

# 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 6 3 5 3 9 9 5

Company name in full Arlington Aerospace Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) Mark

Surname Colman

### 3 Liquidator's address

Building name/number Leonard Curtis

Street 20 Roundhouse Court

South Rings Business Park

Post town Bamber Bridge

County/Region Preston

Postcode P R 5 6 D A

Country

### 4 Liquidator's name ①

Full forename(s) Megan

Surname Singleton

#### ① Other liquidator

Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number Leonard Curtis

Street 20 Roundhouse Court

South Rings Business Park

Post town Bamber Bridge

County/Region Preston

Postcode P R 5 6 D A


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	1	d	5	m	0	m	7	y	2	y	0	y	2	y	0	
To date	d	1	d	4	m	0	m	7	y	2	y	0	y	2	y	1	
<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	Signature <b>X</b> 										<b>X</b>						
Signature date	d	0	d	7	m	0	m	9	y	2	y	0	y	2	y	1	

**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 **Alnur Miah**

Company name **Leonard Curtis**

Address **20 Roundhouse Court**

**South Rings Business Park**

**Bamber Bridge**

Post town **Preston**

County/Region

Postcode **P R 5 6 D A**

Country

DX

Telephone **01772 646180**

**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)**



**LEONARD CURTIS**  
BUSINESS RESCUE & RECOVERY

**Arlington Aerospace Limited  
(In Creditors' Voluntary Liquidation)**

**Company Number: 06353995**

**Former Registered Office: Suite 15b, Manchester International Office Cen, Styal Road, Manchester, M22 5WB**

**Trading Address: Suite 15b, Manchester International Office Cen, Styal Road, Manchester, M22 5WB**

**Joint Liquidators' First Progress Report  
pursuant to Section 104A(1) of the Insolvency Act 1986 (as amended)  
and Rule 18.3 of the Insolvency (England and Wales) Rules 2016**

**Report period  
15 July 2020 to 14 July 2021**

**7 September 2021**

**Mark Colman and Megan Singleton - Joint Liquidators  
Leonard Curtis  
20 Roundhouse Court, South Rings Business Park, Bamber Bridge  
Preston, PR5 6DA  
Tel: 01772 646180 Fax: 01772 646181  
Alnur.Miah@leonardcurtis.co.uk  
Ref: P/28/ALM/AA60M/1010**

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**TO ALL MEMBERS, CREDITORS AND THE REGISTRAR OF COMPANIES**

**1 INTRODUCTION**

- 1.1 Mark Colman and Megan Singleton were appointed Joint Liquidators of Arlington Aerospace Limited (“the Company”) on 15 July 2020.
- 1.2 Mark Colman and Megan Singleton are authorised to act as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales.
- 1.3 There has been no change in office holder since the date of Liquidation.
- 1.4 This report provides an update on the conduct of the Liquidation for the period from 15 July 2021 to 14 July 2021 (“the Period”), as required by Section 104A(1) of the Insolvency Act 1986 (as amended) (“the Act”) and Rule 18.3 of the Insolvency (England and Wales) Rules 2016 (“the Rules”). It contains details of the progress made, the expected outcome for creditors and other information that the Joint Liquidators are required to disclose..
- 1.5 All figures are stated net of VAT.

**2 CONDUCT OF THE LIQUIDATION**

- 2.1 The Company’s registered office was changed to Leonard Curtis, 20 Roundhouse Court, South Rings Business Park, Bamber Bridge, Preston, PR5 6DA on 16 September 2020.

**Assets Realised**

**2.2 Cash held by Leonard Curtis**

As detailed in the director’s Statement of Affairs, on 28 November 2019, the Company’s shareholding in Ampco 106 Limited were sold to Ampco 144 Limited (CRN 12111398) (“the Purchaser”) for the sum of £2,966,039. This was to be paid by way of a loan repayment totalling £1,411,525 and payment of £1,554,514; £350,000 of this amount being deferred consideration which was to be paid by twelve monthly instalments of £29,166.67. Prior to our appointment only one payment of the deferred consideration had been received and was forwarded to the Joint Liquidators’ client account pending our appointment.

**2.3 Interest**

£1.92 has been received during the Period in respect of interest accrued.

**Assets Still to be Realised**

**2.4 Deferred Consideration**

As detailed in the director’s Statement of Affairs, the Purchaser is disputing that the balance of the deferred consideration is due, claiming various breaches of the sale contract.

During the Period, the Joint Liquidators have instructed Clarke Wilmott Solicitors (“CWS”) to assist in recovering the balance of the deferred consideration. Significant time has been spent liaising with CWS to review the sale agreement and the various claims from the Purchaser.

Clarke Wilmott have also spent time corresponding with the Company’s prior legal representatives in order to understand the disputes raised by the Purchaser and the discussions held prior to the sale.

This matter remains ongoing. An update on the position will be provided in the next report to creditors.

### 2.5 Deferred Debtors

It is also understood that included in the above sale was a further £62,000 of outstanding debtors which would only be paid if the Purchaser was ultimately paid by the customer once the contract was complete. Please note that the Purchaser is also disputing this amount. As detailed above at 2.4, this matter remains ongoing and an update on the position will be provided in the next report to creditors.

## 3 RECEIPTS AND PAYMENTS ACCOUNT

- 3.1 A summary of the Joint Liquidators' receipts and payments for the period from 15 July 2020 to 14 July 2021 is attached at Appendix A.

## 4 OUTCOME FOR CREDITORS

### Secured Creditors

#### 4.1 MidCap Financial (Ireland) Limited (“MidCap”) / Pangaea Two, LP

It should be noted that the Company traded as part of the Arlington Industries Group (CRN: 08741590) (“the Group”). MidCap held security in the form of a debenture incorporating a fixed charge over all of the Group's rights in any land or intellectual property and a floating charge over the assets of the Group by way of revolving and term loan facilities of up to £95,000,000. The debenture was created on 5 April 2019 and registered with Companies House on 15 April 2019.

In early 2021, MidCap confirmed that they have been repaid in full outside of the Liquidation. The Joint Liquidators have been advised that the debt formerly due to MidCap is now due to another entity. During the Period, the Joint Administrators of AIM Engineering Limited, a company part of the Group, instructed Freeths LLP (“Freeths”) to review the security position and advise on the entity where any future fixed and floating charge distributions should be made to. Freeths have confirmed that they are currently waiting for further documents which they have requested from the solicitors involved in the deal agreed to repay MidCap, however, Freeths have advised that at this stage it appears that Pangaea Two, LP repaid MidCap and now hold fixed and floating charges over the Company. Freeths have further advised that it appears Pangaea Two Acquisitions Holdings VIII is the security agent and as such, any future dividends should be paid to them. Such dividends will be made once Freeths have confirmed they have received the documentation required and concluded the position. Please note that the Joint Liquidators have not been a party to the deal between MidCap and Pangaea Two, LP.

### Preferential Creditors

- 4.2 As at the date of Liquidation, no preferential claims were anticipated.
- 4.3 No claims have been received.

### Prescribed Part

- 4.4 The Insolvency Act 1986 provides that, where a company has created a floating charge after 15 September 2003, a prescribed part of the company's net property must be made available to the unsecured creditors and not be distributed to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured claims. The net property represents the assets available after the costs and expenses of the insolvency procedure and the discharge of preferential creditors' claims in full. No provision has been included within the estimated statement of affairs regarding the costs and expenses of the insolvency procedure.

The method of calculating the prescribed part is given below:

Where the net property does not exceed £10,000 (the prescribed minimum) it may be considered that the cost of making a distribution is disproportionate to the benefits and no prescribed part is required to be set aside.

Where the net property exceeds £10,000 the prescribed part is calculated at a value of 50% of the first £10,000 plus a further 20% of the net property which exceeds £10,000, up to a maximum prescribed part of £800,000 where the first ranking floating charge was created on or after 6 April 2020 (£600,000 if created before then).

It is uncertain at this time whether there will be sufficient net property in this case to enable a prescribed part dividend. As detailed earlier in section 2, there are still further assets to be realised. A dividend in this regard is dependent on further asset realisations.

### Ordinary Unsecured Creditors

4.5 As at the date of Liquidation, there were 3 ordinary unsecured creditors, with estimated claims totalling £19,692,886.

4.6 The table below illustrates the position regarding the claims of the ordinary unsecured creditors:

	<b>As at Date of Liquidation £</b>	<b>Claims Received £</b>
Connected Creditors	19,645,110.00	18,638,257.00
HMRC	47,776.00	-
	<b>19,692,886.00</b>	<b>18,638,257.00</b>

4.7 The funds realised have already been distributed or used or allocated for paying the expenses of the Liquidation. As a result, there will be no dividend to the ordinary unsecured creditors, other than via the prescribed part.

4.8 The Joint Liquidators have collated and acknowledged (where requested) the claims of the ordinary unsecured creditors, although, in view of the fact that there will be no distribution to this class of creditor, unsecured claims have not been formally agreed.

4.9 If you have not already done so, please submit details of your claim, by completing and returning the proof of debt form, attached at Appendix F, to this office. Please include documentation to support your claim.

## 5 INVESTIGATIONS

5.1 Following their appointment, the Joint Liquidators considered the information acquired in the course of appraising and realising the business and assets of the Company, together with information provided by the Company's directors and its creditors, to identify any further possible realisations for the estate and what further investigations, if any, might be appropriate.

5.2 That assessment did not identify any possible further realisations other than those mentioned in section 2 of this report. In addition, the Joint Liquidators concluded that no further investigations were required. If, however, any creditor is aware of any particular matters which they consider require investigation, they should send full details to this office.

