

Director banned for taking money but owing creditors £140,000

Kathleen Shepherd, 58, from Southampton, was the sole director of Shepherd Site Services Limited, a company which acted as a broker to provide waste management services to the construction industry.

The company went into administration on 20 November 2019 and an investigation was started by the Insolvency Service.

It was found that the company was insolvent from at least 24 April 2019 and at that point owed at least £50,000 to 10 suppliers.

Kathleen Shepherd assured suppliers that invoices would be paid, causing some to delay enforcement action, and the company continued to trade and incur further debts.

Between April 2019 and November 2019, Shepherd Site Services Limited failed to pay an additional £85,600 owed to 17 suppliers.

Despite this, the investigation found that Shepherd during this period directly or indirectly received the benefit of £76,553 and made payments of more than £20,000 to a connected party.

At administration, Shepherd Site Services Limited was subject to 7 County Court Judgement (CCJ) applications and suppliers were owed more than £140,000.

On 18 May 2021, the Secretary of State for Business accepted a disqualification undertaking from Shepherd after she did not dispute that she caused or allowed Shepherd Site Services to trade while insolvent and failed to maintain payments to creditors.

She has been banned from acting as a director for 7 years, meaning she cannot, directly or indirectly, become involved, without the permission of the court, in the promotion, formation or management of a company. Her ban started on 9 June 2021.

Neil North, chief investigator at the Insolvency Service, said:

Directors who put their own personal financial interests above those of customers and creditors damage confidence in doing business and are corrosive to the health of the local economy.

This ban should serve as a warning to other directors tempted to act in a similar way; you have a duty to your creditors and if you neglect this duty we could investigate and may lose the privilege

of limited liability trading.

Kathleen Shepherd is from Southampton and her date of birth is May 1963.

Shepherd Site Services Ltd – company number 11352095.

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 restrictions](#).

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

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