

6-year ban for greetings cards boss

James Wilson McAllister (51), currently residing in Marbella but formerly of Kilmarnock, was the sole director of Greetings (International) Ltd – now known as Acquisition 395215436 Limited – based in Irvine, Scotland.

Incorporated in February 2004, the company traded as a greetings card wholesaler and retailer in Scotland, Ireland and Northern Ireland, and James McAllister was appointed sole director in February 2007.

He resigned as company director in October 2016, however, just five months before Acquisition was wound up by order of the court in Glasgow in February 2017. At liquidation, the company owed more than £1.76 million to creditors.

A subsequent Insolvency Service investigation uncovered that James McAllister had acted in a manner that was detrimental to the interests of the company's creditors.

He took out a Director's Loan from the company and the overdrawn loan accrued to at least £235,000 by the time he had resigned.

James McAllister was also the sole shareholder of a separate holding company based in Gibraltar and in the months leading up to his resignation, on 5 April he transferred half of his shares to a former company secretary of Acquisition 395215436. A day later he then transferred the remaining shares from the separate holding company to Acquisition in lieu of settling his Director's Loan.

As director of Acquisition it was his duty to scrutinise this transaction and obtain a formal written valuation of the Gibraltar company, but he did not.

Investigators also uncovered that the book value of the Gibraltar-registered company was nearer £25,000 and would not have covered the value of the Director's Loan.

And on the day James McAllister resigned as a director of Acquisition, he caused the company to sell those shares to a third party, who passed them back to the original company in Gibraltar.

When Acquisition entered liquidation in March 2017, these assets, or their quoted value, were not available to creditors of the company.

James McAllister has not disputed that his actions caused the company to trade to the detriment of its creditors.

In August 2019, the Secretary of State accepted a six-year disqualification from James McAllister. Effective from 23 August, he is prohibited from being involved, directly or indirectly, in the formation, promotion or management of a company without permission of the court.

Robert Clarke, Chief Investigator for the Insolvency Service, said:

James McAllister flagrantly abused his position as company director, failing to perform the due diligence expected of him in order to clear his Director's Loan and causing his company's creditors to suffer as a result. This behaviour is totally unacceptable.

This ban should serve as a warning to other directors tempted to help themselves first: you have a duty to your creditors and if you neglect this duty you could be investigated by the Insolvency Service and removed from the business environment.

James McAllister is formerly of Kilmarnock but currently resides in Marbella, Malaga. His date of birth is November 1967.

Acquisition 395215436 Limited (Company Reg no. SC262837), formerly known as Greetings (International) Limited.

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](#).

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