5.3 Notwithstanding the above, the Joint Liquidators have complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority.



**6 JOINT LIQUIDATORS' REMUNERATION, EXPENSES AND DISBURSEMENTS, AND CREDITORS' RIGHTS**

**Remuneration**

- 6.1 A fee of £10,000 in respect of the preparation of the statement of affairs was approved by creditors on 15 July 2020. £10,000 plus VAT has been drawn in this regard during the Period.
- 6.2 On 28 August 2020, creditors resolved by way of business by correspondence, that the Joint Liquidators' remuneration be payable by reference to time properly given by them and their staff in attending to matters arising in the Liquidation as set out in the fees estimate dated 10 August 2020 (for an amount totalling £45,743.50). The Joint Liquidators' time costs from 15 July 2020 to 14 July 2021 are £78,275.50, which represents 181 hours at an average hourly rate of £432.46. Attached at Appendix B is a time analysis which provides details of the activity costs incurred by staff grade during the period from 15 July 2020 to 14 July 2021, together with a detailed description of work undertaken attributable to each category of time costs and an explanation of why it was necessary for that work to be performed.
- 6.3 The Joint Liquidators' time costs are summarised below:

	<b>Hours No.</b>	<b>Rate / hr £</b>	<b>Total value of time £</b>
Time incurred in the period of this report	181.00	432.46	78,275.50
<b>Total Liquidators' time costs</b>	<u>181.00</u>	<u>432.46</u>	<u>78,275.50</u>

- 6.4 At Appendix C is a comparison of categorised time costs incurred and the estimated time costs as per the original fees estimate. You will note that the categories of time costs incurred do exceed those as set out in the fees estimate. The areas where significant variance has occurred are in respect of the below.

**Statutory and Review**

Significantly more time than initially anticipated has been incurred in this regard due to regular reviews of the case to ensure progression is as planned. Numerous internal meetings have been held by the Joint Liquidators and their staff to discuss asset realisations and the prospect of dividends to the secured and unsecured creditors. It should also be noted a considerable amount of time has been spent reviewing documents relating to the sale to the Purchaser and deferred consideration.

**Assets**

Significantly more time than initially anticipated has been incurred in this regard due to the complexity of the sale detailed at 2.4 and 2.5. This involved spending significant time reviewing documentation and liaising with CWS through telephone conference meetings. Significant time has also been spent liaising with the Company's prior legal representatives in order to understand the disputes raised together with the discussions held prior to the sale.

- 6.5 Whilst total time costs of £78,275.50 are in excess of the fees estimate, it is not expected that remuneration anticipated to be drawn by the Joint Liquidators' will exceed the fees estimate.
- 6.6 Fees totalling £13,000 plus VAT have been drawn to date during the Period.

**Expenses**

- 6.7 A comparison of the Joint Liquidators' expenses from 15 July 2020 to 14 July 2021 and the Joint Liquidators' statement of likely expenses is attached at Appendix D. To assist creditors' understanding of this information, it has been separated into the following two categories:

- *Standard Expenses*: this category includes expenses payable by virtue of the nature of the liquidation process and / or payable in order to comply with legal or regulatory requirements.
- *Case Specific Expenses*: this category includes expenses likely to be payable by the Joint Liquidators in carrying out their duties in dealing with issues arising in this particular Liquidation. Included within this category are costs that are directly referable to the Liquidation but are not paid to an independent third party (and which may include an element of allocated costs). These are known as ‘category 2 expenses’ and they may not be drawn without creditor approval.

With effect from 1 April 2021, the Joint Liquidators are also required to disclose to those responsible for approving our remuneration whether any payments we intend to make from an insolvency estate are to associates of Leonard Curtis. Payments to associates are subject to the same level of approval as the office holder’s fees and category 2 expenses. Further details are included at Appendix D and E.

- 6.8 On 28 August 2020, creditors resolved that the Joint Liquidators be authorised to discharge category 2 expenses.
- 6.9 The expenses incurred have exceeded those anticipated within the original statement of expenses. As detailed earlier, the Joint Liquidators have sought legal assistance from CWS in respect of realising the deferred consideration and debtor balance as detailed in 2.4 and 2.5. It was uncertain at the time the initial statement of expense was made available whether legal assistance would be required in this regard.
- 6.10 Attached at Appendix E is additional information in relation to the firm’s policy on staffing, the use of subcontractors, disbursements and details of current charge-out rates by staff grade. Please be aware that the firm’s charge out rates have been amended with effect from 1 March 2021.
- 6.11 Since our last report, the following professional advisors (“PA”) and / or subcontractors (“S”) have been instructed:

Name of Professional Advisor	PA / S	Service Provided	Basis of Fees
Clarke Willmott Solicitors (“CWS”)	PA	Legal assistance with asset realisations	Time Costs

As detailed earlier, CWS were instructed to assist with realising the deferred consideration and debtor balance as detailed in 2.4 and 2.5. Given the nature and complexity of the debt, it was considered appropriate to seek legal assistance in this regard. It is considered fair and reasonable to remunerate CWS on a time costs basis given the complexity of the claim.

