

# News story: Get a game-changing idea to market: apply for an innovation loan

There is up to £10 million in innovation loans to help businesses make their game-changing innovation a commercial reality.

We're looking for projects that are in the later stages of developing new products or services, or make an innovative use of existing ones.

Your idea can come from any area of technology and any industry sector, so long as it leads to gains in productivity and sustainable business growth.

Innovation loans are made available through Innovate UK Loans Ltd, a wholly-owned subsidiary of Innovate UK.

## **Demonstrate potential for commercial impact**

This competition is seeking late-stage, experimental development projects that could have a significant impact on the UK economy, with realistic potential for global markets.

You'll need to:

- have an idea that is game-changing or disrupts the market
- show that your product, process or service is significantly ahead of others and works in real-life environments
- outline the market opportunity and need in a strong and deliverable business plan
- show value for money through your financial plans and timelines
- demonstrate that you have the necessary skills and experience to complete the project successfully and on time
- demonstrate that your project can deliver economic impact, return on investment and growth
- evidence your awareness of the risks the project will face, with realistic management, mitigation and impact minimisation plans

## **Removing funding barriers**

Innovation loans are being offered through a 2-year pilot programme.

The programme is designed to plug gaps in late-stage funding, which can hold back further development, productivity and growth. It does this by offering flexible, low-interest loans to businesses with innovation projects that are near to market.

In total, £50 million will be available for business innovations that are already moving towards commercialisation, growth or scale up. This is the

fifth loan competition of 5.

## **Awarded companies in previous competitions**

In the first competition in the pilot, 13 companies were offered innovation loans totalling £8 million.

This includes [Lightfoot](#), whose dashboard-mounted data device, likened to a 'Fitbit for cars', provides real-time feedback to incentivise and reward efficient drivers.

The company received an innovation loan of £1 million to launch its platform – originally available to driver fleets – with the consumer market.

## **Who can apply**

To be eligible, you must be a [small and medium-sized enterprises](#) based in the UK. You should also carry out your project here.

Only single businesses can apply.

## **Competition information**

- the competition opens on 17 September 2018 and the deadline for registration is midday on 14 November 2018
- you could get an innovation loan of between £100,000 and £1 million
- innovation loans are for 100% of your eligible project costs
- projects can last up to 5 years
- successful applicants will be contacted by 11 January 2019

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## **[Press release: Debt management boss joins husband on disqualified director list](#)**

Josephine (Josie) Broadstock, 33 of Warrington, together with Robert Jones, 39 of Stockport, have been banned from being company directors following an Insolvency Service investigation.

Husband and wife, Josie and Mark Broadstock, along with Robert Jones, were directors of Smooth Financial Consultants Ltd (Smooth). The company was incorporated in June 2005 and traded as The Debt Advice Centre before trading from Jackson House, Sale, Cheshire in 2012.

Mark Broadstock was the Managing Director and Robert Jones was appointed as

the Finance Director in January 2012, while Josie Broadstock was appointed a director on 26 May 2011.

In return for a monthly fee, Smooth administered debt management plans and made payments to creditors on behalf of individuals experiencing difficulties in making payments to their creditors, for loans and credit cards.

However, Smooth went into administration on 2 August 2013 and on 24 July 2014, went into creditors' voluntary liquidation.

During a 5-day trial in July 2018, the court heard that regulations governing debt management companies state that funds belonging to clients are to be held in a separate 'ring-fenced' client account. However, from at least 12 February 2013 onwards, Smooth made transfers from the client account to its own company account in excess of the agreed fees.

The transfers were used for on-going running costs and for the benefit of the directors, who between them received salaries and dividends of £115,992 from 12 February 2013 to 2 August 2013, as well as third parties connected to Mr and Mrs Broadstock.

The court also heard that between 12 February 2013 and 2 August 2013, Smooth failed to pay an estimated value of £572,001 to its clients' creditors and after a winding up petition had been presented against the company on 1 July 2013, Mark Broadstock transferred £109,512 from the client account to a connected company.

None of the funds were used for the benefit of the clients and after Smooth had gone into Administration, the administrators only recovered £49,678 from the connected company. Administrators estimated the shortfall on the client account to be £848,690.

Before the court hearing, the Secretary of State accepted a disqualification undertaking from Mark Broadstock, on 9 June 2017 in which he did not dispute that he failed to ensure Smooth made all payments due to clients' creditors, he caused or allowed transfers to be made from the client account in excess of fees due to Smooth, and after a winding up petition had been presented, he transferred £109,512 from the client account to a connected company for no genuine trading purpose. His ban became effective on 30 June 2017 and lasts for 10 years.

