uk/creditors-portal/jfn](http://www.fticonsulting.com/uk/creditors-portal/jfn)

### Actions Required by Creditors

- No action is required by creditors in connection with this report. It is for information purposes only.
- A dividend will shortly be paid to those creditors with admitted claims and in accordance with the Scheme of Division set out in this report.



# Progress of the Liquidation

## Our Work in the Liquidation

**During the Liquidation we have continued to pursue asset realisations for the benefit of creditors. Asset realisations will soon be complete.**

### Asset Realisations

- The majority of asset realisations were achieved in the preceding Administration, as previously reported to creditors. When the Administration ended, funds of c.£3.3m were transferred to the Liquidation, principally for distribution to all classes of creditors in the statutory order of priority.
- Details of our work in the Administration can be found in progress reports that continue to be available online at [www.fticonsulting.com/uk/creditors-portal/jfn](http://www.fticonsulting.com/uk/creditors-portal/jfn). The content of those reports is not repeated here unless considered beneficial or necessary to do so.
- Our work specifically on the sale involved liaison with Hilco on sale options and progress, meetings with Sellafield and a detailed review to identify relevant IP, confirm ownership, and ensure that any sale would not risk breaching national security restrictions.
- Following an initial offer of £7.5k, we successfully negotiated an increased offer of c.£37k, in recognition of (and more closely aligned to) the time costs we have incurred to date in dealing with the IP sale. We are currently progressing the sale to completion and expect it to conclude this month.

### Interest received

- In the Liquidation, we have continued to invest the surplus funds to maximise the interest received and in the first year of the Liquidation bank interest of c.£89k has been generated. A further c.£11k of interest has been received from HMRC in connection with the late repayment of VAT; bringing total interest received to c.£100k, as shown on the enclosed receipts and payments account.

### Sale of Tax Losses

- After a period of negotiation, £15k was realised from the sale of approximately £8.5m of the Company's pre-appointment tax losses to JFS. The value realised reflects the position that the parent company was the only party able to obtain value from these losses due to group relief provisions. There was no practical alternative route to achieving a higher value for the losses given they could only be sold to a party that had previously formed a tax group with the Company.

### IP Sale

- During the Liquidation, we continued to pursue the sale of a range of intellectual property ("IP") assets belonging to the Company to Sellafield. The sale process formed part of a broader data transfer exercise with Sellafield, aimed at identifying and returning Sellafield's own data to them.

### Other refunds

- The Company charged Sellafield c.£10k plus VAT for our assistance in the identification and return of their data, which was performed solely for their benefit and not for the creditors of the Company. The amount charged was based on the time spent by our team in dealing with this matter.
- A review of remuneration drawn in connection with this case identified that prior to our appointment as joint administrators, FTI had erroneously received an overpayment in respect of their fees. During the Liquidation, this was repaid (plus interest at the statutory rate of 8%) in the total sum of c.£16k.

### Future asset realisations

- Future recoveries are principally for the Sellafield IP sale and bank interest from ongoing funds investments. There is also one other ongoing workstream whereby we are due to sell (as a defaulting shareholder) the Company's stake in two joint venture arrangements for nominal value of £1,500. A reimbursement of legal costs up to £10,000 is expected on completion.
- In general, all work performed in the Administration and Liquidation in connection with asset realisations has been for the benefit of creditors, as the funds generated (after costs) are distributable to them.

# Our Work in the Liquidation

**The majority of our work during the Liquidation has focused on the adjudication of creditor claims and we are now able to pay a dividend in conjunction with the Second Accounting Period.**

## Claims Agreement

### *Initial Liquidation Notice to Creditors*

- In September 2024, we gave notice to all creditors (including former employees) of the move from Administration proceedings to creditors' voluntary liquidation. In that notice, we explained:
  - That we were working towards paying a dividend in conjunction with the First Accounting Period (ending on 6 February 2025);
  - That the ability to pay that dividend would be dependent on having received preferential claims from the RPS and HMRC, which had statutory priority; and
  - That if we were unable to pay the dividend, it would be delayed by six-months, to coincide with the Second Accounting Period.
- We also explained to each creditor whether their claims had been received and invited creditors to submit claims as soon as possible if they had not already done so.

### *Claims Agreement Strategy – Preferential Creditors*

- In the preceding Administration, we engaged ERA Solutions to assist us with employee claims and liaison with the RPS. Once the RPS had finalised payments to employees under their statutory entitlements (including settled protective awards against the Company), ERA Solutions could review and advise us on the admittance of the RPS's claim. ERA Solutions could also then calculate the residual preferential and unsecured claims (if any) of each employee. We explain the outcome later in this report.
- We continued to chase HMRC for its final preferential and unsecured claim and received the claim on 30 April 2025.