### Creditors’ Rights

- 6.12 Under Rule 18.9 of the Rules, within 21 days of receipt of this report, a secured creditor, or an unsecured creditor with either the concurrence of at least five per cent in value of the unsecured creditors (including the creditor in question), or with the permission of the court, may request in writing that the Joint Liquidators provide further information about their remuneration or expenses, which have been itemised in this report.
- 6.13 Under Rule 18.34 of the Rules, any secured creditor, or any unsecured creditor with either the concurrence of at least 10 per cent in value of the unsecured creditors (including that creditor) or the permission of the court, may within eight weeks of receipt of the progress report that first reports the fee basis, the charging of the remuneration or the incurring of the expenses in question, make an application to court on the grounds that, in all the circumstances, the basis fixed for the Joint Liquidators’ remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Joint Liquidators, as set out in the progress report, are excessive.
- 6.14 Unless the court orders otherwise, the costs of the application shall be paid by the applicant and are not payable as an expense of the Liquidation.

**7 MATTERS STILL TO BE DEALT WITH**

7.1 Matters still to be dealt with before conclusion of the Liquidation include the following:

- The realisation of the deferred consideration and debtor amounts, as detailed in section 2.4 and 2.5;
- Dividend to the secured creditor where applicable;
- The formal agreement of creditor claims;
- The distribution of the prescribed part fund where applicable; and
- The unpaid remuneration and expenses will need to be paid.

**8 OTHER MATTERS**

8.1 For your information, Liquidation: A Guide for Creditors on Insolvency Practitioner Fees, version 1 April 2021, which sets out the rights of creditors and other interested parties under the insolvency legislation, may be accessed via the following link:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/>

8.2 If you would prefer this to be sent to you in hard copy form, please contact Alnur Miah of this office on 01772 646180.

8.3 Creditors are also encouraged to visit the following website, which provides a step by step guide designed to help creditors navigate through an insolvency process:

<http://www.creditorinsolvencyguide.co.uk>

8.4 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>

**Data Protection**

8.5 When submitting details of your claim in the liquidation, you may disclose personal data to the Joint Liquidators. The processing of personal data is regulated in the UK by the General Data Protection Regulation EU 2016/679 as supplemented by the Data Protection Act 2018, together with other laws which relate to privacy and electronic communications. The Joint Liquidators act as Data Controllers in respect of personal data they obtain in relation to this liquidation and are therefore responsible for complying with Data Protection Law in respect of any personal data they process. The Joint Liquidators’ privacy notice, which is attached to this report at Appendix G, explains how they process your personal data. Terms used in this clause bear the same meanings as are ascribed to them in Data Protection Law.

Yours faithfully



**MARK COLMAN  
JOINT LIQUIDATOR**

Mark Colman and Megan Singleton are authorised to act as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales under office holder numbers 9721 and 22090, respectively

SUMMARY OF JOINT LIQUIDATORS’ RECEIPTS AND PAYMENTS FROM 15 JULY 2020 TO 14 JULY 2021

	Estimated to realise £	This period £
<b>RECEIPTS</b>		
Interest	-	1.92
Cash held by Leonard Curtis	29,167	29,166.67
	<u>29,167</u>	<u>29,168.59</u>
<b>PAYMENTS</b>		
Joint Liquidators’ remuneration		(13,000.00)
Disbursements CAT1		(374.60)
Statement of Affairs Fee – Leonard Curtis		(10,000.00)
		<u>(23,374.60)</u>
<b>BALANCE IN HAND</b>		<u>5,793.99</u>
<b>Represented By</b>		
Current Account – Interest Bearing		1,119.07
VAT Control Account		4,674.92
		<u>5,793.99</u>

SUMMARY OF JOINT LIQUIDATORS' TIME COSTS FROM 15 JULY 2020 TO 14 JULY 2021

	Total Units	Cost £	Average Hourly Rate £
Statutory and Review	468	20,397.50	435.84
Receipts and Payments	28	838.00	299.29
Insurance	6	168.00	280.00
Assets	771	36,620.50	474.97
Liabilities	84	3,230.00	384.52
Debenture Holder	11	597.50	543.18
General Administration	169	6,008.00	355.50
Appointment	103	3,338.00	324.08
Planning and Strategy	19	997.50	525.00
Post Appointment Creds Mtngs	94	3,507.00	373.09
Investigations	57	2,573.50	451.49
Total	1810	78,275.50	
Average Hourly Rate (£)		432.46	
All Units are 6 minutes			

**DETAILED NARRATIVE OF WORK PERFORMED BY THE JOINT LIQUIDATORS AND THEIR STAFF IN THE  
PERIOD 15 JULY 2020 TO 14 JULY 2021**

