

WU07

Notice of progress report in a winding-up
by the court



Companies House

TUESDAY



A6K5CXQY

A12

28/11/2017

#356

COMPANIES HOUSE

1 Company details

Company number 0 6 9 6 1 4 0 5

Company name in full Aeroleasing (UK) Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Stephen

Surname Katz

3 Liquidator's address

Building name/number

Street 26 - 28 Bedford Row

Post town London

County/Region

Postcode W C 1 R 4 H E

Country

4 Liquidator's name ①

Full forename(s)

Surname

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

② Other liquidator

Use this section to tell us about
another liquidator.

WU07

Notice of progress report in a winding-up by the court

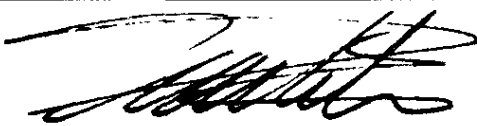
6 Period of progress report

From date	^d 0	^d 1	^m 1	^m 0	^y 2	^y 0	^y 1	^y 6
To date	^d 3	^d 0	^m 0	^m 9	^y 2	^y 0	^y 1	^y 7

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature	Signature X		X					
Signature date	^d 2	^d 7	^m 1	^m 1	^y 2	^y 0	^y 1	^y 7

WU07

Notice of progress report in a winding-up by the court



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 **Robert Mitchell**

Company name **David Rubin & Partners**

Address

26 - 28 Bedford Row

Post town **London**

County/Region

Postcode **W C 1 R 4 H E**

Country

DX

Telephone **020 7400 7900**



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 or email 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

IN THE HIGH COURT OF JUSTICE

NO 004558 OF 2012

IN THE MATTER OF

AEROLEASING (UK) LIMITED - IN LIQUIDATION

AND

THE INSOLVENCY ACT 1986

THE LIQUIDATOR'S FIFTH ANNUAL PROGRESS REPORT

PURSUANT TO

PART 18 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016

FOR THE YEAR ENDED 30 SEPTEMBER 2017

CONTENTS

- a. Introduction
- b. Statutory information
- c. Liquidator's name and address
- d. Any Change in the Office Holder
- e. Details of progress during the period and summary account of receipts and payments
- f. Liquidator's remuneration and expenses
- g. Creditors and distributions
- h. Details of what remains to be done
- i. Other information of relevance to creditors
- j. Next report

APPENDICES

- A. Receipts and Payments Account from 1 October 2016 to 30 September 2017
- A. Cumulative Receipts and payments account from 1 October 2012 to 30 September 2017
- B. Time Analysis for the period 1 October 2016 to 30 September 2017
- B. Cumulative Time Analysis for the Period from 1 October 2012 to 30 September 2017

AEROLEASING (UK) LIMITED - IN LIQUIDATION
Annual Progress Report pursuant to Part 18 of the Insolvency (England and Wales) Rules 2016

(a) Introduction

I was appointed as Liquidator of the Company on 1 October 2012 by the Court following a Winding up Order made by the High Court of Justice on 23 July 2012. This report provides an update on the progress in the liquidation for the year ended 30 September 2017.

Rule 18.3: Progress Report

(b) Statutory information

Court: HIGH COURT OF JUSTICE
Reference Number: 004558 of 2012
Company name: Aeroleasing (UK) Limited
Registered office: David Rubin & Partners LLP, 26-28 Bedford Row, London, WC1R 4HE
Trading address: 4 Brackley Close, Bournemouth International Airport, Christchurch, Dorset, BH23 6SE

(c) Liquidator's name and address:

Stephen Katz, Office Holder Number: 8681, of David Rubin & Partners, and he may be contacted in writing at 26 - 28 Bedford Row, London, WC1R 4HE.

(d) Any changes in the Office Holder

I was appointed Liquidator of the Company on 1 October 2012. There has not been a change in the Office Holder since the original appointment date.

(e) Details of progress during the period and summary account of Receipts and Payments under review and cumulatively:

A Receipts and Payments Account is attached at Appendix A, which is further explained below. Also, attached at Appendix A is a cumulative Receipts and Payments Account for the period from 1 October 2012 to 30 September 2017.