### *Claims Agreement Strategy – Unsecured Creditors*

- In November 2024 and based on awaited and received claim information, we prepared a claim adjudication methodology to ensure that our work would be conducted in a cost-effective and proportionate manner.

- The methodology took into consideration that a small number of large claims would represent the vast majority of the Company's unsecured liabilities, and therefore the majority of claims by volume should be adjudicated as cost-effectively as possible.
- A proof of debt is required in order for any claim to be valid. Our tiered approach subjected claims to more scrutiny as their value increased, and with an appropriate degree of reliance on the director's Statement of Affairs. The highest value claims would require a detailed review.

### *Postponed Dividend*

- In March 2025, we wrote to all creditors to explain that we were not in a position to pay a dividend in respect of the First Accounting Period as we had not received claims from HMRC and RPS by the statutory deadline.
- We confirmed that the next opportunity to pay a dividend would be in conjunction with the Second Accounting Period and again invited creditors to submit claims if they had not already done so, and by the deadline of 12 June 2025.
- Whilst the dividend was postponed, we had done a significant amount of work to adjudicate the majority of claims and engaged with creditors where additional supporting information was required and/or in order to respond to their queries.

### *Employee Claims*

- Having received a claim and supporting evidence from the RPS in January 2025, ERA Solutions were able to calculate employees' residual claims and in April 2025 (once claim data had been migrated to our system and verified), we wrote to all employees inviting them to submit proof of debt forms in respect of their residual claims (if any). In order to reduce costs, completed forms and queries were directed to ERA Solutions in the first instance.
- We worked with ERA Solutions on the transfer of employee and claim data to our system in anticipation of processing a dividend in due course. This work included the relevant system preparations, data transfer and subsequent verification.



## Our Work in the Liquidation

**Claims of a complex nature were agreed using our adjudication methodology and without external specialist advice, as a pragmatic solution in agreement with the Committee, in order to protect the outcome for creditors.**

### *Final Claim Adjudication*

- In order to participate in the dividend, creditors needed to have submitted claims by 12 June 2025 and the deadline for us to adjudicate all claims was 10 July 2025.
- Received claims continued to be adjudicated in line with the established methodology, however it became clear that several of the high value claims were of such a complex and multi-faceted nature that specialist advice would be required. The challenges were linked to the highly specialised nature of the business, complex long-term contracts and financial arrangements and 'pain positions' (counter-claims) as a result of the Company's insolvency.
- We evaluated the potential impact on creditors in a range of scenarios, applying different adjudication outcomes, costs of specialist advice and additional Liquidation costs. Given the low rate of dividend and profile of creditor claims, the various scenarios confirmed that the two largest creditors would be most affected by the adjudication strategy, as they represented over half of the total claims.
- Before further consideration of engaging a third-party specialist to review the large and complex claims (likely to delay the dividend even further), we convened a meeting of the Liquidation Committee to obtain their views.
- At a Committee meeting on 17 June 2025, we provided an update on the Liquidation and in particular set out the alternative adjudication options. The Committee resolved that we should admit the complex claims (in whole or part) based solely on our own adjudication process. Critical factors relevant to this decision included:
  - The low rate of dividend in this case;
  - The likely significant costs of seeking third party specialist advice and their materiality in the context of the anticipated surplus available;
  - The impact of further delays in distributing funds; and
  - That there was no evidence to suggest that incurring the costs of specialist advice would successfully mitigate claims, which could leave creditors in a worse position.

- Whilst we have spent a significant amount of time on claims agreement work and it represents the largest workstream in the Liquidation, the pragmatic solution to proceed solely on our adjudication process has avoided material additional costs and delays.

### *Confirmation of Adjudication*

- On 11 July 2025, we wrote to all creditors (including former employees) to confirm the outcome of the adjudication on all claims received. We also explained the process for creditors to appeal any decision on the adjudication and set out timeline for the dividend distribution process.
- We are not aware that any creditor appealed any decision, however, we did receive a number of queries from creditors that have been responded to. A small number of claims were received after the statutory deadline and will therefore not participate in the distribution but could receive a 'catch-up' dividend if funds are available in the next accounting period.

### *Dividend Timeline*

- As a reminder, below is the broad timeline through to distributing the dividend.
  - As explained later, within 14 days of the Committee's determination on our claim for remuneration and reasonably incurred outlays, any creditor may appeal against that determination, to the Court.
  - On the expiry of the above appeal period (or, if an appeal is made, on the final determination of the last such appeal), we must pay the dividend in accordance with the Scheme of Division.
- During the course of our work, we have invited creditors to provide us with their bank details in order for fast and secure payment of the dividend. However, it is likely that some payments by cheque may be necessary, and failure by creditors to bank these on a timely basis, may delay closure of the Liquidation.

## Our Work in the Liquidation

**Our other work in the Liquidation has included the necessary fulfilment of the Company's ongoing obligations and those upon us as joint liquidators under insolvency legislation.**

### Managing the Company's Affairs

#### Corporation Tax

- Our Tax team supported the work on the sale of the tax losses to JFS and otherwise attended to the Company's obligation to submit periodic corporation tax returns.
- During the Liquidation, the relevant tax returns for the preceding Administration periods up to 6 August 2024 were prepared and submitted, with a tax liability of c.£21k arising on bank interest received. Existing trading-related tax losses could not be offset against (or used to mitigate) the post-cessation non-trading interest received. Payment was made after the accounting period end.
- We have made a provision of £25k for the payment of tax on interest received in the subsequent Liquidation period to 6 August 2025 and we aim to prepare and submit this tax return (and make the required payment), in the near future.

#### VAT

- Our VAT team has prepared and submitted the Company's quarterly VAT returns as and when they fell due.
- By June 2025, c.£467k in VAT refunds was due from HMRC in relation to VAT returns dating back to mid-2024. We chased HMRC on a regular basis and subsequently received a cheque for £482k on 8 July 2025, including interest in respect of the late payment. We are continuing to liaise with HMRC for an accurate breakdown of this refund as we believe it has incorrectly included the return for the quarter ended 31 March 2025.
- In the meantime, we have assumed that the refund includes interest of c.£11k and a subsequent adjustment to this amount may be required once confirmation is received.
- Once the IP sale to Sellafeld has completed and final VAT accounted for, we will be deregistering the Company for VAT purposes and will thereafter recover VAT as and when appropriate to do so.
- Our work in respect of Tax and VAT is required by statute and does not produce a financial benefit for creditors, other than where linked to the sale of the tax losses. However, it is necessary to fulfil the Company's obligations and recover VAT in order for those funds to be available to creditors.

#### Treasury and Accounting

- We have continued to maintain accounting records for the Liquidation and our receipts and payments account is set out later. A new account was opened for the Liquidation, and it has been reconciled on a monthly basis.

#### Fulfilling our Statutory Duties

- Our other work in the Liquidation principally related to attending to our statutory and regulatory duties as liquidators, and included:
  - Issuing the relevant letters and notices as a result of the Company moving from Administration to Liquidation, our appointment as liquidators and the continuation of the Committee;
  - Periodic reviews of the case to ensure the strategy remained appropriate and that it was progressing on a timely basis; and
  - Preparing for and holding the Committee meeting (as described earlier) to seek the Committee's views on matters relating to the adjudication of claims.
- In the preceding Administration, we submitted a confidential report to the Insolvency Service (acting for the Department for Business and Trade) on the conduct of those persons who acted as directors of the Company in the three-year period before the Administration. That work does not need to be repeated in the Liquidation and no further matters have come to light during the Period that require investigation.
- Future statutory and compliance work is expected to arise in the following areas:
  - Seeking Committee approval to shorten (or lengthen if necessary) the duration of the third accounting period once all matters have been concluded;
  - Distributing any remaining funds to creditors; and
  - Taking the necessary steps to bring the Liquidation to a close and vacate office as joint liquidators.
- The timing for ending the Liquidation depends on resolution of all outstanding matters and whether or not there are any residual funds to make a final distribution.

## Estimated return to creditors

**From the funds available, secured and preferential creditors are expected to be paid in full. The remaining surplus (after certain cost provisions) will be distributed to the unsecured creditors.**

### Secured Creditors

- The Company granted debentures dated 3 March 2023 containing fixed and floating charges over the assets of the Company to JCP (as security agent for itself and Rcapital) and JFS.
- In relation to JFS, at the time of our appointment there was no debt outstanding under the security facility and therefore JFS does not meet the definition of a secured creditor under Section 248 IA86.
- As shown in the directors' Statement of Affairs, JCP (as security agent) was owed c.£517k on appointment in relation to unpaid interest, arrangement fees, management fees and recharges, secured by a debenture containing fixed and floating charges over the Company's assets. Unpaid interest and charges continued to accrue, increasing the debt to c.£577k.
- As part of the sale of the Instrumentation business and assets in the Administration, the Purchaser paid £100,000 for goodwill that was subject to fixed charge security in favour of the Secured Creditors. Following this, we made a fixed charge distribution to the Secured Creditors of £70,000 and we have recently allocated a £5,000 contribution to legal costs in relation to the sale. We expect to draw the remaining £25,000 as remuneration, subject to the Secured Creditors' approval.
- As previously reported, the Purchaser also agreed to procure a reduction of the claim of the Secured Creditors in the sum of £250,000. Whilst this is not a distribution from the Company's assets realised in the Administration / Liquidation, it reduces the amount to be claimed under floating charge security (with a consequential benefit for unsecured creditors as it reduces the dilution of the surplus available to be shared amongst that group of creditors). During the Liquidation, a further debt waiver of £10,000 was agreed in relation to certain tax losses.
- As shown on the enclosed Scheme of Division, it is expected that the Secured Creditor will be paid in full, and payment will be made when the other dividends are distributed.

