

# Press release: Accountant banned for assisting client to defraud creditors

Paul James Manley (63), from Wembley, North-West London, was disqualified for 12 years on 11 December 2018 and his ban is effective from 1 January 2019.

Incorporated in 1994, County West Commercial Services Ltd was an accountancy firm based in Hammersmith. Paul Manley was a director of the company and 13 years later, County West Commercial Services entered into creditors voluntary liquidation in August 2017, triggering an investigation by the Insolvency Service.

One of County West Commercial Services' clients was Inn Take (UK) Ltd, a company which ran pubs on a short-term basis before it went into liquidation in December 2011. Two of its directors, William Dene Lyall and Joseph Harthen, have subsequently been banned from running companies for 8 and 5 years respectively.

On 27 October 2016, the High Court of Justice ruled in favour of Inn Take's liquidator that parties, including County West Commercial Services, knew about and assisted Inn Take's intent in defrauding its creditors.

The fraud revolved around an outsourcing company being appointed to deal with the utility companies of Inn Take in April 2010 and from then to February 2011, over £1.65 million was paid to them via a client account controlled by County West Commercial Services.

However, the High Court ruled that this money was taken from Inn Take "for no consideration on the pretext that they would pay creditors who were never, in fact, paid".

On 11 December 2018, the Secretary of State accepted a disqualification undertaking from Paul James Manley, after he did not dispute that he caused County West Commercial Services to be a knowing party to the carrying on of a client's business with the intent to defraud creditors. His ban is effective from 1 January 2019 and lasts for 12 years.

David Brooks, Chief Investigator for the Insolvency Service, said:

In this serious case, Paul Manley operated his company's client account as an "informal escrow" facility without proper regulatory permissions and with full knowledge of the reputations of the individuals concerned.

Accountants and other advisers should be wary of allowing their firms to be utilised in this way, enabling clients to pass funds through their accounts.

Paul James Manley is of Wembley, Middlesex, and his date of birth is in July 1955

County West Commercial Services Ltd (Company Reg no. 02930455). Trading address: Unit 6 Cambridge Court, 210 Shepherds Bush Road, Hammersmith W6 7NJ.

The misconduct that Mr Manley did not dispute was:

Between 26 April 2010 and 14 February 2011, I caused County West Commercial Services Ltd to be a knowing party to the carrying on of a client's business with the intent to defraud creditors. As a consequence £1,654,451.53 of client funds were received by a bank account controlled by the company and distributed with no discernible benefit to the client.

Disqualification Undertakings had previously been accepted by The Insolvency Service from the two directors of Inn Take UK Ltd: William Dene Lyall (eight years from 21 February 2014) and Joseph Harthen (five years from 29 November 2013).

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 or undertaking are bound by a range of [other restrictions](#).

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 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 [available](#).

Media enquiries for this press release – 020 7674 6910 or 020 7596 6187

You can also follow the Insolvency Service on: