

CVA1

Notice of voluntary arrangement taking effect



Companies House

THURSDAY



A8700P3M
A30 06/06/2019 #27
COMPANIES HOUSE

1 Company details

Company number 0 6 6 4 5 1 6 3

Company name in full E Squared UK Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Supervisor's name

Full forename(s) Michael

Surname Jenkins

2014

3 Supervisor's address

Building name/number 11 Clifton Moor Business Village

Street James Nicolson Link

Post town Clifton Moor

County/Region York

Postcode Y O 3 0 4 X G

Country

4 Supervisor's name ^①

Full forename(s) David Adam

Surname Broadbent

① Other supervisor
Use this section to tell us about
another supervisor.

5 Supervisor's address ^②

Building name/number 11 Clifton Moor Business Village

Street James Nicolson Link

Post town Clifton Moor

County/Region York

Postcode Y O 3 0 4 X G

Country

② Other supervisor
Use this section to tell us about
another supervisor.

9458

CVA1

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6 Date CVA took effect

Date

d	2	d	8	m	0	m	5	y	2	y	0	y	1	y	9
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7 Report of consideration of proposal

☒ I attach a copy of the report of consideration of the proposal

8 Sign and date

Supervisor's signature

Signature

X



X

Signature date

d	3	d	1	m	0	m	5	y	2	y	0	y	1	y	9
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IN THE HIGH COURT OF JUSTICE, LEEDS NO. CR-2019-LDS-000568

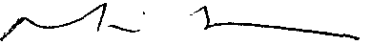
IN THE MATTER OF THE INSOLVENCY ACT 1986 PART I
AND IN THE MATTER OF E SQUARED UK LIMITED

REPORT ON THE CONSIDERATION OF THE PROPOSAL FOR A CVA BY THE CREDITORS AND MEMBERS OF THE COMPANY PURSUANT TO SECTION 4 OF THE INSOLVENCY ACT 1986 AND RULE 2.38 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016

This is the report on the outcome of the meeting of the members of the Company and the decision of the creditors of the Company sought via a qualifying decision procedure, to consider the directors' proposal for a CVA.

1. I, Michael Jenkins, am one of the Joint Nominees and Supervisors in this matter. I confirm that I acted as Chair of the meeting of the members held on 28 May 2019 and as the convener of a qualifying decision procedure in relation to the decision sought from creditors by virtual meeting. The directors' proposal for a CVA was approved by the members and creditors of the Company. Details of the resolution passed at the meeting of members and the decision made by the creditors by virtual meeting are set out in the attached minutes of the members' meeting and in the record of the creditors' decision. Separate schedules of the members who attended the meeting and the creditors who voted in the qualifying decision procedure which detail how they voted, and in relation to the creditors, whether they are considered to be connected with the Company, are also attached.
2. There were 26 modifications to the proposal put forward by a creditor, which were voted upon. Details of the modifications attached.
3. I confirm that all of the modifications were approved.
4. The Joint Supervisors are of the opinion that the Regulation (EU) No 2015/848 of the European Parliament and of the Council on Insolvency Proceedings 2000 ("the EU Regulation") applies to the CVA and that the proceedings are main proceedings within the meaning of Article 3 of the EU Regulation.
5. There is no other relevant information which I consider it is appropriate to make known to the Court.
6. The appointed Joint Supervisors are Michael Jenkins and David Adam Broadbent of Begbies Traynor (Central) LLP, 11 Clifton Moor Business Village, James Nicolson Link, Clifton Moor, York, YO30 4XG. Any act required or authorised under any enactment or under the terms of the proposal (and if approved under the terms of the arrangement) to be done by the joint supervisors is to be done by all or any one or more of the persons for the time being holding office.
7. Notice of the result of consideration of the proposal by creditors and members will be made available for viewing and downloading on a website in accordance with the notice previously given to creditors and members.
8. A copy of this report will be sent to the Registrar of Companies.