### Preferential Creditors

- As noted earlier, having received and processed the RPS's claim, we wrote to all employees, inviting them to submit a proof of debt for their residual claims, and by the deadline of 12 June 2025, 195 forms had been received. Some 38 employees had no preferential claim, and 14 employees did not respond.
- With HMRC also having submitted their final claim, the position in respect of preferential claims is as follows:

Header	Ranking	Admitted	Awaited	Total
RPS	First / Ordinary	169,400.19	-	169,400.19
Employees	First / Ordinary	198,045.05	15,933.03	213,978.08
HMRC	Secondary	1,966,917.97	-	1,966,917.97
<b>Total</b>		<b>2,334,363.21</b>	<b>15,933.03</b>	<b>2,350,296.24</b>






- As shown on the enclosed Scheme of Division, we propose paying a 100p/£ dividend to both first and second-ranking admitted preferential claims.

### Unsecured Creditors

- After the deadline had passed for submitting and adjudicating claims, on 11 July 2025 we circulated a list of creditor claims and our adjudication thereon. The reported value of admitted claims was £56,023,724.89. One creditor subsequently confirmed the withdrawal of their claim (£51,905.14) and a file review identified a small number of claims totalling £82,855.15 that were erroneously omitted. As a result, the final level of admitted unsecured claims is £56,072,368.84, as shown on the enclosed Scheme of Division.
- A handful of claims were received after the relevant deadlines and those creditors are unable to participate in the distribution. However, if a final dividend becomes available from any funds remaining in the Liquidation when all work has been completed, those creditors will receive a 'catch-up' dividend (in whole or part) in respect of the amount not received from the first distribution.

## Work We Still Need To Do

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

Area	<b>Company Affairs</b> 	<b>Other assets</b> 	<b>Tax / VAT</b> 	<b>Distributions</b> 	<b>Winding-down</b> 
Work Required	<ul style="list-style-type: none"> <li>Administering the affairs of the Company while it continues to be in Liquidation, including cashing, maintaining creditor information, reporting to creditors, and responding to <i>ad hoc</i> queries from creditors and employees.</li> </ul>	<ul style="list-style-type: none"> <li>Completion of the sale of IP and joint venture interests.</li> <li>Generating further interest through the continued investment of funds.</li> </ul>	<ul style="list-style-type: none"> <li>Preparation and submission of VAT and CT returns when required.</li> <li>VAT deregistration and potential preparation of VAT 427 forms (for input VAT recovery post-deregistration).</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing responses to inbound queries received, including supporting creditors on the Turnkey Insolvency Portal.</li> <li>Payment of the dividend in accordance with the enclosed Scheme of Division.</li> <li>Payment of any subsequent dividend, if surplus funds remain, including compliance with statutory requirements relating to claims adjudication and dividends.</li> </ul>	<ul style="list-style-type: none"> <li>Progress any other matters required to wind-down the Company's affairs generally prior to the Liquidation concluding.</li> <li>Complete statutory requirements to bring the Liquidation (and our appointment as liquidators) to an end.</li> </ul>
Timing	<ul style="list-style-type: none"> <li>Management of the Company's affairs is continuous while we remain in office.</li> <li>We continue to report to creditors on accordance with statutory requirements.</li> </ul>	<ul style="list-style-type: none"> <li>Sale of the IP is expected to be completed in the near future.</li> <li>Funds will only be invested whilst it continues to be beneficial to do so.</li> </ul>	<ul style="list-style-type: none"> <li>Periodic returns until such time as the Company is deregistered, which will be dependent on confirmation that all the Company's assets have been sold.</li> </ul>	<ul style="list-style-type: none"> <li>Approximately six months.</li> </ul>	<ul style="list-style-type: none"> <li>Approximately six months.</li> </ul>



