

HYDEOUT 2.0 TRADING LIMITED

Report for Creditors

Private & Confidential

(This Report is for use by the Members and Creditors of the Company only and must not be published or provided to any other party without the written permission of T H Financial Recovery)

T H Financial Recovery
Suite 101 & 102, Empire Way Business Park
Liverpool Road
Burnley
BB12 6HH

T H Financial Recovery have not carried out anything in the nature of an audit of this information nor sought to verify the existence of, title to and value of the company's assets and liabilities. We have however discussed a draft of this report with the Directors and they have confirmed that there are no material errors or omissions.

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Hydeout 2.0 Trading Limited

GENERAL INFORMATION

Prior Relationship

The firm was contacted by Raven & Co on 11 October 2018 to discuss the financial situation of the company and the options available. The proposed Liquidator has had no other involvement with the company or its directors.

Shareholders meeting

A notice to shareholders calling a general meeting of the company was sent on the 19 October 2018. The general meeting of shareholders will be held on 2 November 2018 at 14:00.

The following resolutions have been proposed:

Special Resolution

"That the company be wound up voluntarily".

Ordinary Resolution

"That Jonathan Mark Taylor of T H Financial Recovery, Suite 101 & 102, Empire Way Business Park, Liverpool Road, Burnley, BB12 6HH, be appointed liquidator of the company for the purposes of the winding-up".

Instructions from the Board of Directors

The board of directors instructed this firm on 18 October 2018 to convene the creditors decision procedure on 2 November 2018.

Details of payments of costs paid by the company or on its behalf

The following payments have been made:

Work	Name of Recipient	Amount £	Source of the Payment
Preparation of the statement of Affairs	Raven & Co	£1,200	Jonathan Pearson – Director's Personal Funds
	T H Financial Recovery	£1,200	Jonathan Pearson – Director's Personal Funds

STATUTORY INFORMATION

Company Number: 10986269
Date of Incorporation: 28/09/2017
Nature of Business: Licensed Club

Registered Office: International House
12 Constance Street
London
E16 2DQ

Trading address: 46 The Parade
Watford
WD17 1AY

Directors in the last 3 years:	Appointed	Resigned
Jonathan Pearson	28/09/2017	To Date

Company Secretaries in the last 3 years:	Appointed	Resigned
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Accountants / Auditors: None Appointed

Debentures: None

Authorised share Capital and Issued

Classes of shares issued Ordinary

Share Capital: 1

Name of Shareholder	Shares held
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Jonathan Pearson	1 Ordinary share
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Names and company numbers of parent, subsidiary and associated companies None

Hydeout 2.0 Trading Limited

DIRECTOR'S REPORT ON THE HISTORY OF THE COMPANY

At a shareholders meeting held earlier today, the members passed a resolution to place the company into liquidation and to appoint Mr J M Taylor as Liquidator. Mr Jonathan Pearson, the director will act as Chairman and Mr Taylor will present the report.

Hydeout 2.0 Trading Limited was formed on 28 September 2017 by Jonathan Pearson, who was appointed sole Director at that time. The company has authorised share capital of 100 ordinary £1 shares, of which one has been issued to Mr Pearson. The company was formed with the intention of running a bar / nightclub venue.

The company traded from premises at 46 The Parade, Watford, WD17 1AY, the building being split into two separate areas, a bar (Twisted Monkey) and a nightclub, Hydeout 2.0. The premises were occupied on a licence to operate, the total fee payable being £250,000 per annum.

It quickly became apparent that both anticipated turnover and costs had been underestimated, management accounts showing that the company incurred losses in every month since trading began. The director originally believed, after a slow start, the company could eventually move into profitability but this optimism prove to be unfounded. Although sales figures for the period of trade, (9 months), were £744,395 with a gross profit of £565,772, the internal management accounts show a total net loss of £234,833. In July of 2018, the director met with the landlord and, by mutual consent, the license was cancelled and trading ceased on 2 July 2018.

Whilst the director was considering his options, several creditors commenced legal recovery action against the company and the director has been informed that a winding up petition has been issued by Veolia Environmental Limited, (although at the date of this report, the petition has neither been served or advertised).

