<u>Press release: 7-year ban for director</u> <u>of disability ramp company</u>

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.

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 <u>range of other</u> <u>restrictions</u>.

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 authorises and regulates the insolvency profession, 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 <u>available</u>. Media enquiries for this press release - 020 7674 6910 or 020 7596 6187 You can also follow the Insolvency Service on:

Notice: H2O Power Limited: application made to abstract water

The Environment Agency consult the public on certain applications for the abstraction and impoundment of water.

These notices explain:

- what the application is about
- which Environment Agency offices you can visit to see the application documents on the public register
- when you need to comment by

Notice: Princes Limited : application made to abstract water

The Environment Agency consult the public on certain applications for the abstraction and impoundment of water.

These notices explain:

- what the application is about
- which Environment Agency offices you can visit to see the application documents on the public register
- when you need to comment by

<u>Consultation outcome: Open access</u>

restriction at Godrevy: outcome

Updated: Link to consultation outcome added.

Natural England is seeking views on proposals that will restrict public access to open access land at this site.

<u>Press release: Innovators challenged</u> <u>to use artificial intelligence to</u> <u>boost aircraft performance</u>

- New tech challenge calls on innovators to use artificial intelligence (AI) to make aircraft less costly and more eco-friendly by burning less fuel
- as part of a new AI Innovation Challenge, UK and Canada start-ups and researchers can pitch ideas for AI to help improve the systems used to prevent ice build-up on wings and help aircraft reach their optimum performance
- the UK is already a world leader in AI and the modern Industrial Strategy sets out plans to make the UK a global centre for AI and datadriven innovation

Innovators in the UK and Canada have been challenged to help aircraft reach unprecedented levels of performance in extreme weather and make them more eco-friendly by using artificial intelligence (AI).

Start-ups and researchers will need to showcase ideas as to how AI could make aircraft more aerodynamic and cut down on ice build-up on the ground and in flight. It is hoped the new solutions, part of the UK-Canada AI Innovation Challenge, could cut costs for operators and make aircraft more eco-friendly by burning less fuel.

Applicants will be invited to pitch their ideas directly to Bombardier and industry experts. The winner will have the opportunity to meet with Bombardier to explore a potential future collaboration.

Business Secretary Greg Clark said:

This is a unique chance for the best and the brightest minds in artificial intelligence to come up with revolutionary ways to help aircraft operators to burn less fuel and cut costs. The UK has unrivalled heritage and world leading expertise in both aerospace and AI, and our Industrial Strategy aims to build on that success in aerospace and make the UK a global centre for AI and data-driven innovation.

Science and innovation has no borders, with most of the world's best discoveries made through international and interdisciplinary collaborations. I have no doubt that working alongside Canadian researchers and innovators, UK experts will generate inspiring new approaches to this emerging technology.

As part of a wider trade promotion visit to Montréal, the Department for International Trade's Minister for Trade and Export Promotion, Baroness Fairhead will launch the Challenge in front of more than 100 notable figures from business, academia and government.

Minister of State for the Department for International Trade, Baroness Fairhead, said:

The UK and Canada already enjoy a fantastic trading relationship which increased to £17.4 billion last year. I am therefore delighted to see initiatives such as this which will only help to further boost this relationship.

British businesses are quickly earning a reputation as a world leader in AI, and it is clear that this innovation, combined with Canadian expertise, can produce yet another innovative step forward in the aerospace industry.

The challenge, organised by the UK Science and Innovation Network (SIN) in Canada, Digital Catapult, Bombardier, and the Consortium in Aerospace and Research & Innovation in Canada (CARIC), will encourage skills sharing and trade opportunities between the 2 countries while attracting highly talented and motivated individuals.

Senior Director, Strategic Technologies and Innovation at Bombardier, Dr. Fassi Kafyeke, said:

Artificial Intelligence holds promises of vast improvements in all areas of our industry: design, development, manufacturing and operations. Bombardier is collaborating with AI experts in Canada and the UK to realize these promises and apply these emerging technologies towards the development of the next generation aircraft and rail products. With this challenge, we are creating opportunities for a potential collaboration that could evolve our on-going research in icing dynamics and further improve the predictions of our simulation. Bombardier's UK-Canada AI Innovation Challenge, led by SIN Canada and coordinated by Digital Catapult and Canada's CARIC, builds on the 2017 Canada-UK memorandum of understanding on science, technology, innovation and entrepreneurship as announced last year by the Prime Minister.

Dr Jeremy Silver, CEO, Digital Catapult said:

This is a unique opportunity for cutting edge tech start-ups to tackle a serious challenge faced by the aviation industry and apply innovative new approaches to a real world problem. We're proud to be working with Bombardier, the UK government and the British Consulate in Montreal to launch this exciting Open Call to top tech talent and we urge companies from across the UK and Canada to apply.

Industries across the UK and Canada use artificial intelligence to boost productivity and create high value jobs. The <u>modern Industrial Strategy</u> sets out plans to make the UK a global centre for AI and data-driven innovation and the government has recognised the benefits of this growing sector in the <u>Artificial Intelligence Sector Deal</u> through the creation of the Office for AI.

The AI Innovation Challenge has been funded through the Department for Business, Energy and Industrial Strategy with a £30,000 investment, with sponsors contributing £70,000.

The aim of the Challenge is to engage a network of external innovators who will propose different solutions that an influential judging panel can review and select a winner.

The objectives of the challenge are as follows:

- the UK-Canada AI Innovation Challenge aims to strengthen relationships between the UK and Canada and help to positively impact the AI ecosystem in both countries
- facilitate contacts with a multinational aerospace and transportation company to SMEs, start-ups and R&D centres that could lead to a potential collaboration
- provide a platform to attract (and retain) highly motivated and talented individuals in the UK and Canada
- strengthen collaboration and knowledge transfer and trade/investment opportunities between the two countries.

In 2015, the government and industry committed to spend £3.9 billion to further transform aerospace research until 2026 to help this sector build on our unique strengths in the UK through the Industrial Strategy.

UK-based interested parties should visit the **<u>Digital Catapult</u>** website.

Canada-based interested parties should visit <u>CARIC</u> website.