# Appendices



## Appendix A: Statutory Information

**Company Name:** JFN Limited

<b>Previous Name(s)</b>	James Fisher Nuclear Limited	<b>Liquidators' Address</b>	FTI Consulting LLP, 200 Aldersgate, Aldersgate Street, London EC1A 4HD
<b>Trading Names(s)</b>	James Fisher Nuclear, JF Nuclear, JFN	<b>Liquidators' Recognised Professional Body</b>	ICAEW
<b>Registered Number</b>	SC204768	<b>Appointment Date</b>	7 August 2024
<b>Date of Incorporation</b>	9 March 2000	<b>Appointment made by</b>	Creditors, pursuant to Paragraph 83 of Schedule B1 to the Insolvency Act 1986
<b>Registered Office</b>	c/o FTI Consulting LLP, Unit C, First Floor, Logie Court Stirling University Innovation Park, Stirling, FK9 4NF	<b>Changes in Liquidator</b>	n/a
<b>Former Registered Office</b>	c/o BTO Solicitors LLP, 48 St. Vincent Street, Glasgow, G2 5HS	<b>Company Secretary</b>	Cossey Cossec Services Limited
<b>Court Name / Address</b>	Court of Session, Parliament House, Parliament Square, Edinburgh, EH1 1RQ	<b>Shareholders</b>	JFN Holdings Limited
<b>Court Reference</b>	P640/23	<b>Qualifying Floating Charge Holders</b>	JCP Five Limited, acting as security agent for itself and Rcapital Partners LLP
<b>Liquidators' Names</b>	Oliver Stuart Wright, Matthew Boyd Callaghan and Christopher Jon Bennett  The Joint Liquidators act jointly and severally.		

## Appendix B: Receipts and Payments Account

Our receipts and payments account for the Liquidation accounting periods ended 6 February 2025 and 6 August 2025. We later explain how it is proposed that the funds held are distributed to creditors.

	Notes	AP1 £	AP2 £	Total £
<b>Fixed Charge Assets</b>				
Transferred from Administration	1	25,000.00	-	25,000.00
<b>Total</b>		<b>25,000.00</b>	<b>-</b>	<b>25,000.00</b>
<b>Floating Charge Assets</b>				
Transferred from Administration	2	3,311,838.64	-	3,311,838.64
Interest Received	3	46,405.54	53,460.27	99,865.81
Sale of Tax Losses	4	15,000.00	-	15,000.00
Other Assets	5	16,034.02	9,645.89	25,679.91
<b>Total</b>		<b>3,389,278.20</b>	<b>63,106.16</b>	<b>3,452,384.36</b>
<b>Floating Charge Costs</b>				
Professional Fees	6	-	(10,699.00)	(10,699.00)
Legal Fees	7	(7,034.00)	-	(7,034.00)
Statutory Advertising	8	(99.00)	-	(99.00)
<b>Total</b>		<b>(7,133.00)</b>	<b>(10,699.00)</b>	<b>(17,832.00)</b>
<b>Net Floating Charge Assets</b>		<b>3,382,145.20</b>	<b>52,407.16</b>	<b>3,434,552.36</b>
<b>Total Receipts and Payments</b>		<b>3,407,145.20</b>	<b>52,407.16</b>	<b>3,459,552.36</b>
<b>Represented By:</b>				
VAT (Payable) / Recoverable	9	460,415.24	(11,202.98)	
Bank Balance	10	2,946,729.95	3,470,755.33	
Due (from) / to FTI	11	0.01	0.01	
<b>Total</b>		<b>3,459,552.36</b>	<b>3,459,552.36</b>	

### Notes to the Receipts and Payments Account

- Balance of fixed charge realisations received from the Administration (£30,000) less a contribution of £5,000 to Administration floating charge legal fee costs. The remaining balance represents joint administrators' remuneration not yet drawn and subject to approval by the Secured Creditors.
- Balance of floating charge realisations received from the Administration, plus the above contribution to legal costs incurred in the Administration.
- Interest received on bank account funds and treasury deposits, plus interest from HMRC on the late repayment of VAT (which may be subject to adjustment).
- Sale of tax losses to JFS.
- Contribution to costs from Sellafeld (data transfer work) and FTI advisory fee refund.
- ERA Solutions fees for the agreement of employee claims.
- SPB fees paid in the Liquidation include £4,241.50 that were incurred in the latter stages of the Administration, plus a further £2,792.50 incurred in the Liquidation up to 24 September 2024, principally in relation to agreeing a license with Magnox for the ongoing right of use of certain intellectual property.
- Advertising our appointment in the London Gazette.
- Payments to be made include a potential refund to HMRC of c.£3k in relation to the quarter ended 31 March 2025 (believe received in error), net VAT payments to HMRC of c.£3k, and £5k relating to invoiced fixed charge fees of £25k (VAT recovered but fees not yet drawn).
- Balance held on interest bearing current account on 6 August 2025.
- Minor difference in the amount requested and amount received from FTI (see note 5).
- The Liquidation Committee did not opt to audit these accounts and instead agreed that they were correctly stated.