1. Receipts

1.1 Realisation of Assets

There were no realisations in the period under review.

2. Payments

2.1 Secretary of State Fees

The Liquidator has an obligation to deposit all monies in the Insolvency Service Account. The amount of £88 relates to the quarterly banking charge levied by the Secretary of State, for use of the ISA bank account.

2.2. In accordance with Rule 18.4 of the Insolvency (England and Wales) Rules 1986, I provide details of other expenses incurred which have not yet been paid:

Data Recovery Fees

I would advise that costs of £500 have been accrued in respect of the work carried out by Sircles.net but not yet paid. Sircles were chosen due to their expertise in the industry and after taking into account the size and complexities of the case. These costs are yet to be recharged to the case, due to insufficient funds in the Liquidation estate.

Statutory Advertising

This represents the costs for the publishing of statutory advertising in the London Gazette in respect of the first meeting of creditors and the notice of the appointment of the liquidator. The sum of £169.20 has been incurred in this regard. These costs are yet to be recharged to the case, due to insufficient funds in the Liquidation estate.

Specific Bond

The specific bond is the cost of insurance, based on the level of realisations by the Liquidator, as required by the Insolvency Practitioners Regulations 2005. The sum of £30 has been incurred in this regard. This cost is yet to be recharged to the case, due to insufficient funds in the Liquidation estate.

Carriage and Archiving

My firm uses its own personnel and vehicle for collection of books and records for which we charge £30 per hour. My firm has incurred costs of £225 for 8.5 hours. These costs are yet to be recharged to the case, due to insufficient funds in the Liquidation estate.

Statutory Costs

The sum of £6 was paid in respect of fees for various searches and information obtained from the Land Registry and Companies House. These costs are yet to be recharged to the case, due to insufficient funds in the Liquidation estate.

Travel

The sum of £10.20 has been incurred in respect of travel to solicitor's offices. These costs are yet to be recharged to the case, due to insufficient funds in the Liquidation estate.

Courier

The sum of £7.45 has been incurred in respect of courier fees. This cost is yet to be recharged to the case, due to insufficient funds in the Liquidation estate.

AEROLEASING (UK) LIMITED - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

Legal Fees

As mentioned in my last report, Follett Stock entered into insolvent liquidation and their files were transferred to Hunters Solicitors LLP ("Hunters") for review. Hunters agreed to continue the investigations on an informal CFA basis. Hunters have a specialist Litigation Department and they were chosen on that basis after taking into account the size and complexity of the potential legal issues.

Hunters record their fees on a time cost basis and they have provided me with an analysis of the time they have spent. Hunters have advised me that their current time costs are £8,948 plus VAT and that they have outstanding disbursements of £3,600 plus VAT which relates to Counsels' fees. These fees are still outstanding from the previous reporting periods and are only payable on completion of a successful action by Cavendish IP. As there has not been a successful outcome, these fees and disbursements will not be payable.

Investigators Fees

As mentioned in my previous report, in order to carry out further essential investigations to assist in determining future proceedings, I engaged Valkyrie (UK) Limited ("Valkyrie").

Valkyrie were chosen as they have a department which specialises in asset investigations and after taking into account the size and complexities of the case in question. The agreed basis of Valkyrie fees was a fixed fee of £1,500 plus VAT, which has been paid but is yet to be recharged to the case, due to insufficient funds in the Liquidation estate.

(f) Liquidator's Remuneration and Expenses

1. Basis of remuneration

At the first meeting of creditors a resolution was passed approving that the basis of my remuneration as Liquidator be fixed by reference to the time properly spent by my staff and myself in attending to matters arising in the winding-up.

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), a schedule of my firm's charge-out rates was issued to creditors at the time the basis of the Liquidator's remuneration was approved. There has not been any material increase in the rates during this appointment. Our current hourly chargeout rates exclusive of VAT, which are charged in units of 6 minutes, are as follows:-

	£
Senior / Managing Partners	450
Partners/Office holders	300 - 395
Managers / Senior Managers	250 - 295
Senior Administrators	180 - 220
Administrators	130 - 160
Cashiers and Assistants	120 - 160
Supports	110 - 120

AEROLEASING (UK) LIMITED - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

Chargeout rates are normally reviewed annually in November, when rates are adjusted to reflect such matters as inflation, increases in direct wage costs, and changes to indirect costs such as Professional Indemnity Insurance.