Dated: 31.5.19

Signed: 

Michael Jenkins
 Chair of members' meeting and convener of creditors' decision

Appendices

- Minutes of meeting of members
- Record of the decision of creditors
- Voting schedule of meeting of members
- Voting schedule of decision of creditors

For completion by the Court:

.....
DATE OF FILING OF THE REPORT

	Modifications proposed by Voluntary Arrangements Service (VAS) on behalf of H M Revenue & Customs in respect of: -
	E Squared UK Limited
	<i>If any of the modifications are not accepted then the VAS vote(s) must be taken as a rejection.</i>
EFFECT	
1.	(Interpretation) Any modification to the entire proposal approved by creditors and accepted by the company shall wholly supersede any contradictory terms or implied provisions in the proposal. Any conflicting modification(s) proposed by creditors shall be fully resolved prior to approval of the proposal in order that the intention of the modification is given priority and effect.
2.	(Variation) No variation shall be proposed following approval of the arrangement that would cause or have the effect of varying or removing <u>modifications imposed by HMRC</u> in support of the proposal without the express agreement of the HMRC Voluntary Arrangements Service.
3.	(Variation) The company shall not, within 12 months of approval of the arrangement, propose a variation that will reduce the yield to creditors below that forecast unless the Supervisor can provide clear evidence that the resolution results from changed trading circumstances that could not have been foreseen when the proposal was made to creditors. The Supervisor's evidence together with supporting financial information and notice of a creditors' vote shall be circulated to creditors giving at least 14 days clear notice. No variation fee shall be drawn without creditors' approval.
HMRC CLAIM(S)	
4.	(HMRC claim) The HMRC claim in the arrangement will include PAYE/NIC together with assessed tax, levy or duty (VAT) due to the day before the meeting to approve the arrangement and CTSA / assessed tax for the accounting period(s) ended on or before the date of approval of the arrangement.
5.	(Time limit) No time limit for lodging claims shall apply to HMRC.
6.	(Post approval returns and liabilities) All statutory returns and payments due to HMRC post approval of the arrangement shall be provided on or before their due date
7.	(Outstanding returns) Should any statutory accounts and returns be overdue at the date of the creditors' meeting they shall be provided to HMRC within one calendar month of the approval date together with any other information required in support of the return.
8.	(Dividend prohibition) No non preferential distribution will be made until the HMRC Final Claim has been made and the supervisor has admitted the claim for dividend purposes.
9.	(Expenses of arrangement) CTSA /VAT due on realisation of assets included in the arrangement will be regarded as an expense of realising the asset payable out of the net sale proceeds.
10.	<p>(Tax-Overpayments) Set-off of refunds due from the Crown against debts due to the Crown will be in accordance with statute and established legal principles.</p> <p>Any repayment due to the company for periods for which claims arise under the arrangement, when so ever they may arise, shall firstly be offset against HMRC's claims in the arrangement. Any remaining surplus shall be similarly applied to the claims of other Crown departments and should any surplus remain it shall be repaid to the company.</p> <p>Any repayments due to the company for periods that arise after the arrangement shall be applied to any post approval HMRC liability with any surplus being repaid to the company.</p>

GENERAL	
11.	(Co debtors) The release of the company from its debts by the terms of CVA shall not operate as a release of any co-debtor for the same debts.
12.	(Increased claims) Where the total value of creditor's claims exceeds by 10% or more of the stated value of their affairs supplied by the company for the purposes of this proposal this will constitute a breach of the arrangement. In the event of such a breach the supervisor shall ascertain from creditors what they wish to do in the context of the arrangement overall.
13.	(Termination) The arrangement shall terminate upon: <ul style="list-style-type: none"> (a) The making of a winding up order against the company, the passing of a winding up resolution or the company going into administration. (b) (where there is express authority for the supervisor so doing) the supervisor issuing a certificate of termination.
14.	(Arrangement trusts) Upon termination of the arrangement the trusts expressed or implied shall cease, save that assets already realised shall (after provision for supervisor's fees and disbursements) be distributed to arrangement creditors.
15.	(Non-compliance) Failure to comply with any express term of the arrangement shall constitute a breach of the company's obligation under the arrangement. The supervisor shall work with the company to remedy any breach of obligation. Rule 15.34 shall apply where any variation is proposed. <p>If any breach of obligation is not remedied within 30 days of its occurrence this shall constitute default of the CVA that cannot be remedied and the supervisor shall petition for a winding up order.</p>
ASSETS	
CONTRIBUTIONS/REVIEWS	
16.	(Payments) The company is to make no fewer than 36 monthly voluntary contributions of not less than £3,750/per month totalling at least £135,000 for the duration of the CVA.
17.	(Annual contribution review) The supervisor is to conduct a full review, at each anniversary of the arrangement, based upon the month end immediately preceding the anniversary of the arrangement of the company's business income and expenditure. To enable the supervisor to perform this function management accounts to include Profit and Loss for the preceding 12 months shall be furnished to the supervisor together with the relevant balance sheet and cash flow projection for the following 12 month period within one month of the anniversary. The supervisor shall obtain an increase in voluntary contributions of not less than 50% of any rise in net income after provision for tax.
18.	(Third party claims) The claims of third parties who have contributed to assets available under the arrangement shall be treated as deferred and only rank for dividend once all unsecured claims have been satisfied.
19.	(Duration) The duration of the arrangement shall not exceed 39 months without the prior approval of a 75% majority in value of creditors' claims voting on the resolution.
20.	(Contributions) Should any voluntary contribution fall 30 days into arrears or fall below the amount specified in the arrangement and remain so after 30 days this shall constitute a failure of the arrangement and the Supervisor shall petition for the compulsory winding up of the company.