## Appendix C: Scheme of Division

**From the funds available, secured and preferential creditors are expected to be paid in full. The remaining surplus (if any after certain cost provisions) will be distributed to the unsecured creditors.**

	Notes	£
<b>Cash at bank (as at 6 August 2025)</b>	1	<b>3,445,755.33</b>
Less:		
Officeholders' fees	2	(120,000.00)
Officeholders' expenses	3	(216.77)
Floating charge expenses:	4	
Corporation Tax to 6 August 2024	5	(20,702.25)
Corporation Tax to 6 August 2025	6	(24,966.45)
Legal fees	7	(16,055.50)
Agents' fees	8	(5,547.11)
Professional fees	9	(2,050.00)
Net VAT Payable	10	(11,202.98)
Provision for future costs	11	(56,575.83)
Third party funds	12	(6,690.58)
<b>Net Floating Charge Property</b>		<b>3,181,747.86</b>
<b>Distributions</b>		
Secured Creditors	13	(247,384.65)
Preferential Creditors (at 100p/£)		
Employees and RPS	14	(367,445.24)
HMRC	14	(1,966,917.97)
<b>Funds Available for Distribution to Unsecured Creditors*</b>		<b>600,000.00</b>
<b>Total Admitted Unsecured Claims</b>		<b>56,072,368.48</b>
<b>Dividend Rate</b>		<b>1.07%</b>

*\*As the Secured Creditors will be paid in full, there is no requirement to ring-fence a Prescribed Part fund for non-preferential unsecured creditors.*

**The Scheme of Division was approved by the Liquidation Committee on 4 September 2025.**

### Notes to the Scheme of Division

1. Excluding the net fixed charge assets balance of £25k.
2. Fixed fee remuneration for the Second Accounting Period in the Liquidation.
3. Category 2 disbursements, as set out in more detail later.
4. Incurred and/or known expenses yet to be paid, as set out below.
5. Tax on bank and treasury deposit interest in the Administration period to 6 August 2024. This was paid on 7 August 2025 (after the accounting period end).
6. Estimated tax on bank and treasury deposit interest in the Administration period to 6 August 2025. The tax return has not yet been completed or submitted.
7. Our lawyers have confirmed that their outstanding costs are £11,055.50 for the Liquidation period to 6 August 2025. If the joint venture share sales completed, a contribution to these costs is expected. A provision of £5k for estimated future costs has been added.
8. Hilco fees (based on 15% of sale proceeds) in relation to the IP sale which is expected to be completed next month. These are included for prudence only, as the sale has not yet completed.
9. ERA Solutions fees will be payable in respect of the calculation of PAYE/NIC on employee dividends and the preparation and submission of RTI information to HMRC.
10. The current net VAT position.
11. The amount set aside as a provision for potential future costs and as a contingency whilst the remaining matters in the Liquidation are resolved; with any amount of this provision remaining thereafter being distributable to the creditors.
12. Subject to further investigation, third party funds held will be paid over to the relevant parties.
13. Distribution under floating charge security entitlements and after debt waivers totalling c.£260k.
14. The reported value of admitted preferential claims was £2,329,152.66. A file review identified three claims totalling £5,210.55 that were erroneously omitted, bringing total preferential claims to £2,334,363.21. The Liquidation Committee agreed that the preferential creditors could be paid in full.

## Appendix D: Joint Liquidators' Remuneration and Outlays

**The Liquidation Committee has determined that our fees for the Second Accounting Period be a set amount of £120,000. No claim for remuneration was made in respect of the First Accounting Period.**

### Claim for Remuneration

- Insolvency law allows fees to be calculated in the three ways set out below. Different bases (or a combination of them) can be used for different parts of the work.
  - As a percentage of the value of the Company's assets which are realised by the liquidator (often referred to as a "percentage basis");
  - By reference to the work which was reasonably undertaken by the liquidator and the liquidator's staff in attending to the matters arising in the winding-up ("time cost basis"); or
  - A set amount (a fixed fee).
- Remuneration must be claimed in respect of an accounting period and adjustments can be retrospectively made in respect of remuneration fixed in respect of any earlier accounting period. However, as noted earlier, we were not in a position to make a distribution to creditors in respect of the First Accounting Period and therefore (in order to avoid unnecessary costs) our first claim in the Liquidation was made in respect of the Second Accounting Period.
- For the reasons set out below, we claimed remuneration in respect of the Second Accounting Period of £120,000 plus VAT on a fixed fee basis.
  - At the time of seeking remuneration approval in the Administration in Q1 2024, we committed to only seeking further approval if net floating charge realisations increased beyond expectations given at that time, and in order to protect the funds available for creditors.
  - Based on our receipts and payments to date and known future movements, the improvement in net floating charge realisations is c.£127k.
  - Our time costs for the first 12 months of the Liquidation in relation to the work described in this report, are over £300k and material further work is required in order to finalise all outstanding matters before the Liquidation can be closed.
  - Therefore, we believe the fixed fee proposed is a fair and reasonable reflection of the work performed in the Liquidation and maintains the previously projected net floating charge asset value for creditors.