2. *Staff allocation and the use of subcontractors*

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case. The constitution of the case team will usually consist of a Partner, Manager, Senior Administrator and two Administrators. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and additional staff may be allocated to meet the demands of the case.

We have not utilised the services of any subcontractors in this case.

3. *Liquidator's remuneration*

My time costs for the year under review are £7,329. This represents 37 hours at an average rate of £195.65 per hour. I attach as Appendix B a Time Analysis which provides details of the activity during the year, analysed by staff grade.

I have also reviewed my cumulative time costs for the period from 1 October 2012 to 30 September 2017 and would report that my total time costs are £70,996 for 326.9 hours, which equates to an average cost of £217.18 per hour. A breakdown of my time charges is also set out in Appendix B.

To date £5,605 plus VAT has been paid on account of these time costs. I would advise, pursuant to Statement of Insolvency Practice 7, that these costs were paid by a third party and were not drawn from the estate as there are no funds in the liquidation. The funding was provided by the petitioning creditor, Transatlantic Aviation Limited ("TAA") and the invoice was raised on 8 February 2013 on account of post appointment time incurred. As this payment was made by a third party and not from funds available to the liquidation estate, approval for the fixing of the basis of this remuneration was not required. It was agreed when these funds were provided by TAA that they would be repayable to them if and when funds sufficient to discharge the approved remuneration are recovered from the case.

To view an explanatory note concerning Liquidators' remuneration issued by the Joint Insolvency Committee, please visit the Publications folder on our website at www.drpartners.com/cases, using the following log-on details:

USERNAME: A339@drco.co.uk

PASSWORD: 933Arm*!

Alternatively, please contact this office to arrange for a copy to be sent to you. Included in the work undertaken by me and my staff is the following:-

- i.) Preparation and circulation of my annual progress reports and Receipts and Payments Account to creditors pursuant to S104A of the Insolvency Act 1986 and submission of same to the Registrar of Companies;
- ii.) Periodic case reviews to ensure statutory compliance and all outstanding matters are dealt with;

AEROLEASING (UK) LIMITED - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

- iii.) Completing and submitting corporation tax returns;
- iv.) Dealing with all matters relating to the potential claim against the Directors, including assisting Cavendish IP, who purchased the right of action against the Directors.

The following outstanding matters need to be dealt with prior to the case being moved to closure:

Statutory

- Final Progress Report to creditors;
- Final tax computations and submissions.

Non-Statutory

- Closure review;

Once the above matters have been completed, we shall be in a position to conclude the Compulsory Liquidation. Please note that the statutory matters and closing review are unavoidable processes of any Liquidation and therefore, we anticipate the case will remain open for the next 3-6 months, with anticipated time costs accruing of around £3,000 to £4,000 in order to comply with our statutory requirements.

Other than statutory expenses, such as advertising, we do not anticipate that there will be any further expenses incurred.

4. Liquidator's expenses

Expenses incurred in the liquidation are explained at (e) above in my comments on the Receipts and Payments Accounts.

5. Statutory and Compliance Work

- 5.1 Information on the anticipated outcome for creditors in this case can be found at section (g) of this report. A liquidator is not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 5.2 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.
- 5.3 The above work will not necessarily bring any financial benefit to creditors generally, however a Liquidator is required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Liquidator in dealing with those claims.

6. Creditors' rights – Rule 18.9 and Rule 18.34

- i) Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Liquidator provides further information about his remuneration or expenses which have been itemised in this progress report.

AEROLEASING (UK) LIMITED - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

- ii) Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that the basis fixed for the Liquidator's remuneration, the remuneration charged or the expenses incurred by the Liquidator as set out in this progress report are excessive.

(g) Creditors and Distributions

(i) (a) Secured creditors

There are no secured creditors.