As a consequence, Jonathan Pearson signed notices dated 19 October 2018 convening statutory meetings of members and creditors to place the company into Creditors Voluntary Liquidation, with the assistance of T H Financial Recovery.

Material Transactions

The Director confirms that there were no material transactions conducted in the preceding 12 months, other than in the ordinary course of business.

In accordance with Rule 6.4 of the
Insolvency (England & Wales) Rules 2016
& Section 99(1) of the Insolvency Act 1986

Statement of Affairs

CREDITORS VOLUNTARY LIQUIDATION

Statement as to affairs of Hydeout 2.0 Trading Limited (Company Number: 10986269)

on the 30 October 2018 being a date not more than 14 days before the date of the resolution for winding up

Statement of truth

I believe that the facts stated in this Statement of Affairs are true.

Full Name

Signed

Dated

Hydeout 2.0 Trading Limited

A – Summary of Assets

Assets

Book Value £	Estimated to Realise £
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Assets subject to a fixed charge:

None

0

Assets subject to a floating charge:

None

0

Uncharged assets:

Cash at Bank

400

400

400

Surplus from **assets** subject to a fixed charge

0

Estimated total assets available for preferential creditors

400

Signature_____

Date_____

A1 – Summary of liabilities

	Estimated to Realise £
Estimated total assets available for preferential creditors (carried from page A)	400
Liabilities	
Preferential creditors:	
None	(0)
Total Preferential Claim	(0)
Estimated deficiency / surplus as regards preferential creditors:	400
Estimated total assets available for floating charge holders	400
Debts secured by floating charges	
	(0)
Estimated deficiency/surplus of assets after floating charges	400
Total assets available to unsecured creditors	400
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	
Directors loan account (1)	(25,000)
Fines (1)	(400)
HM Revenue & Customs (1)	(1)
Local Authority / Council (2)	(3,913)
Rates - (2)	(74,764)
Trade Creditor (3)	(15,851)
Utility Creditor (2)	(20,331)
	(140,260)
Estimated surplus / deficiency as regards non-preferential creditors	(139,860)
Issued and called up capital	
Ordinary	(1)
	(1)
Estimated total deficiency / surplus as regards members	(139,861)

Signature_____

Date_____

B - COMPANY CREDITORS

Note: You must include all creditors and identify any creditors under hire-purchase, chattel leasing or conditional sale agreements and customers claiming amounts paid in advance of the supply of goods or services and creditors claiming retention of title over property in the company's possession.

Name of creditor or claimant	Address (with postcode)	Creditor Type	Amount of debt	Details of any security held by creditor	Date Given	Value of security
British Gas Business	c/o Baker Tilly Creditor Services LLP, 6th Floor Salisbury House, 31 Finsbury Circus, London, EC2M 5SQ	Utility Creditor	£6,199.78			£0.00
Corerecruitment Limited	3rd Floor, 4-11 Artillery Lane, London, E1 7LS	Trade Creditor	£10,800.00			£0.00
HM Revenue & Customs	ICHU, RM BP3202, Benton Park View, Longbenton, Newcastle Upon Tyne, NE98 1ZZ	HM Revenue & Customs	£1.00			£0.00
Jonathan Pearson	46 The Parade, Watford, WD17 1AY	Directors loan account	£25,000.00			£0.00
Opus Energy Limited	PO Box 171, Sheffield, S98 1JS	Utility Creditor	£14,131.29			£0.00
The Pensions Regulator	P O Box 16871, Birmingham, B23 3LG	Fines	£400.00			£0.00
Veolia Environmental Services (UK) Limited	Kingswood House, Kingswood Crescent, Cannock, WS11 8JP	Trade Creditor	£2,435.00			£0.00
Watford BID	5 King Court, 153 High Street, Watford, WD17 2ER	Local Authority / Council	£900.00			£0.00
Watford BID	5 King Court, 153 High Street, Watford, WD17 2ER	Local Authority / Council	£3,012.50			£0.00
Watford Borough Council	Town Hall, Watford, WD17 3EX	Rates	£17,484.98			£0.00
Watford Borough Council	Town Hall, Watford, WD17 3EX	Rates	£57,279.48			£0.00
Wilkes World Limited	49 Speer Road, Thames Ditton, KT7 0PJ	Trade Creditor	£2,615.68			£0.00
Employee(s)		Employee(s)	£0.00			£0.00
Totals			£140,259.71			£0.00