On 8 August 2018 the Court made disqualification orders against Josie Broadstock (8 years) and Robert Jones (7 years), both of which commenced on 29 August 2018.

The Court found that in failing to prevent the clients' funds which were held on trust from being misused between 12 February 2013 and 2 August 2013, during which time cheques raised for clients' creditors but withheld amounted to £572,001, Josie Broadstock's conduct fell below the standards of probity and competence that could reasonably be expected of her as a director.

Robert Jones left the company in May 2013 and while he was not aware that cheques to clients' creditors totalling £69,223 were withheld prior to his

departure, the court found he was aware that a substantial shortfall to clients had accrued by 12 February 2013, and in not taking any steps to prevent the company from continuing to misuse trust monies to meet its own cash requirements, his conduct also fell below the expected standards of probity and competence.

Robert Clarke, Group Leader of Insolvent Investigations North at the Insolvency Service, said:

Not only was there continued misuse of the client funds and breaches of regulatory guidelines, the directors breached the trust of their clients, which is particularly distasteful given the financial difficulties they already experienced.

Despite the detriment that was being caused to the clients, the directors continued to be handsomely remunerated, and Mr and Mrs Broadstock, or third parties connected to them, even benefitted from spending of over £14,000 on the company's credit card on a legal dispute, a holiday and airline tickets, an anniversary party, and a payment towards the cost of 4 season tickets in the executive lounge of a premier league football club.

The lengthy bans the directors have all received are entirely justified.

Smooth Financial Consultants Ltd (Company Reg no 05346052) was incorporated on 28 January 2005. The business also traded under the name of 'The Debt Advice Centre'. The company went into Administration on 2 August 2013, with an estimated deficiency as regards creditors of £967,569.

Mark John Broadstock is of Rixton, Warrington and his date of birth is February 1980. He was appointed as a director of Smooth on 1 March 2005, and remained so appointed until the date of Administration.

Josephine Lester Broadstock is of Rixton, Warrington and her date of birth is March 1985. She was appointed as a director of Smooth on 26 May 2011 (having previously resigned on 1 October 2009), and remained so appointed until the date of Administration.

Robert Marek Jones is of Bramhall, Stockport and his date of birth is November 1978. He was appointed as a director of Smooth on 31 January 2012. He left the company in May 2013, and resigned his directorship on 28 June 2013.

The disqualification orders against Mrs Broadstock and Mr Jones were pronounced by HHJ Halliwell in the High Court of Justice, Chancery Division, Manchester District Registry on 8 August 2018.

Miss Lucy Wilson-Barnes of Cobden House Chambers appeared for the Secretary of State and Mr Louis Doyle of Kings Chambers appeared for Mr Jones. Mrs Broadstock represented herself.

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](#).

Media enquiries for this press release – 020 7674 6910 or 020 7596 6187

You can also follow the Insolvency Service on:

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## [News story: Review of British Antarctic Territory legislation: Sale of Alcohol](#)

The British Antarctic Territory (BAT) is continuing a review of its legislation to update and modernise it. Following [consultation](#), a new Ordinance licensing the sale of alcohol and Regulations setting out the application process have been agreed and come into effect from 3 September 2018.

[The Licensing Sale of Alcohol Ordinance 2018](#) (ODT, 60.1KB)

[The Licensing Sale of Alcohol Ordinance 2018 Application and Fees Regulations](#)  
(ODT, 70.7KB)

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## **Press release: Plans for part of A14 upgrade to become a motorway**

Highways England is proposing for an 18-mile section of the A14 in Cambridgeshire to be classified as a motorway once upgrade work is complete, bringing economic and safety benefits, under plans announced by Highways England today (Friday 7 September).

The move will create an unbroken motorway link between London and Peterborough and will increase safety and improve journeys by encouraging local and long-distance traffic onto the most suitable routes.

Highways England is nearly half way through the £1.5bn project to improve 21 miles of the A14 between Cambridge and Huntingdon – the biggest road upgrade currently in construction in the UK.

That means the main section of the A14 upgrade between the M11 and the A1(M) can have the benefits of a motorway – including variable speed limits which reduce congestion and help traffic move more smoothly. The motorway section of the improved road will be called the A14(M) when it opens in 2020.

Highways England project director David Bray said:

We want the A14 upgrade to be the safest and best road it can possibly be, and we now have an opportunity to make our already robust plans even better by putting the right traffic onto the right roads when the new A14 opens to traffic

Creating a motorway link between the A1(M) and the M11 will mean motorists and hauliers carrying goods across the country will be able to travel more smoothly and safely, while local and slow moving traffic will benefit from the new routes we are introducing.