(b) Prescribed Part

Section 176A of the Insolvency Act 1986 provides for a prescribed part of the Company's net property to be retained from distribution to the floating charge holder, where the debenture was created on or after 15 September 2003 and made available for the satisfaction of unsecured debts.

Accordingly this regulation does not apply as there is no floating charge holder.

(ii) Preferential creditors

There are no preferential creditors.

(iii) Unsecured creditors

The claims of three unsecured creditors have been received, amounting to a sum of £211,879.83. There has been no response from the other seven known creditors, as per the Statement of Assets and Liabilities, which estimated unsecured creditors total claims at £230,907.14. There are insufficient funds to enable a dividend to be paid to the unsecured non-preferential creditors.

(h) Details of what remains to be done

As mentioned in my previous report, my investigations revealed that the Directors had made a number of payments and transactions which may not have been in the best interest of the Company or the creditors as a whole. These payments took the form, among others, of payments of the Director's personal expenses and payments in breach of the joint venture agreement with TAA. Substantial time was expended in analysing the Company's accounts and in correspondence with solicitors. Given the lack of funds in the Liquidation Estate, I sold the right of action against the Directors to Cavendish IP, as it was not economically viable to pursue myself.

During the period under review Cavendish IP have continued to negotiate with the Directors in an attempt to secure a settlement. However, unfortunately, Cavendish have informed me that they have been unable to obtain a recovery from the Directors through Alternative Dispute Resolution ("ADR"). Moreover, the Directors have insufficient means to meet their own legal costs through any litigation as well as be able to pay any award and adverse costs. Therefore, Cavendish IP have concluded that given the likely recoveries achievable on a successful outcome it would be uneconomical to take the case to trial.

AEROLEASING (UK) LIMITED - IN LIQUIDATION
Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986

Accordingly, no further actions or asset realisations are anticipated in this regard. Therefore, as all assets have now been realised, steps will be taken to move the case to closure.

Additionally, I was made aware on 15 November 2017 that TAA had entered into Liquidation in the British Virgin Islands ("BVI"). Liquidators from Grant Thornton have been appointed in the BVI.

(i) Other information of relevance to creditors:

Investigations

1. As you may be aware, in a compulsory liquidation the duty to investigate the Company's affairs is the responsibility of the Official Receiver. There is no requirement on the Liquidator to submit a report or return on the directors' conduct to the Department for Business, Energy & Industrial Strategy, however where matters are brought to the Liquidator's attention these are reported as appropriate to the Official Receiver for further consideration.
2. I would confirm that I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate and that may need reporting to the Official Receiver. This assessment took into account information provided by creditors either at the initial meeting or as a response to my request to complete an investigation questionnaire.
3. My investigations revealed that the Directors had made a number of payments and transactions which may not have been in the best interest of the Company or the creditors as a whole. As detailed earlier, I sold this right of action to Cavendish IP, due to it not being economically viable to pursue myself.
4. Despite attempts by Cavendish IP to secure a settlement, they have been unable to obtain a recovery from the Directors through ADR and it is considered uneconomical to take the case to trial. There is no further action anticipated in this regard.

(J) Next report

I am required to provide a further report on the progress of the liquidation within two months of the end of the next anniversary of the liquidation, unless I have concluded matters prior to that, in which case I will write to all creditors with my Final Account which will conclude my administration of the Liquidation.

I trust you will find this report adequate for your purposes but should you require any further information, please do not hesitate to contact in the first instance either my Manager, Robert Mitchell, or his assistant, Jessica Tumath at this office.