**Statutory and Review**

This category of activity encompasses work undertaken for both statutory and case-management purposes. Whilst this work has not directly result in any monetary value for creditors, it will ensure that the case is managed efficiently and resourced appropriately, which will be of benefit to all creditors. The work carried out under this category comprised of the following:

- Case-management reviews. These were carried out periodically throughout the life of the case. A month one review was undertaken by the firm’s compliance team to ensure that all statutory and best practice matters have been dealt with appropriately. As the case progresses, further six-monthly reviews were undertaken to ensure that the case is progressing as planned;
- Allocation of staff, management of staff, case resourcing and budgeting;
- Review of time costs data to ensure accurate posting of time and to ensure compliance with Statement of Insolvency Practice 9;
- Review of work carried out by more junior members of staff to ensure quality of work and adherence to standards, legislation and best practice;
- The team was required under the Company Directors Disqualification Act 1986 to review the Company’s records and consider information provided by creditors on the conduct of all directors involved with the Company during the three years leading up to the insolvency. This resulted in the preparation and submission of statutory returns or reports on all directors to the Insolvency Service. Evidence of unfit conduct can result in directors being disqualified for periods of up to 15 years;
- Review of directors’ statement of affairs and filing of document at Companies House in accordance with statutory requirements; and
- A number of meetings were held internally with regards to asset realisations and prospect of dividends to the secured and unsecured creditors.

**Receipts and Payments**

This category of work has not result in a direct financial benefit for creditors; however, close monitoring of case bank accounts is essential to ensure that bank interest is maximised where possible, estate expenses are properly managed and kept to a minimum and amounts payable to creditors are identified and distributed promptly.

- Opening of case bank account;
- Management of case bank account to ensure compliance with relevant risk management procedures;
- Regular review of the accounts by senior member of staff to ensure that fixed and floating charge assets have been properly identified;
- Timely completion of all post-appointment tax and VAT returns; and
- Managing estate expenses.

**Insurance, Bonding and Pensions**

Insolvency Practitioners are obliged to comply with certain statutory requirements when conducting their cases. Some of these requirements are in place to protect Company assets (see insurance and bonding matters below), whilst requirements in respect of Company pension schemes are there to protect the pension funds of Company employees. Whilst there is no direct financial benefit to Company creditors in dealing with these, close control of case expenditure is crucial to delivering maximum returns to the appropriate class of creditor.

- Calculation and request of Joint Liquidators’ bond in accordance with the Insolvency Practitioners Regulations 2005. A bond is a legal requirement on all liquidations and is essentially an insurance policy to protect creditors against the fraud

## **Arlington Aerospace Limited – In Creditors’ Voluntary Liquidation**

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or dishonesty of the Insolvency Practitioner. The bond is calculated by reference to the value of assets which are estimated before costs, to be available to unsecured creditors;

- Periodic review of bonding requirements to ensure that creditors are appropriately protected. The bond is reviewed upon each large receipt of monies into the case and also at three month intervals in accordance with best practice;
- Conducting online checks to identify whether the Company operated a registered pension scheme; and
- Review of financial records to identify whether any payments were made by the Company into a pension scheme.

### **Assets and Planning & Strategy**

- Time was spent reviewing the sale agreement as detailed in 2.2;
- Time was spent instructing CWS with regards to realising the deferred consideration and debtors as detailed in 2.4 and 2.5;
- Significant time has been spent liaising and in meetings with CWS to discuss the strategy for realising the above assets;
- Time was spent liaising with the Purchaser;
- Significant time was spent reviewing the Purchaser’s disputes with regards to the amounts due and reviewing documentation provided by them;
- Time has been spent reviewing the options available to the Joint Liquidators with regards to actions against the Purchaser; and
- Significant time has been spent liaising with the director to discuss the nature and circumstances of the debt.

### **Liabilities**

This category of time includes both statutory and non-statutory matters.

#### *Statutory*

- Processing of claims from the Company’s creditors – All claims received from the Company’s 4 creditors will be logged. In this instance, it is uncertain at this time whether there will be sufficient funds available to enable a distribution to be made to the unsecured creditors of the Company.

#### *Non statutory*

- Dealing with enquiries from the Company’s creditors – This will include dealing with creditors general queries by post, telephone and email. Time will also be incurred providing updates to the secured creditors on the progress of the liquidation.

### **Debenture Holder**

- Correspondence with the debenture holders in respect of their liabilities and the likelihood of it being repaid; and
- Reviewing the security position as detailed in 4.1.

### **General Administration**

- General planning matters;
- Setting up and maintaining the Liquidators’ records;
- Arranging collection and storage of Company records; and
- Dealing with general correspondence and communicating with directors and shareholders.

### **Appointment**

- Statutory notifications to creditors and other interested parties following the liquidators’ appointment; and
- Preparation of case plan.

