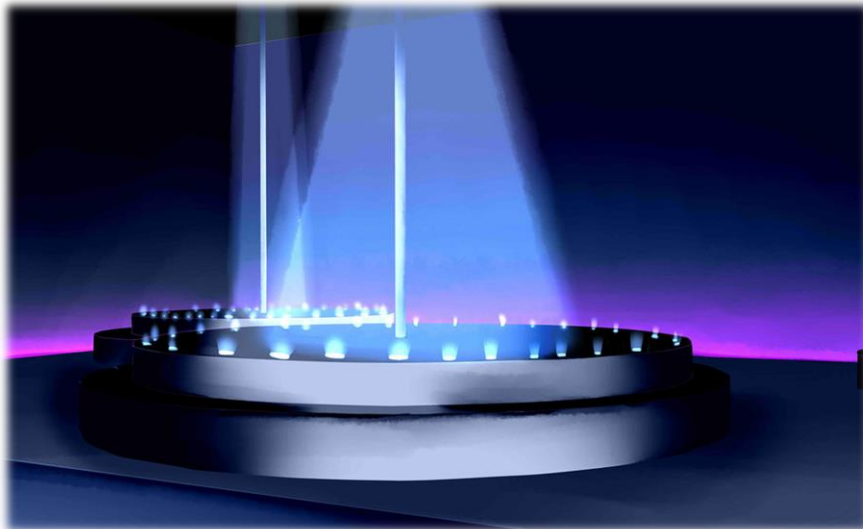




sadlers

THE PROVOCATIVE
LEISURE GROUP

•
CORPORATE INSOLVENCIES



Wildcats lapdancing bars

Having been introduced to the Group, which was then the largest chain of lapdancing bars in the UK, by two of its funders, Rob Sadler undertook a review of its trading performance. It was apparent that the Group was suffering major cashflow difficulties having expanded quickly to nine locations nationally, predominantly financed by asset based lending. Total debts of the Group amounted to more than £3 million. The nature of the business meant that large amounts of cash were being taken in an evening and control was lacking.

Two leasehold premises were identified as potentially profitable and a sale through a pre pack Administration was negotiated with management. Certain other locations that were occupied under leases were less profitable and disclaimed once the Group was placed into Compulsory Liquidation. The remaining sites were owned by the Group and marketed to be sold with vacant possession.

Once all the physical assets of the Group had been identified and sold, the Administrators applied to Court for the Group to be wound up so that an investigation into the directors' conduct could take place. Those enquiries by the Liquidators resulted in the Group's managing director declaring himself bankrupt to avoid a significant financial claim; although the Insolvency Service obtained a 12 year order disqualifying him from acting as a director as a direct consequence of the Liquidators' report.

For further information:

Call Rob Sadler on 07867 787974 or email rob@sadlers.ltd.

Sadlers is an independent firm of licensed insolvency practitioners, based in York and undertaking appointments across the North of England and beyond.

Specialists in agriculture, with significant experience in corporate restructuring and personal insolvency, Sadlers provides a partner led service to its clients.



© Sadlers 2018

Note that Rob Sadler undertook this appointment whilst a partner of Begbies Traynor (Central) LLP