

RE: ZS GROUP LTD (“THE COMPANY”)

PROPOSED CREDITORS’ VOLUNTARY LIQUIDATION (“CVL”)

REGISTERED NUMBER: 11408918

COMPANY ADDRESS: 3 BRADSTONE ROAD, MANCHESTER, LANCASHIRE M8 8WA

SIP 6 REPORT & STATEMENT OF AFFAIRS

1 STATEMENT OF AFFAIRS

The Statement of the Affairs of the Company as at 14 August 2019, being a date not more than 14 days before the date of the resolution for winding up has been posted to creditors under a separate cover.

2 SIP 6 INFORMATION

John Paul Bell and Toyah Marie Poole of Clarke Bell Limited were instructed on 10 May 2019 to assist in the deemed consent decision procedure in order to be appointed Joint Liquidators of the Company by its director, Zeeshan Mahmood.

A total fee of £2,462.50 plus VAT was paid partly by the Company and the balance on behalf of the Company in respect of the above instructions to Clarke Bell Limited, of this fee, £800 plus VAT is to be paid to Shacter, Cohen & Bor LLP, who are the company’s accountants, for their assistance in the preparation of the attached Statement of Affairs.

There has been no prior involvement with the Company or its directors that could reasonably be perceived as presenting a threat to John Paul Bell and Toyah Marie Poole’s objectivity.

I understand there have been no material transactions conducted by the Company in the preceding 12 months other than in the ordinary course of business.

3 TRADING PREMISES

Zs Group Ltd traded from premises at Unit 4E, Mossmill Industrial Estate, Rochdale, OL16 5LB under an informal rental agreement.

4 BUSINESS FINANCE

Aside from creditors, the company has been financed by the following source:

(a) Directors Loan

Since incorporation, the Director has invested funds to assist general cash flow.

The current balance due in respect of Directors loan is detailed in the Statement of Affairs.

5 TRADING HISTORY

Zs Group Ltd was incorporated on 11 June 2018 and commenced trade on 1 September 2018.

The company traded as a clothes retailer.

Zeeshan Mahmood was responsible for the day to day running of the business.

The company was set up in June 2018 to sell products through E-commerce. The company's products specialised in Dancewear garments.

However, the director soon found that competition was too high, and was faced with competitors selling similar garments online with cheaper material, therefore these products were of a lower price which the company could not compete with.

The company made efforts to contact trading standards and Ebay regarding the competitors false selling. However, the efforts did not lead to any success and the company could no longer sustain the business.

Over the following months, the company found it difficult to generate sales, and the director knew that the company could not continue to trade due to the competitors selling at prices which could not be competed with.

Therefore, on 10 May 2019, Clarke Bell Limited were approached for independent financial advice and it was recommended that the company be wound up for the benefit of all creditors.

As a result, on 20 May 2019 the company ceased to trade.

A formal meeting of the company's Board was held on 14 August 2019.

The director attributes the cause of failure to the following:

- i. Competition; and
- ii. Cashflow difficulties.

6 FINANCIAL INFORMATION

The company has not prepared accounts since trade began and therefore no accounting information is available.

7 STATEMENT OF AFFAIRS

Except where specifically detailed, all information has been provided by the director as follows:

ASSETS

(a) Cash at Bank

According to the company's director, there is a credit amount shown in the bank account.

I would advise you that the balance may be subject to a deduction of fees and charges prior to funds being transferred to the Joint Liquidator.

LIABILITIES

Secured Creditors

There are no known secured creditors.

Consequently, there is no known floating charge and as such, I am not required to calculate a prescribed part amount due to creditors under section 176a of the Insolvency Act 1986 on the company's net estate.

Preferential Creditors

There are no known preferential creditors.

Unsecured Creditors

a) Trade and Expense Creditors

The amount shown in respect of trade and expense creditors is taken from the company's accounting records.

Neither the existence of each creditor nor their respective amounts has been validated. This will not prejudice the rights of any creditor to prove in the estate for a different amount.

b) Directors Loan Account

As detailed in section 4, the director has introduced monies throughout the course of business.

8 DEFICIENCY ACCOUNT

As a consequence of the company's limited accounting information, I have been unable to prepare a formal deficiency account.

9 STATUTORY INFORMATION

Registered Number	11408918.
Registered Name	The company's registered name is Zs Group Ltd.
Incorporation Date	The company was incorporated on 11 June 2018.
Commencement of Trade	The company commenced trade on 1 September 2018.
Nature of Trade	The company's primary business was that of a clothier retailer.
Principal Trading Address	The company's principal trading address is Unit 4E, Mossmill Industrial Estate, Rochdale, OL16 5LB.
Registered Office	The company's current registered office is 3 Bradstone Road, Manchester, M8 8WA.
Shareholdings	The company's shareholding was 1 ordinary shares of which all were issued and fully paid up as follows: Zeeshan Mahmood: 1 Ordinary Share.
Group Structure	The company was not part of a group.
Current Director(s)	Current Directorship details are as follows: Zeeshan Mahmood Appointed: 11 June 2018
Other Directorships	Zeeshan Mahmood Shan Sewing Limited

Zeeshan Mahmood Zee Manufacturing Ltd

Other Director(s)	According to the Registrar of Companies, there have been no changes in office within the last 3 years.
Company's Accountants	The company's accountants are Shacter, Cohen & Bor.
Company's Bankers	The company's bankers are Natwest Bank Plc.
Previous Insolvencies	The company and its director have not been involved in any previous insolvency.