

Press release: Not-for-profit music enterprise boss banned for second time

The Music Hub Plus was incorporated in April 2015 as a Community Interest Company, with Ashford's Kathryn Holton (39) appointed a director at the same time.

The company was set-up to provide music courses and a unique space for musicians in the local area. But two years later, The Music Hub Plus entered into creditors voluntary liquidation in April 2017 due to loss of contracts and increased creditor pressure.

Kathryn Holton resigned as a director in August 2016 before the company went into liquidation eight months later. Nevertheless she continued to act as a director as The Music Hub was winding down.

However, she was strictly forbidden from running companies for seven years as she had accepted a disqualification undertaking in October 2016 in connection with two other companies that had entered into insolvency proceedings.

And during her time as a director of The Music Hub Plus, Kathryn Holton was remiss in her director duties as she caused the company to fail to maintain adequate records and / or deliver such records as were maintained to the liquidators.

This failure has meant the liquidators have been unable to determine The Music Hub Plus's final assets, liabilities and deficiencies, as well as the legitimate nature of payments out of the community interest company's account totalling more than £62,000.

These payments included more than £10,000 worth of expenditure on the company credit card, as well as close to £9,000 paid to the community interest company's landlord, when the lease was held in the names of a former director and former employee.

Within the undertaking, Kathryn Holton did not dispute that she had failed to ensure The Music Hub Plus maintained adequate accounting records and deliver them up to the liquidators, and that she had also contravened restrictions imposed upon her following a previous directorship disqualification.

Effective from 5 March 2019, Kathryn Holton is banned for ten years from directly or indirectly becoming involved, without the permission of the court, in the promotion, formation or management of a company.

Peter Storm Aldridge (20), from Ashford, the formally appointed director of The Music Hub when it entered Liquidation, also signed a disqualification undertaking in respect of the failures regarding the company's accounting records. His ban is effective from 18 February 2019 for six years.

Anthea Simpson, Chief Investigator for the Insolvency Service, said:

Not only did Kathryn Holton disregard her duties as a director of a community interest company but she defied a disqualification undertaking she had personally signed-up to when she continued to run The Music Hub Plus.

Ten years is a significant ban and should serve as a warning to others who run community interest companies that you are not immune from acting within the law when it comes to being a responsible company director.

Kathryn Holton is of Ashford and her date of birth is May 1979

Peter Storm Aldridge is of Ashford and his date of birth is December 1998

THE MUSIC HUB PLUS CIC (Company number 09569673)

A disqualification order has the effect that without specific permission of a court, a person with a disqualification cannot:

- act as a director of a company
- take part, directly or indirectly, in the promotion, formation or management of a company or limited liability partnership
- be a receiver of a company's property

Disqualification undertakings are the administrative equivalent of a disqualification order but do not involve court proceedings.

Persons subject to a disqualification order are bound by a [range of other restrictions](#).

The Insolvency Service administers the insolvency regime, investigating all compulsory liquidations and individual insolvencies (bankruptcies) through the Official Receiver to establish why they became insolvent. It may also use powers under the Companies Act 1985 to conduct confidential fact-finding investigations into the activities of live limited companies in the UK. In addition, the agency deals with disqualification of directors in corporate failures, assesses and pays statutory entitlement to redundancy payments when an employer cannot or will not pay employees, provides banking and investment services for bankruptcy and liquidation estate funds and advises ministers and other government departments on insolvency law and practice.

Further information about the work of the Insolvency Service, and how to complain about financial misconduct, is [available](#).

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