DIRECTORS AND SHAREHOLDERS

21. The directors of the company shall not:

- a) declare or pay any dividend to themselves or the shareholders of the company for the duration of the voluntary arrangement.
- b) declare or pay themselves additional remuneration and or fees per annum.
- c) increase the remuneration of any person involved in the management of the business, whether by way of increase in salary, payment, bonus or benefit.
- d) enter into any contract or undertaking for the sale of the business nor dispose of the goodwill or of any assets or goodwill forming part of or essential to its continuing trade.
- e) create or extend any mortgage, debenture, charge or security over any part of the company/business except for those that subsist at the date of the proposal. This shall not affect any commercial factoring or similar arrangement.

COMPLETION

22. The arrangement shall not be capable of successful completion until all unsecured, non-preferential creditors claiming in the arrangement have received a minimum dividend of 100 pence in the pound (p/£).

FEES

23. **(Expenses of VA)** HMRC petition costs are to be paid as an expense of the arrangement in priority to the unpaid nominee's fees and expenses as at the date of the meeting of creditors, supervisor's fees, remuneration and disbursements.
24. **(Fees)** The supervisor's fee shall not exceed £15,000 in total and shall be drawn proportionately in line with receipts.
25. **(Winding up fees)** On the day of the creditors meeting which approves the proposal the company shall pay over to the nominee in cleared funds sufficient for winding up proceedings against the company. Should the full amount of cleared funds not be received by the time of the meeting of creditors this shall be deemed non-acceptance of this modification and as such HMRC's vote shall be counted as one for rejection of the proposal.
26. The supervisor shall confirm in their report of the meeting of creditors that sufficient funding has been received.

Signed

G Richards

Name

GREG RICHARDS

Collector

Date

17/5/19

AUTHORISED TO SIGN ON BEHALF OF HM REVENUE & CUSTOMS

1.

E SQUARED UK LIMITED**MINUTES OF THE VIRTUAL MEETING OF CREDITORS**

Date of meeting: 28 May 2019

Time of meeting: 10:00am

Present: Michael Jenkins, Joint Nominee and Chair

Creditors in attendance: Creditors and representatives of creditors as per attached Attendance Register and their proxies as listed on the attached Schedule of creditors' votes

In attendance: James Crawford, Begbies Traynor (Central) LLP

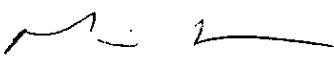
Formal business: A quorum being present, the Chair declared the meeting open.

The purpose of the meeting was to consider the directors' proposal for a Company Voluntary Arrangement and to vote on whether it should be approved, with or without modifications.

The following decisions were proposed and passed by the majority required by Rule 15.34 of the Insolvency (England and Wales) Rules 2016:

1. That the directors' proposal for a company voluntary arrangement be approved with the attached modifications.

There being no further business the meeting was then closed.

