

**RE: I-NETIX LIMITED ("THE COMPANY")**

**PROPOSED CREDITORS' VOLUNTARY LIQUIDATION ("CVL")**

**REGISTERED NUMBER: 07076299**

**COMPANY ADDRESS: SUITE 225 LEGACY BUSINESS CENTRE, 2A RUCKHOLT ROAD, LONDON,  
E10 5NP**

**SIP 6 REPORT & STATEMENT OF AFFAIRS**

## **1 STATEMENT OF AFFAIRS**

The Statement of the Affairs of the Company as at 16 October 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 14 November 2018 to assist in the deemed consent decision procedure in order to be appointed Joint Liquidators of the Company by its director, Vyacheslav Borukhson.

A total fee of £1,995 including VAT was paid on behalf of the Company in respect of the above instructions to Clarke Bell Limited.

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**

I-netix Limited traded from premises at Suite 225 Legacy Business Centre, 2a Ruckholt Road, London, E10 5NP under an informal rental agreement.

## **4 BUSINESS FINANCE**

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

### **(a) Inter-company Loan**

A connected company namely Itgroo Limited injected funds throughout 2016-2018 in order to assist paying their suppliers.

The current balance of the loan is shown in the attached Statement of Affairs.

## **5 TRADING HISTORY**

I-netix Limited was incorporated on 14 November 2009 and commenced trade as Software licensing with

immediate effect.

Vyacheslav Borukhson was responsible for the day to day running of the business.

The company originally employed 5 members of staff.

The company has provided IT services for small to mid-size enterprises and returned a small profit for the first years of trade.

However, in late 2016 the company began to suffer from increased competition and the director found that cash flow began to deteriorate. In a bid to assist cash flow an associated company injected funds into the business to assist in paying suppliers.

In late 2017, HM Revenue and Customs began to assert pressure on the company for arrears of VAT, PAYE and NIC. Also at this time, the directors found that turnover was not enough to maintain infrastructure costs and therefore the director knew that a rapid change was needed.

As a result, in January 2018, the director made the employees redundant in an attempt to turn the business around or sought additional investment.

Unfortunately, the director found that the company could no longer trade and therefore on 1 August 2018 made the decision to cease trading.

On 14 November 2018, 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.

A formal meeting of the company's Board was held on 16 October 2019.

The director attributes the cause of failure to the following:

- ① Cash flow difficulties; and
- ① Competition.

## 6 FINANCIAL INFORMATION

Extracts from the Company's most recent accounting information can be summarised as follows:

Year Ended	Turnover (£)	Gross Profit (£)	Profit/(Loss) After Tax (£)	Reserves (£)	Dividends (£)	Type of Accounts
30/11/2018	90,825	(53,481)	(57,887)	0	0	Unaudited

The financial statements referred to above, do not show that the director(s) have drawn remuneration during this period.

## 7 STATEMENT OF AFFAIRS

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

## ASSETS

The company has no assets.

## 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) Taxation

The liability due to the HM Revenue and Customs in respect of VAT is shown in the Statement of Affairs.

It is understood that all returns have been made to date and this is an accurate figure.

There is liability due to the HM Revenue and Customs in respect of PAYE and NIC relate to historic arrears accrued since January 2018 and is shown in the Statement of Affairs.

#### (b) 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.

## 8 DEFICIENCY ACCOUNT

Estimated total Deficiency per Statement of Affairs	202,344
Surplus Brought Forward at 30 November 2018	<u>(172,494)</u>
Estimated net Deficiency apparently attributable to trading losses for the period 1 December 2018 to 16 October 2019	<u>(29,850)</u>

## 9 STATUTORY INFORMATION

Registered Number	07076299.
Registered Name	The company's registered name is I-netix Limited.
Incorporation Date	The company was incorporated on 14 November 2009.
Commencement of Trade	The company commenced trade on 14 November 2009.

Trading Name	The company traded as I-Netix.		
Nature of Trade	The company's primary business was that of Software licensing.		
Principal Trading Address	The company's principal trading address is Suite 225, Legacy Business Centre, 2a Ruckholt Road, London, E10 5NP.		
Registered Office	The company's current registered office is Suite 225, Legacy Business Centre, 2a Ruckholt Road, London, E10 5NP.		
Shareholdings	The company's shareholding was 1 ordinary share of which 1 was issued and fully paid up as follows:  Vyacheslav Borukhson - 1 ordinary share		
Group Structure	The company was not part of a group.		
Mutual Dealings	I am advised that the company has had mutual dealings within the an associated company in the last 12 month.		
Current Director(s)	Current Directorship details are as follows:  Vyacheslav Borukhson                      Appointed:                      14 November 2009		
Other Directorships	Vyacheslav Borukhson	Tigroo Limited	
	Vyacheslav Borukhson	Itgroo Limited	
	Vyacheslav Borukhson	Sequence Systems Limited	
Other Director(s)	According to the Registrar of Companies, there have been no changes in office within the last 3 years.		
Company Secretary	The company secretary is Vyacheslav Borukhson.		
Company's Accountants	The company's accountants are Business Atrium Limited.		
Company's Bankers	The company's bankers are HSBC Bank Plc.		
Previous Insolvencies	The company and its director have not been involved in any previous insolvency.		