David Rubin & Partners

p.p

STEPHEN KATZ - LIQUIDATOR

DATE: 27/11/2017

AEROLEASING (UK) LIMITED - IN COMPULSORY LIQUIDATION
IN THE HIGH COURT OF JUSTICE
COURT NUMBER: 4558 OF 2012

Liquidator's abstract of receipts and payments
for the period 1 October 2012 to 30 September 2017

	<u>Third Party</u> <u>Funds</u> <u>£</u>	<u>Period End</u> <u>30/09/2017</u> <u>£</u>	<u>Realised to</u> <u>date</u> <u>£</u>
Balance Brought Forward		(1,021.90)	
<u>Receipts</u>			
IT Equipment	-	-	555.00
Right of Action	-	-	1,000.00
Third Party Funds	7,200.00	-	-
	<u>7,200.00</u>	<u>-</u>	<u>1,555.00</u>
<u>Payments</u>			
DTI Cheque Fees	-	-	1.10
Secretary of State fees	-	88.00	440.00
Pre-Appointment costs	395.00	-	-
Official Receiver's Debit Balance	-	-	1,070.00
VAT	1,200.00	-	-
Agents' Fees	-	-	180.00
Liquidator's remuneration	5,605.00	-	-
	<u>7,200.00</u>	<u>88.00</u>	<u>1,691.10</u>
Receipts less payments	<u>-</u>	<u>(1,109.90)</u>	<u>(136.10)</u>
Represented by balance in hand:			
ISA Account			<u>(136.10)</u>

OFFICIAL RECEIVER'S DEBIT BALANCE

	<u>£</u>	<u>£</u>
<u>Receipts</u>		
Deposit on Creditor's petition		1,165.00
		<u>1,165.00</u>
<u>Payments</u>		
O.R. Disbursements	<u>2,235.00</u>	
		<u>2,235.00</u>
		(1,070.00)

AEROLEASING (UK) LIMITED - IN COMPULSORY LIQUIDATION

LIQUIDATOR'S TIME COSTS FOR THE PERIOD 1 OCTOBER 2016 TO 30 SEPTEMBER 2017 SIP 9 TIME SUMMARY							
Classification of work function	Hours					Total Cost £	Average hourly rate £
	Partners	Manager / Senior Manager	Admin / Senior Admin	Cashiers	Total hours		
Statutory compliance, admin and planning	00:12	03:48	15:48	00:36	20:24	3,662.00	179.51
Investigations	00:00	00:00	05:54	00:00	05:54	1,367.00	231.69
Realisations of assets	00:00	01:12	09:30	00:00	10:42	2,210.00	206.54
Total hours and costs	00:12	05:00	31:12	00:36	37:00	7,239.00	195.65

LIQUIDATOR'S CUMULATIVE TIME COSTS FOR THE PERIOD FROM 1 OCTOBER 2012 TO 30 SEPTEMBER 2017 SIP 9 TIME SUMMARY							
Classification of work function	Hours					Total Cost £	Average hourly rate £
	Partners	Manager / Senior Manager	Admin / Senior Admin	Cashiers	Total hours		
Statutory compliance, admin and planning							
IPS set up & maintenance	00:00	00:00	00:30	00:00	00:30	110.00	220.00
Statutory filings, circulars, notices, etc.	00:24	01:24	28:06	00:00	29:54	4,204.50	140.62
Case planning, strategy & control	00:00	01:12	03:24	00:00	04:36	926.00	201.30
Taxation: PAYE, C/Tax & VAT	00:00	00:36	06:12	00:00	06:48	1,164.00	171.18
Accounting & Cashiering	00:00	00:36	01:36	07:30	09:42	1,649.00	170.00
Case reviews & Diary maintenance	01:30	19:30	31:06	00:00	52:06	10,569.00	202.86
Statutory reporting and compliance	04:06	39:00	36:24	00:00	79:30	17,633.50	221.81
Investigations							
OR: CDDA matters & correspondence	00:12	05:30	04:06	00:00	09:48	1,987.00	202.76
Antecedant transactions & wrongful trading	04:00	14:06	15:12	00:00	33:18	7,648.50	229.68
Proceedings & recoveries	08:54	04:12	12:24	00:00	25:30	6,894.50	270.37
Realisation of assets							
Book debts collection	00:00	01:12	00:00	00:00	01:12	300.00	250.00
Tangible assets	25:42	05:36	41:36	00:00	72:54	17,678.00	242.50
Creditors							
Unsec'd Creditors: correspondence & claims	00:12	00:18	00:36	00:00	01:06	232.00	210.91
Total hours and costs	45:00	93:12	181:12	07:30	326:54	70,996.00	217.18