### Post-Appointment Creditors' Decisions

- Preparation of fees estimate and statement of expenses in accordance with Insolvency (Amendment) Rules 2015;
- Convening a decision of the creditors to agree fees estimate with appropriate body of creditors; and
- Reporting on outcome of voting.

### Investigations

- Collecting and reviewing the Company's records; and
- Conducting initial investigations into the Company's affairs/records to identify the possibility of further realisations and enable the submission of returns due under the Company Directors Disqualification Act 1986. Any investigations completed to enable the submission of returns under the Company Directors Disqualification Act 1986 is a statutory requirement and is unlikely to result in any benefit for creditors.



APPENDIX C

SUMMARY OF JOINT LIQUIDATORS' TIME COSTS FOR THE PERIOD FROM 15 JULY 2020 TO 14 JULY 2021 INCORPORATING A COMPARISON OF THE JOINT LIQUIDATORS' FEES ESTIMATE

	Fees Estimate Total			Incurred To Date Total			Variance
	Units	Cost	Average Hourly Rate	Units	Cost	Average Hourly Rate	Cost
	No	£	£	No	£	£	£
Statutory and Review	130	5,520.00	424.62	468	20,397.50	435.84	14,877.50
Receipts and Payments	56	1,651.00	294.82	28	838.00	299.29	(813.00)
Insurance	20	707.50	353.75	6	168.00	280.00	(539.50)
Assets	226	9,733.00	430.66	771	36,620.50	474.97	26,887.50
Liabilities	145	5,787.50	399.14	84	3,230.00	384.52	(2,557.50)
Debenture Holder	55	2,432.50	442.27	11	597.50	543.18	(1,835.00)
General Administration	183	6,524.50	356.53	169	6,008.00	355.50	(516.50)
Appointment	96	3,210.00	334.38	103	3,338.00	324.08	128.00
Planning and Strategy	-	-	-	19	997.50	525.00	997.50
Post Appointment Creds Mtngs	130	5,147.50	395.96	94	3,507.00	373.09	(1,640.50)
Investigations	130	5,030.00	386.92	57	2,573.50	451.49	(2,456.50)
Total	1,171	45,743.50	390.64	1,810	78,275.50	432.46	32,532.00

All Units are 6 minutes

## APPENDIX D

## SUMMARY OF JOINT LIQUIDATORS' EXPENSES FROM 15 JULY 2020 TO 14 JULY 2021 INCORPORATING A COMPARISON OF THE OF JOINT LIQUIDATORS' STATEMENT OF LIKELY EXPENSES

## Standard Expenses

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
AML Checks	Business Tax Centre	Electronic client verification	40.00	-	-	-	-
Bond Fee	AUA Insolvency Risk Service	Insurance bond	260.00	90.00	90.00	90.00	-
Document Hosting	Pelstar	Hosting of documents for creditors *	28.00	14.00	14.00	14.00	-
Software Licence Fee	Pelstar	Case management system licence fee *	87.00	87.00	87.00	87.00	-
Statutory Advertising	Courts Advertising	Advertising	184.00	183.60	183.60	183.60	-
Storage Costs	Auctus Ltd	Storage of books and records	10.00	-	-	-	-
		<b>Total standard expenses</b>	<b>609.00</b>	<b>374.60</b>	<b>374.60</b>	<b>374.60</b>	<b>-</b>

\* Payment to Associate requiring specific creditor / committee approval from 1 April 2021

## Case Specific Expenses

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
Legal Fees	Clarke Willmott Solicitors	Costs of appointed solicitors	-	8,760.00	8,760.00	-	8,760.00
		<b>Total case specific expenses</b>	<b>-</b>	<b>8,760.00</b>	<b>8,760.00</b>	<b>-</b>	<b>8,760.00</b>

**LEONARD CURTIS POLICY REGARDING FEES AND EXPENSES**

The following Leonard Curtis policy information is considered to be relevant to creditors:

**Staff Allocation and Charge Out Rates**

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by the appropriate body of creditors that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters as set out in a fees estimate, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to request and obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rates given below.

The following hourly charge out rates apply to all assignments undertaken by Leonard Curtis:

	<b>6 Jan 2014 onwards</b>		<b>1 Aug 2019 onwards</b>		<b>1 March 2021 onwards</b>	
	Standard	Complex	Standard	Complex	Standard	Complex
	£	£	£	£	£	£
Director	450	562	525	656	550	688
Senior Manager	410	512	445	556	465	581
Manager 1	365	456	395	494	415	518
Manager 2	320	400	345	431	365	456
Administrator 1	260	325	280	350	295	369
Administrator 2	230	287	250	313	265	331
Administrator 3	210	262	230	288	245	306
Administrator 4	150	187	165	206	175	219
Support	0	0	0	0	0	0

Office holders' remuneration may include costs incurred by the firm's in-house legal team, which may be used for non-contentious matters pertaining to the insolvency appointment.

