

**Aeroform Limited**  
**Aeroform Impex Limited**  
**Aeroform Group Limited - All in Administration (“the Group”)**

**Administrators briefing**

On 11 May 2010 Stephen Browne and Mark Shires were appointed Joint Administrators over Aeroform Limited (“AFL”), Aeroform Impex Limited (“AIL”) and Aeroform Group Limited (“AGL”) acting as agents of the Companies without personal liability. The Administrators are looking for buyers interested in purchasing the business and assets of the Companies.

**Background**

The Group is based in Poole, Dorset and has approximately 60 employees. The principle activities of the Group are as follows.

AFL designs and manufactures industrial pressure ovens known as autoclaves and composite (mainly carbon fibre) pre-formers including hot drape formers. AFL’s products can be used in a variety of industrial processes, however, AFL’s principal customers are now in the aerospace, transport and automotive industries and include Airbus, GKN and BAE.

The nature of work may vary according to each customer’s requirements but includes engineering, project management, design, manufacturing and commissioning.

AIL uses a technology known as Impex in the tobacco industry having applied its autoclave technology to enable a process which results in the actual expansion of tobacco.

AGL holds the lease to the trading premises and patents for certain products.

PwC were introduced to the Group as it was struggling to find the necessary equity investment.

**Sale of business**

The administrators are actively pursuing a sale of the Group’s business and assets and have already been in touch with a number of interested parties. The main value of the business is in its contracts with high profile aerospace industry customers as well as in Intellectual Property Rights related to design, construction and installation of autoclaves and their controls systems.

**Outcome for creditors**

Secured creditor

HSBC Bank plc has fixed and floating charges over the Group’s assets dated post 15 September 2003.

**Prescribed Part**

The Prescribed Part (Section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003) applies where there are floating charge realisations, net of costs, to be set aside for unsecured creditors. For each company, this equates to:

- 50% of net property up to £10,000
- 20% of net property in excess of £10,000
- Subject to a maximum amount of £600,000

The Prescribed Part applies to the Group as there are charges created and registered at Companies House following the Prescribed Part order coming into force on 15 September

2003. The amount of the Prescribed Part will be subject to future asset realisations and allowable costs.

### Preferential

We have written to all former employees and continue to assess the position with respect to employee claims to determine whether there are any preferential creditors. If there are, it is currently uncertain whether there will be sufficient funds available for distribution to this class of creditor.

### Creditors - unsecured

An initial letter has been sent to all known creditors of the Company advising of the administration and providing the opportunity for creditors to submit a claim in the administration.

In accordance with Section 176A of the Insolvency Act 1986 we are required to set aside a prescribed part fund, from floating asset realisations, for unsecured creditors as a floating charge was created over the Group's assets after 15 September 2003.

It is too soon to comment whether there will be surplus funds available for unsecured creditors.

### **Next Steps and future communications**

The administrators are currently dealing with their statutory requirements, including drafting proposals for creditors which will be distributed within eight weeks of their appointment. The administrators will communicate the future strategy for the Companies at that time. However, it is not currently anticipated that there will be sufficient funds available to repay the secured creditor in full and enable a distribution to unsecured creditors.

As matters develop I will update creditors and other stakeholders via this webpage. However, this will not replace my normal communications, such as hard-copy reports to creditors.

### **Contacts**

Creditor enquiries – Colin Somers on 01202 294621 or [colin.somers@uk.pwc.com](mailto:colin.somers@uk.pwc.com)

Employees – Jane Baldwin on 01202 294621 or [jane.baldwin@uk.pwc.com](mailto:jane.baldwin@uk.pwc.com)

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Stephen R Browne  
Joint administrator  
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