

Bans for directors of sign company who failed to pay £70,000 tax

Robert Headspeath, 60, and Mandy Headspeath, 56, both of Galashiels, Scotland, have been disqualified as directors for six years each.

The couple were directors of Advanced Signs Ltd from March 2015 until February 2020 when the company went into liquidation following a winding-up petition by the tax authorities.

At the point of liquidation, the company owed £70,044 in unpaid tax to the public purse.

The Insolvency Service investigation, which began after the company went into liquidation, found that from April 2018 neither director had ensured that the company's accounts and records were adequately maintained.

It was therefore not possible to determine the true source of various income, and whether these related to legitimate business by the company, including over £70,000 deposited at ATMs during this period. Large payments of nearly £60,000 could not be explained as well as a further £23,080 paid out in cheques.

The accuracy of assessments to the tax authorities could also not be verified, although the investigation did establish that from at least November 2017 the directors failed to ensure that the company dealt with its tax affairs. There were unpaid tax returns dating from this period, and the company failed to file any further tax returns after the period ended 30 June 2019.

The Secretary of State for Business, Energy and Industrial Strategy accepted a disqualification undertaking from both Robert Headspeath and Mandy Headspeath. In both cases, the bans are effective from 7 February 2022 and last for 6 years.

The disqualification undertakings prevent both from directly, or indirectly, becoming involved in the promotion, formation or management of a company, without the permission of the court.

Rob Clarke, Chief Investigator for the Insolvency Service said:

Directors have a duty to ensure that their companies maintain proper accounting records, and, following insolvency, deliver them to the office-holder in the interests of fairness and transparency. Without a full account of transactions it is impossible to determine whether a director has discharged his duties properly, or is using a lack of documentation as a cloak for impropriety. These two directors have paid the price for failing to do that, and now cannot carry on in business other than at their own risk.

Directors have a firm duty to ensure they deal properly with tax matters and pay what is due. Taxation revenue provides for the benefit of all and cannot simply be ignored.

Notes to editors

Mr Robert Headspeath is from Galashiels and his date of birth is October 1961.

Mrs Mandy Headspeath, is from Galashiels, and her date of birth is September 1965.

Advanced Signs Ltd (Company Reg no. SC500879).

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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