

Investment vehicle wound-up after stripping companies of assets

Charles James Associates Group Ltd was wound up in the public interest on 4 May 2020 in the High Court before Judge Burton of the Insolvency and Companies Court. The Official Receiver has been appointed as liquidator.

In considering the petition, the court heard that Charles James Associates Group purchased companies that were sustainable and solvent, targeting small family operated businesses spread across the UK. Targets tended to be manufacturing companies or those that provided specialist services, including window manufacturing and sales, commercial vehicle repairs and book publishers.

Charles James Associates Group, however, didn't use any of its own funds or invest capital to acquire those businesses but used associated parties to arrange purchase agreements with the companies they intended to buy.

The associated parties would then negotiate it so that companies being bought would use their own money to complete the sale with the associated parties, as well as agreeing that any remaining balances would be paid on a deferred payment basis.

Charles James Associates Group would then purchase those businesses for a nominal sum from the associated parties before stripping the companies of their assets.

This would include diverting funds, using the purchased companies' funds to acquire assets for Charles James Associates Group, making payments to Charles James Associates Group directly and trading the companies to the detriment of their creditors and employees.

Additionally, Charles James Associates Group caused the companies they bought to not pay both their trade and Crown liabilities and in one case secured pension contributions from employees but failed to pay the money collected into the pension fund, which remains unaccounted for.

As a result of these activities, the acquired companies' finances deteriorated and they were placed into insolvency. The asset-stripping conducted by Charles James Associates Group also resulted in serious losses for creditors and employees lost their jobs.

Investigators from the Insolvency Service uncovered the misconduct through confidential enquiries and also found that Charles James Associates Group never had any formal presence at their registered address between September 2017 and April 2019, using the address without the permission of the property's occupants.

The company also traded using the website of the similarly-named connected predecessor company, Charles James Associates PLC, and used the same contact

details on the website. However, Charles James Associates PLC's activities were put to a stop after it was wound-up following its compulsory liquidation in January 2018.

Irshard Mohammed, Senior Investigator at the Insolvency Service, said

Charles James Associates Group cynically purchased companies through deception before stripping them of their assets. Not only did this force previously viable companies to go into insolvency but it also meant employees lost jobs and creditors were out of pocket.

The courts thankfully recognised the severity of Charles James Associates Group's misconduct and removed the company from the corporate arena.

All enquiries concerning the affairs of the company should be made to:

- The Official Receiver, Public Interest Unit, 16th Floor, 1 Westfield Avenue, Stratford, London, E20 1HZ
- Telephone: 020 7637 1110
- Email: piu.or@insolvency.gov.uk

Charles James Associates Group Ltd (Company number: 10719407) was incorporated on 10 April 2017. The current registered office is located at Kemp House, 152 – 160 City Road, London, EC1V 2NX.

The current appointed director of the company is Mr David Roy Howick. However, conflicting information has been filed at Companies House. The authorised share capital of the Company is shown as 1 ordinary shares of £1, with that share being allocated to Myles Bunyard, thus giving him 100% control. However, although Mr Bunyard is recorded as the Person with Significant Control, his share ownership is shown on that filing as "more than 25% but not more than 50%". Mr Bunyard, under his full name of Myles Charles Bunyard, is currently subject to a disqualification undertaking, for a 12-year period to 24 June 2021."

The Petition was presented by The Secretary of State for Business, Energy and Industrial Strategy ("BEIS") on 19 November 2019 in the High Court of Justice, Business and Property Courts in England and Wales (CR-2019-007770), under the provisions of section 124A of the Insolvency Act 1986 following confidential enquiries by Company Investigations under section 447 of the Companies Act 1985, as amended.

Company Investigations, part of the Insolvency Service, uses powers under the Companies Act 1985 to conduct confidential fact-finding investigations into the activities of live limited companies in the UK on behalf of the Secretary of State for BEIS. [Further information about live company investigations is available here.](#)

Further information about the work of the Insolvency Service, and how to

complain about financial misconduct, [is available here](#).

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