- For simplicity, we claimed remuneration only in relation to the Second Accounting Period, and did not seek to retrospectively claim for any remuneration in respect of the First Accounting Period.
- On 4 September 2025, the Committee approved the above claim for remuneration. Within 14 days of that date, any creditor may appeal against that determination to the court. Such an appeal may only be made if notice is delivered to us of the intention to appeal.

### Future Claims for Remuneration

- As there remains work to do in the Liquidation and further receipts and payments are expected, we may in due course make a further claim for remuneration in relation to the next accounting period.
- However, continuing with our previous commitment to the Committee and the Company's creditors, any such claim will only be made if there are sufficient funds available and no adverse impact on the net floating charge asset position.

## Appendix D: Joint Liquidators' Remuneration and Outlays

**Costs are necessarily incurred by the Company and its Liquidators during the course of the Liquidation. Certain categories of these costs must be approved in the same manner as remuneration.**

### SIP9 Definition of Expenses

- SIP9 states that expenses are any payments from the estate which are neither officeholders' remuneration nor a distribution to a creditor or a member. Expenses also include disbursements. Disbursements are payments which are first met by the officeholder and then reimbursed to the officeholder from the estate.
- Expenses are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2):
  - Category 1 expenses: these are payments to persons providing the service to which the expense relates who are not an associate of the officeholder. Category 1 expenses can be paid without prior approval.
  - Category 2 expenses: these are payments to associates or which have an element of shared costs. Before being paid, category 2 expenses require approval in the same manner as an officeholder's remuneration. Category 2 expenses require approval whether paid directly from the estate or as a disbursement.
- The types of disbursements categorised as Category 1 expenses typically include external supplies of incidental services specifically identifiable to the case such as postage, statutory case advertising, bonding, invoiced travel and external services such as printing, room hire and document storage. Also included would be any properly reimbursed expenses incurred by personnel in connection with the case.
- The types of disbursements categorised as Category 2 expenses typically include mileage, in-house printing and electronic data storage.

### Professional Advisors and Subcontractors

- The following professional advisors and subcontractors have been engaged to support our work in the Liquidation.

Firm	Services	Fee Arrangement	Reason Selected
ERA Solutions	Employee Claims	Fixed fee based on the number of employees	Experienced provider of employee services to insolvency practitioners
EPE Reynell	Gazette Notices	Fixed cost per advert	Specialists in dealing with legal advertising
Aon UK Limited	Insurance Risk Services	Insurance premiums	Experienced provider of insurance services to insolvency practitioners
Hilco	Asset sale and valuation	Percentage of realisations and fixed fee	Experienced provider of valuation and auction services
SPB	Legal Advice	Time costs	Experienced legal advisors with specialist knowledge in insolvency law
Stor-it Data	Company records storage	Fixed rate per box held	Provider to the Company at the time of our appointment

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



## Appendix D: Joint Liquidators' Remuneration and Outlays

The Liquidation Committee has also determined that our outlays in the Liquidation were reasonably incurred.

- Insolvency law requires that we make a claim for reasonably incurred outlays in the Liquidation. There is no statutory definition of outlays, however, case law indicates that (as SIP9 is a non-statutory statement of practice issued by regulators, with no statutory effect) a claim for outlays should be made for the full amount of expenses/outlays incurred, regardless of whether paid or not, and regardless of their SIP9 category. This is to provide the approving body with an opportunity to scrutinise the outlays and to ensure that they were reasonably incurred in the Liquidation.
- The table opposite, and the accompanying notes, provide a breakdown of the outlays that have been incurred in the first and second accounting periods of the Liquidation. The table should be read in conjunction with the earlier Receipts and Payments Account, which shows outlays actually paid during the Liquidation.
- On 4 September 2025, the Committee determined that the outlays shown in the table had been reasonably incurred in the circumstances of the Liquidation. Within 14 days of that date, any creditor may appeal against that determination to the court. Such an appeal may only be made if notice is delivered to us of the intention to appeal.
- Whilst the table details the outlays incurred and paid, as explained in the accompanying notes, it was necessary to estimate certain of the outlays as they are pending final determination. We do not intend to seek further approval from the Committee in respect of any estimated amounts, unless the Committee specifically requests us to do so.
- We are satisfied that the amounts incurred are reasonable for the work commissioned and that they were reasonably incurred in the Liquidation. No Category 2 expenses have been incurred and none are expected.

