

News story: Broomfield Developments Limited

Broomfield Developments Limited (company number 06902113) is pleased to announce that it has agreed terms with the Secretary of State for Business, Energy and Industrial Strategy (formerly Business, Innovation and Skills) (the Secretary of State) to compromise the petition presented by the Secretary of State for the compulsory winding up of the company on public interest grounds pursuant to Section 124a of the Insolvency Act 1986 (the petition). The petition has been dismissed as part of Comprehensive Terms of Settlement (terms of settlement) which include that the company was to be placed in to Creditors' Voluntary Liquidation and undertakings to the Court and conditions have been agreed between the company and the Secretary of State which are considered, on balance to be in the public interest.

The petition has been dismissed as part of the terms of settlement which include that the company was to be placed in to Creditors' Voluntary Liquidation and undertakings to the Court and conditions have been agreed between the company and the Secretary of State which are considered, on balance to be in the public interest.

The Secretary of State had contended in the Petition that the company had:

- carried on business in an objectionable manner and alleged that the Company had made misleading statements concerning the prospects of obtaining planning permission inducing the purchase of plots of land that had no prospect of gaining planning permission. The Secretary of State had also contended that the subdivision of the original Site into numerous plots which were subsequently sold as plots, primarily to members of the public, has negatively impacted on a) the likelihood that there could be a development of the site or of individual plots and b) planning permission being granted which has, in the Secretary of State's opinion, resulted in the plots being near valueless
- carried on business without a Consumer Credit Act (CCA) licence when one was required

The company strenuously denied (and continues to deny) the alleged wrongdoing. Specifically:

- the company denied having made misleading statements which allegation the company said was unsupported by any documentary evidence and were contrary to the contracts signed by purchasers of the plots of land and the sub-division was both obvious and may have enhanced the prospects for planning permission for particular plots
- that it did not provide credit which required a CCA licence

The Company regrets if any purchaser of a plot considers they were misled into purchasing a plot.

Terms of settlement have been agreed to compromise the petition and has been agreed by the Company and the Secretary of State which included that the company was placed into Creditors' Voluntary Liquidation with undertakings being given by the company, its director, Mr Baron Alexander Deschauer, and other associated companies to prevent the future sales being conducted in the manner which the Secretary of State has complained of. The terms of settlement also sets out how plot purchasers will be treated in the liquidation and includes an undertaking from the director of the Company who will make a voluntary contribution to the Company.

Plot purchasers can contact the Joint Liquidators, Mark Newman and Vincent John Green, for further information at CCW Recovery Solutions, 4 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EE. The Secretary of State has no reason to consider that Mr Newman and Mr Green are other than proper and appropriate persons to act as liquidators.