* Denotes a Creditor claiming Retention of Title

Signature _____

Date _____

C - COMPANY CREDITORS (EMPLOYEES FORMER EMPLOYEES & CONSUMER CLAIMING AMOUNTS PAID IN ADVANCE FOR THE SUPPLY OF GOODS OR SERVICES)

Note: You must include all creditors and identify any creditors under hire-purchase, chattel leasing or conditional sale agreements and customers claiming amounts paid in advance of the supply of goods or services and creditors claiming retention of title over property in the company's possession.

Name of creditor or claimant	Address (with postcode)	Creditor Type	Amount of debt	Details of any security held by creditor	Date security given	Value of security
		Employee				£0.00
Totals			£0.00			£0.00

* Denotes a Creditor claiming Retention of Title

Signature_____

Date_____

D - COMPANY MEMBERS

Name of shareholder or member	Address (with postcode)	Type of share	Nominal value	No. of shares	Amount per share called up	Total amount called up
Jonathan Pearson	International House, Constance Street, London, E16 2DQ	Ordinary	£1.00	1	£1.00	£1.00

Signature_____

Date_____

Hydeout 2.0 Trading Limited

COMMENTS ON THE DIRECTORS' STATEMENT OF AFFAIRS

The Statement of Affairs does not reflect the costs of insolvency and realisation.

Agents and Valuers

The company does not possess any assets which require a formal valuation therefore agents have not been instructed in this regard.

Assets

Cash at Bank

The company bank account with Barclays has a credit balance of £400 which, it is anticipated, will be passed Liquidator on his appointment.

It should be noted that all fixtures and fittings are the property of the landlord and so have no realisable value in the liquidation.

Creditors:

Secured creditors

The company has no secured creditors.

Preferential creditors

There are no preferential creditor claims.

Prescribed Part

The prescribed part only applies where the company has granted a floating charge to a creditor after 15 September 2003. Where a floating charge over the company's assets has been given a prescribed amount of the company's net property after paying the preferential creditors must be made available to the unsecured creditors and the basis of this calculation is detailed below:-

50% of the first £10,000 of the net property; and
20% of the remaining net property up to a maximum of £600,000.

The company has not granted a floating charge to any creditor after the 15 September 2003 and consequently there will be no prescribed part.

Unsecured Creditors

The unsecured claims total £140,259. I would point out that the amounts shown have been provided by the director and they may not necessarily agree with your own records. However, the amounts stated will not prejudice your claim as it will be agreed by the Liquidator in due course. Creditors may also be entitled to claim VAT Bad Debt Relief on their claims.

It should be noted that the company did not register for VAT and there will be a potential claim from HMRC which, as yet, is unquantified. In the interim, a claim for £1 has been entered in the Statement of Affairs.

£25,000 of the unsecured claims total relates to funds that the director personally injected into the company.

Shares

The issued and fully paid share capital is £1, resulting in an overall total deficiency of £139,861.

Hydeout 2.0 Trading Limited

PRE APPOINTMENT FEE INFORMATION

A resolution for pre appointment fees is being sought.

A resolution for a fixed fee of £4,000.00 plus disbursements and VAT in respect of pre appointment work will be put to the meeting of creditors. Details of the pre-appointment work are below:

- Advising the Board of directors
- Attendance at the Board Meeting and advising on the relevant action to be taken to wind-up the company and the corresponding resolutions to be passed
- Producing and circulating notices within statutory time limits to shareholders and creditors
- Assistance with preparing the Statement of Affairs
- Assistance with preparing the report to be presented to the Meeting of Creditors
- Preparing the relevant documents and advising on the conduct of the meeting of shareholders
- Preparing the relevant documents and advising on the conduct of the meeting of creditors