Cambridgeshire County Councillor Ian Bates said:

The A14 was completely off the agenda until we led a charge with local MPs and partner councils to get the much-needed improvements on this congested road. We fully support the A14 Cambridge to Huntingdon major upgrade, which is why we contributed financially.

The A14 becoming a motorway will improve connectivity from the M11 to the A1 at Alconbury and will serve Peterborough. The upgrade of this road is vital to boost the local economy and create jobs. Cambridgeshire's economy is recognised as being able to help kick start the national economy and unblocking the A14 plays an important part in that

Later this year, Highways England will formally ask the Planning Inspectorate to amend the road's status from trunk road to motorway, in time for the project opening in 2020. The Secretary of State for Transport will then make the final decision next year.

If the change is given the go ahead, motorway status will also be extended to a three-mile section of the A1 from Alconbury to Brampton, which will be re-named as A1(M).

The A14 upgrade already includes new routes for local traffic, which will be usable by non-motorway traffic, as well as improvements for pedestrians, cyclists and horse riders.

Work on building the £1.5bn upgrade to the A14 between Cambridge and Huntingdon started in November 2016. The project includes widening a total of seven miles of the A14 in each direction (across two sections), a major new bypass south of Huntingdon, widening a three-mile section of the A1 and demolition of a viaduct at Huntingdon, which will support improvements in the town.

For the latest information about the A14 Cambridge to Huntingdon improvement scheme, visit the [scheme web page](#), follow @HighwaysEast and @A14C2H on Twitter and visit the scheme's Facebook page at [www.facebook.com/A14C2H/](http://www.facebook.com/A14C2H/).

## **General enquiries**

Members of the public should contact the Highways England customer contact centre on 0300 123 5000.

## **Media enquiries**

Journalists should contact the Highways England press office on 0844 693 1448 and use the menu to speak to the most appropriate press officer.

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# **[Press release: 7-year ban for director of disability ramp company](#)**

Lyndon Porretta, 47, from Newport was a carpenter, who held management

positions in a number of joinery installation companies.

In 2000, Lyndon Porretta set up Kruz Developments Ltd (Kruz) after he spotted a gap in the market caused by increasing demand for disability access. The company provided installation services to clients such as rehabilitation centres, banks and retailers across South Wales.

However, work declined during the recession and in late 2015, after inspecting company records, HMRC discovered that Kruz Developments had deliberately filed 14 VAT returns between December 2011 and September 2015 which understated the amount of tax due by a total of £521,814.

This led to a demand for VAT and penalties of £743,464, which Kruz was unable to pay in full. The company later entered into voluntary liquidation in 2016.

The Insolvency Service conducted an investigation following the company's liquidation and confirmed that between at least 7 February 2012 and 6 November 2015 Lyndon Porretta caused Kruz to provide inaccurate VAT information to HMRC.

On 20 August 2018, the Secretary of State accepted a disqualification undertaking from Lyndon Porretta after he did not dispute the findings of the investigation. His ban is effective from 10 September 2018 and lasts for seven years.

Wendy Jones, the Insolvency Service's deputy head of Insolvent Investigations, said:

Mr Porretta gave false information to HMRC about the VAT owed by the company thus obtaining a significant financial advantage compared to other companies filing correct returns.

Unlike normal trade creditors, HMRC relies on the taxpayer to disclose the correct amount that is owed to them, so a failure to file accurate returns puts them at a disadvantage to other creditors.

Deliberately understating sales in order to reduce the VAT to be paid to HMRC is dishonest. This can also result in understated company profits leading to underpayments of Corporation Tax. Both give a company an unfair advantage over competitors. Taking action against Mr Porretta is a warning to all directors to seriously consider and ensure they perform their duties and obligations.

Lyndon Porretta is of Newport, Gwent and his date of birth is October 1970.

Company Kruz Developments Ltd (Company Reg no.04005898).



In giving his disqualification undertaking, Lyndon Porretta did not dispute that:

Between at least 7 February 2012 and 6 November 2015 he caused Kruz to provide inaccurate information to HM Revenue and Customs (HMRC) in respect of Value Added Tax ("VAT") due as a result of which HMRC are owed £637,197 at liquidation, in that :

- Kruz registered for VAT from 24 March 2000
- Kruz submitted VAT returns totalling £86,361 to HMRC for the periods 12/11 to 09/15. Payments were made totalling £86,361 against these returns
- Following an inspection of Kruz's records in 2015, on 7 December 2015, HMRC identified a failure to disclose the full amount of sales between 12/11 and 09/15 resulting in under-declarations of VAT due on returns totalling £521,814. Interest of £38,320 and civil penalties of £183,330 were additionally due in respect of these periods.

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