### Notes to the Expenses Table

1. Corporation Tax payable to HMRC. The amount due for the Administration period to 6 August 2024 was calculated (and the return submitted) in the Second Accounting Period ("AP") of the Liquidation; and it has recently been paid. The tax due for the first 12 months of the Liquidation is an estimate based on interest received and was also included in the Second Accounting Period for the Committee's approval. We do not expect the actual amount to be materially different to the estimate given.

Firm	Notes	AP1 Expenses Incurred (£)	AP2 Expenses Incurred (£)	Total Expenses Incurred (£)	Expenses Paid (£)
HMRC	1	-	45,668.70	45,668.70	-
ERA Solutions	2	-	10,699.00	10,699.00	10,699.00
EPE Reynell	3	99.00	-	99.00	99.00
SPB	4	5,778.00	8,070.00	13,848.00	2,792.50
FTI Consulting	5	160.88	55.89	216.77	-
Hilco	6	-	-	-	-
Stor-it Data	7	-	-	-	-
<b>Total</b>		<b>6,037.88</b>	<b>64,493.59</b>	<b>70,531.47</b>	<b>13,590.50</b>

2. Expenses incurred excludes the £2,050 in relation to future work for the calculation of PAYE/NIC on employee dividends and the preparation and submission of RTI information to HMRC.
3. Advertising our appointment as joint liquidators in the London Gazette.
4. Expenses paid in the Liquidation excludes the amount of £4,241.50 relating to the Administration, which was approved by the Committee prior to the closure of the Administration. The costs shown relate initially to the Magnox licence and subsequently to the joint venture share sales.
5. Category 1 disbursements for postage/courier costs, taxi fares (site visits for records storage facility) and employee subsistence costs.
6. Hilco fees in relation to the IP sale will be confirmed (and approval sought) in the next accounting period.
7. Company records storage and destruction costs will be confirmed (and approval sought) in the next accounting period.

## Appendix E: Legal Notices

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

### About this report

- This report has been prepared by the Joint Liquidators solely to comply with their statutory duty to report to creditors under the Insolvency (Scotland)(Receivership and Winding up) Rules 2018 on the progress of the insolvency proceedings.
- It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.
- This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company or Companies subject to these insolvency proceedings.
- Any person that chooses to rely on this report for any purpose or in any context other than under the Rules does so at its own risk. To the fullest extent permitted by law, the Joint Liquidators do not assume any responsibility and will not accept any liability in respect of this report to any such person.
- Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcome for creditors.

### Provision of Services Regulations

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

### Information on creditors' rights

- A creditors' guide to liquidations can be found on the website below. It includes information to help creditors understand their rights and describes how best these rights can be exercised.  
[www.r3.org.uk/technical-library/scotland/technical-guidance/fees/more/29162/page/1/liquidation-a-guide-for-creditors-on-insolvency-practitioner-fees-scotland/](http://www.r3.org.uk/technical-library/scotland/technical-guidance/fees/more/29162/page/1/liquidation-a-guide-for-creditors-on-insolvency-practitioner-fees-scotland/)
- A hard copy of the guide can be obtained free of charge by contacting us on the details provided at the beginning of this report.

### Data Protection

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

### Creditors' Right to Challenge Remuneration and/or Outlays

- Pursuant to Rule 7.12 IR18, within 14 days after issue of a determination by the Liquidation Committee, any creditor may appeal against that determination, to the court. Such an appeal may only be made if notice is delivered to the Joint Liquidators of the intention to appeal.
- Pursuant to Rule 7.15 IR18, if the Joint Liquidators liquidator's outlays and remuneration have been fixed by the Liquidation Committee or by the creditors, any creditor or creditors of the Company representing in value at least 25% of the creditors may apply to the court for an order that the Joint Liquidator's outlays or remuneration be reduced, on the grounds that they are, in all the circumstances, excessive.
- If the court considers the application to be well-founded, it must make an order fixing the outlays or remuneration at a reduced amount or rate. Unless the court orders otherwise, the expenses of the application must be paid by the applicant and are not payable as an expense of the Liquidation.

### Creditors Right to Inspect the Accounts

- As required by Rule 7.11(7) IR18, the accounts submitted to the Committee for audit, the Scheme of Division and the Committee's determination of our remuneration, are available for inspection by the members of the Company and the creditors. Anyone wishing to do so, should contact us in writing using the details provided earlier.



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