**Use of Associates**

We are required to disclose to those responsible for approving our remuneration whether any payments we intend to make from an insolvency estate are to Associates of Leonard Curtis. The term "Associate" is defined in s435 of the Insolvency Act 1986 but we are also required to consider the substance or likely perception of any association between the appointed insolvency practitioner, their firm (LC) or an individual within the firm and the recipient of a payment. Payments to Associates are subject to the same level of approval as the office holder's fees and category 2 expenses (see table below).

Whilst we are not aware of any third parties who meet the legal definition of "Associate" we are aware that there is a perceived association between LC and Pelstar Limited. Pelstar Limited provides insolvency case management software and document hosting facilities to LC. LC employs an individual who is married to a director of Pelstar Limited. Pelstar Limited's costs are set out in the tables below.

**Use of Professional Advisors**

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements.

The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

## Arlington Aerospace Limited – In Creditors’ Voluntary Liquidation

### Use of Subcontractors

Where we subcontract out work that could otherwise be carried out by the office holder or his/her staff, this will be drawn to the attention of creditors in any report which incorporates a request for approval of the basis upon which remuneration may be charged. An explanation of why the work has been subcontracted out will also be provided.

### Categorisation of Expenses

We are required to provide creditors with an estimate of the expenses we expect to be incurred in respect of an assignment and report back to them on actual expenses incurred and paid in our periodic progress reports. There are two broad categories of expenses: standard expenses and case specific expenses. These are explained in more detail below:

- a) Standard Expenses – this category includes expenses which are payable in order to comply with legal or regulatory requirements and therefore will generally be incurred on every case. They will include:

Type	Description	Amount																								
AML checks via Smartsearch	Electronic client verification in compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017	£5.00 plus VAT per search																								
Bond / Bordereau fee via AUA Insolvency Services	Insurance bond to protect the insolvent entity against any losses suffered as a result of the fraud or dishonesty of the IP	£10.00 to £1,200.00 dependent on value of assets within case																								
Company searches via Companies House	Extraction of company information from Companies House	£1.00 per document unless document can be accessed via the free service																								
Document hosting via Pelstar Limited (see Use of Associates and Category 2 expenses)	Hosting of documents via a secure portal for access by creditors/shareholders. Costs are charged per upload plus VAT and are generally dependent upon the number of creditors. The costs are commensurate with those charged by other providers of comparable services.	<table><tr><th>Type</th><th>First 100</th><th>Every addtl 10</th></tr><tr><td>ADM</td><td>£14.00</td><td>£1.40</td></tr><tr><td>CVL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>MVL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>CPL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>CVA</td><td>£10.00</td><td>£1.00</td></tr><tr><td>BKY</td><td>£10.00</td><td>£1.00</td></tr><tr><td>IVA</td><td colspan="2">£10 p.a. or £25 for life of case</td></tr></table>	Type	First 100	Every addtl 10	ADM	£14.00	£1.40	CVL	£7.00	£0.70	MVL	£7.00	£0.70	CPL	£7.00	£0.70	CVA	£10.00	£1.00	BKY	£10.00	£1.00	IVA	£10 p.a. or £25 for life of case	
Type	First 100	Every addtl 10																								
ADM	£14.00	£1.40																								
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CVA	£10.00	£1.00																								
BKY	£10.00	£1.00																								
IVA	£10 p.a. or £25 for life of case																									
Software Licence fee hosting via Pelstar Limited (see Use of Associates and Category 2 expenses)	Payable to software provider for use of case management system. The costs are commensurate with those charged by other providers of comparable services.	£87.00 plus VAT per case																								
Postage via Royal Mail or Postworks	Cost of posting documents which are directly attributable to a case to external recipients	Calculated in accordance with applicable supplier rates and dependent on the number of pages and whether the document is sent by international, first or second class post.																								
Post re-direction via Royal Mail	Redirection of post from Company's premises to office-holders' address	0-3 months £216.00 3-6 months £321.00 6-12 months £519.00																								
Statutory advertising via advertising agents	Advertising of appointment, notice of meetings etc. - London Gazette - Other	£91.80 - £102.00 plus VAT per advert Dependent upon advert and publication																								
Storage costs	Costs of storage of case books and records	£5.07 plus VAT per box per annum plus handling charges																								



Insolvency (England and Wales) Rules 2016  
**Rule 14.4**

## Proof of Debt – General Form

CREDITORS' VOLUNTARY LIQUIDATION

RELEVANT DATE FOR CLAIMS: 15 JULY 2020

Please e-mail completed form to:

**Alnur.Miah@leonardcurtis.co.uk** quoting ref: AA60M/ALM/PROOF

Name of Company in Liquidation:

ARLINGTON AEROSPACE LIMITED

Company registration number:

06353995

[Liquidation only]