Signed: 
Michael Jenkins
Chair

Dated: 28 May 2019

For Chairman's office use only:

- ☐ Attach Attendance Register
- ☐ Attach Schedule of creditors' proxies

Summary of Proxies
Begbies Traynor (Central) LLP
E Squared UK Limited
Creditors Meeting (First) - 28/05/2019

Resolution 1 - That the directors' proposal for a company voluntary arrangement be approved [with the following modifications]

		Voting Amt	Holder	Received Type	Instruction	Voting Type	Instruction	In Favour of	Present at Meeting
1	CH00 HMI Revenue & Customs	21,995.00	Chairperson	Non Specif	Modification Invalid For	Non Specif	Modification Invalid For		
2	CL01 Lead Forensics	403.20	Begbies Traynor	Non Specif	Modification Invalid For	Non Specif	Modification Invalid For		
3	CR00 Retail Money Market Ltd 1/2 RateSetter	20,583.42	Chairperson	Non Specif	Modification Invalid For	Non Specif	Modification Invalid For		
Total for Resolution 1 based on actual proxies received totalling £0.00									
Voting based on actual votes cast totalling £0.00 (this excludes Abstentions, Invalid and Not Known proxies totalling £0.00)									
Voting in Favour of Proposals (A)		GBP	%	Voting against Proposals (B)		GBP	%		
		42,578.42	100.00			0.00	0.00		

Key

* Associated creditors per S.435 IA 1986

Signature 

E SQUARED UK LIMITED**MINUTES OF THE MEETING OF MEMBERS**

convened pursuant to Section 3 of The Insolvency Act 1986

Date of meeting: 28 May 2019

Time of meeting: 10:30am

Venue of meeting: 11 Clifton Moor Business Village, James Nicolson Link, Clifton Moor, York, YO30 4XG

Present: Michael Jenkins, Joint Nominee and Chair

Members in attendance: Members as per attached Attendance Register and their proxies as listed on the attached Schedule of members' proxies

In attendance: James Crawford, Begbies Traynor (Central) LLP

Formal business: The purpose of the meeting was to consider the directors' proposal for a Company Voluntary Arrangement and to vote on whether it should be approved, with or without modifications. The proposal had been approved by a decision of the company's creditors via a qualifying decision procedure, namely at a virtual meeting of creditors, subject to the attached modifications.

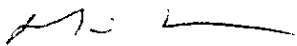
The majority required to approve the proposal was more than one-half in value of the members voting in person or by proxy. The value of each member's vote is determined by reference to the number of votes conferred on each member by the Company's Articles of Association.

The following resolutions were proposed and passed by the requisite majority:

1. That the proposal for a company voluntary arrangement be approved.

As the result of the members' meeting differed from that of the decision of creditors, the decision of the creditors prevailed in accordance with section 4A(2) of the Insolvency Act 1986. However, a member of the company may apply to the court within 28 days of the date of the creditors' meeting (or where the members' meeting was later, the date of the members' meeting) for the decision of the members' meeting to have effect instead of the creditors' meeting.

There being no further business the meeting was then closed.

Signed: 
 Michael Jenkins
 Chair

Dated: 28 May 2019

For Chairman's office use only:

- ☐ Attach Attendance Register
- ☐ Attach Schedule of members' proxies

Summary of Proxies
E Squared UK Limited
Members Meeting (First) - 28/05/2019

Resolution 1 - That the directors' proposal for a company voluntary arrangement be approved [with the following modifications]

		Voting Amt		Holder	Received Type	Instruction	Voting Type	Instruction	In Favour of	Present at Meeting						
1	HJ00	Mr Stephen Justice	500.00	Chairperson	Non Specif	For Invalid	Non Specif	For Invalid								
2	HK00	Mr David Key	10,000.00	[blank]												
Total for Resolution 1 based on actual proxies received totalling £0.00																
Voting based on actual votes cast totalling £0.00 (this excludes Abstentions, Invalid and Not Known proxies totalling £0.00)																
Voting in Favour of Proposals (A)		GBP	%													
		500.00	100.00	Voting against Proposals (B)			GBP	%								
							0.00	0.00								

Key

* Associated creditors per S.435 IA 1986

Signature 

CVA1

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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 **James Crawford**

Company name **Begbies Traynor (Central) LLP**

Address **11 Clifton Moor Business Village
James Nicolson Link**

Post town **Clifton Moor**

County/Region **York**

Postcode

Y	O	3	0		4	X	G
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Country

DX **york@begbies-traynor.com**

Telephone **01904 479801**



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 and dated 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