1 Name of creditor  
(If a company, provide the company registration number).

2 Correspondence address of creditor (including any email address)

3 Total amount of claim (£)  
(include any Value Added Tax)

4 If amount in 3 above includes (£)  
outstanding uncapitalised interest, state amount.

5 Details of how and when the debt was incurred.  
(If you need more space, attach a continuation sheet to this form)

6 Details of any security held, the value of the security and the date it was given.

7 Details of any reservation of title claimed in respect of goods supplied to which the debt relates.

8 Details of any document by reference to which the debt can be substantiated

## Arlington Aerospace Limited – In Creditors' Voluntary Liquidation

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9 Signature of creditor  
(or person authorised to act on the creditor's behalf)

10 Date of signature

11 Address of person signing if different from 2 above

12 Name in BLOCK LETTERS:

13 Position with, or relation to, creditor

Admitted to vote for

Amount (£)

Date

Admitted for dividend for

Amount (£)

Date

Liquidator

Liquidator

Notes:

1. There is no need to attach them now but the office holder may ask you to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.

2. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office holder. If completing on behalf of a company, please state your relationship to the company.

3. **Please e-mail completed form to:**

**[Alnur.Miah@leonardcurtis.co.uk](mailto:Alnur.Miah@leonardcurtis.co.uk) quoting ref: AA60M/ALM/PROOF**

**LEONARD CURTIS  
PRIVACY NOTICE FOR CREDITORS**

**Information we collect and hold about you**

By requesting details of your claim in this insolvency, we may collect Personal Data from you, particularly if you are a consumer creditor, a sole trader or are lodging a claim in your personal capacity.

Personal Data is information relating to a living individual. Whenever Personal Data is processed, collected, recorded, stored or disposed of it must be done within the terms of the General Data Protection Regulation (“the GDPR”). Examples of Personal Data include but may not be limited to your name, address, telephone number and email contact details.

If you do not provide us with the information we require, this may adversely affect our ability to deal with your claim, but we would ask you not to submit more Personal Data than we request from you.

**Legal justification for processing your Personal Data**

The processing of your Personal Data by us is necessary to enable us to comply with legal obligations under the Insolvency Act 1986 and associated legislation which we are subject to as Insolvency Practitioners.

**How we use your information**

All information you supply to us is required to enable us to comply with our duties under the Insolvency Act 1986 and associated legislation. It will be used to enable us to assess the extent of the insolvent entity’s liabilities, to allow you to vote on any decision procedures, to enable us to communicate with you, to process your claim and to pay any dividends which may be due to you from the insolvent estate.

**Who we share your information with**

We may be required to share some of your Personal Data with other creditors. The data which will be shared with other creditors will be limited to that specifically required to be disclosed under insolvency legislation.

We may share some of your information with our Data Processors. Data Processors include solicitors, accountants and employment law specialists who assist us with our duties where required. We will only share your information with our Data Processors if we require their specialist advice. All of our Data Processors are subject to written contracts with us to ensure that your Personal Data is processed only in accordance with the GDPR.

**How long will we hold your Personal Data for?**

We will need to hold your Personal Data for a period of time after the insolvency has been concluded. This is to enable us to deal with any queries which might arise. Our Records Management Policy requires us to destroy our physical files 6 years after closure of the case. Electronic data files will be removed from our Case Management System 6 years after conclusion of the case but may be held on our server for a longer period of time but with restricted access.

**Your rights in respect of your Personal Data**

You have the right to request access to your Personal Data and to require it to be corrected or erased. You also have the right to request a restriction in the way we process your Personal Data or to object to its processing. You should be aware however that we may not be able to comply with your request if this would affect our ability to comply with our legal obligations.

You have the right to Data Portability. This is a right to have the Personal Data we hold about you to be provided to you in a commonly used and machine-readable format so that you can transfer that Data to another organisation in a way that is not too onerous to upload the Data.

**Your right to complain**

You have the right to be confident that we are handling your Personal Data responsibly and in line with good practice. If you have a concern about the way we are handling your Personal Data you should contact our Privacy Manager in the first instance.



## **Arlington Aerospace Limited – In Creditors' Voluntary Liquidation**

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If you are unable to resolve your concerns with us, you have the right to complain to the Information Commissioners' Office. The Information Commissioner can be contacted at Wycliffe House, Water Lane, Wilmslow, Cheshire SK6 5AF or on 0303 123 1113.

### **Contacting us**

If you have any questions relating to the processing of your Personal Data, please write to our Privacy Manager at Leonard Curtis, 5<sup>th</sup> Floor, Grove House, 248A Marylebone Road, London NW1 6BB Alternatively our Privacy Manager can be contacted by telephone on 0207 535 7000 or by email: [privacy@leonardcurtis.co.uk](mailto:privacy@leonardcurtis.co.uk).

**Data Controller: LEONARD CURTIS**