

Press release: Bans for 1980's pop group manager and bass player

David Parker, the business manager of UB40 and a qualified tax accountant, gave a disqualification undertaking to the Secretary of State for Business, Energy and Industrial Strategy on 15 June 2017, four days into a disqualification trial.

On the same date, Earl Acton Falconer, UB40's bass player also gave a disqualification undertaking to the Secretary of State, which prevents him from managing or controlling a company without leave of the Court until 5 July 2021.

Lanval Reginald Storrod who was also connected with the band gave a disqualification undertaking to the Secretary of State, which prevents him from managing or controlling a company without leave of the Court until 5 July 2021. The undertaking prevents him from managing or controlling a company without leave of the Court until 5 July 2028.

The voluntary undertakings were given during a trial that commenced on 12 June 2017, in which a number of witnesses gave evidence, including UB40's Terence 'Astro' Wilson and his wife Dawn Wilson.

The misconduct accepted by David Parker, was that he breached his fiduciary duty as a director of Reflex Recordings Ltd (Reflex) by deliberately and knowingly causing the dissipation of £252,980 of company assets between 9 December 2013 and 18 December 2013, without making due provision for subrogated rights and/or claims of at least two creditors. The dissipation was at a time when Reflex was insolvent and Mr Parker knew about the subrogated rights and/or claims of at least two creditors.

The misconduct accepted by Mr Falconer and Mr Storrod, was that each breached their fiduciary duties as directors of Reflex by abrogating their duties resulting in or, in the alternative, by allowing, the dissipation of £252,980 of company assets between 9 December 2013 and 18 December 2013, without making due provision for subrogated rights and/or claims of at least two creditors. The dissipation was at a time when Reflex was insolvent and they knew, or ought to have known about the subrogated rights and/or claims of at least two creditors.

Reflex's assets consisted of the music catalogues of UB40, which were charged to a bank. The company conducted business in regard to the affairs of UB40 including receiving royalties in connection with the catalogues. On 18 December 2013 Reflex entered administration following the appointment of administrator by the Court.

Susan MacLeod, Chief Investigator, Insolvent Investigations Midlands & West at the Insolvency Service, said:

In investigating insolvent companies, the Insolvency Service always looks very closely at individuals who demonstrate a disregard for creditors and appropriate action is taken where wrongdoing is uncovered.

Notes to editors

Reflex Recordings Ltd (company registration number: 05972216) was incorporated on 19 October 2006 with its registered office at C/O Parkers, Corner Chambers 590a Kingsbury Road Birmingham B24 9ND. David Parker and Lanval Storrod were appointed directors on 19 October 2006. Earl Falconer was appointed as a director on 01 July 2008.

Subrogation occurs in property/casualty insurance when a company pays one of its insureds' for damages, then makes its own claim against others who may have caused the loss, insured the loss, or contributed to it.

David Parker's 11 year disqualification undertaking, Earl Falconer's 4 year disqualification undertaking and Lanval Storrod's 4 year disqualification undertaking were all signed on behalf of the Secretary of State for Business, Energy and Industrial Strategy on 15 June 2017, each will be effective from 6th July 2017.

The matter of unfitness, which David Parker did not dispute in the disqualification undertaking, was that he breached his fiduciary duty as a director of Reflex Recordings Ltd (Reflex) by deliberately and knowingly causing the dissipation of £252,980 of company assets between 9 December 2013 and 18 December 2013, without making due provision for subrogated rights and/or claims of at least two creditors. The dissipation was at a time when Reflex was insolvent and Mr Parker knew about the subrogated rights and/or claims of at least two creditors.

- the bank registered a charge against Reflex on 06 October 2008. Personal guarantees were also given by six of Reflex's directors at that time
- Reflex filed three abbreviated accounts at Companies House, showing it was balance sheet insolvent, with net liabilities, for the years ending 31 March 2009, 2010 and 2011. On 13 January 2011 a bank demanded repayment of £1,915,192 from Reflex for a loan obtained in 2008
- Reflex made a partial payment to the bank in February 2012. The bank subsequently enforced three of the personal guarantees and sold these properties to reduce further the demand against Reflex. As a consequence these parties replaced the bank as creditors in Reflex and were owed at least £320,150
- on 2 July 2013 an email was sent to Reflex's solicitors and one of Reflex's directors was copied into it. This email advised them of the subrogated rights and/or claims of at least two creditors
- on 6 December 2013 Reflex sold its final asset and settled the bank's charge against it in full. On 09 December 2013, Reflex received surplus funds of £330,337
- on 9 December 2013 a freezing order was obtained against Reflex and it was served on the company on 10 December 2013

- between 09 December 2013 and 10 December 2013 Reflex dissipated £252,980. These payments were made against invoices dated 04 December 2013 and 05 December 2013 and each invoice was paid in full
- of this sum, £19,980 was paid to the two creditors with subrogated rights and/or claims. This reduced their subrogated rights and/or claims to £300,170, which was outstanding at the date of Administration
- by the date of Administration Reflex sole asset was £37,460 cash

The matters of unfitness, which Earl Falconer and Lanval Storrod did not dispute in their Disqualification Undertakings, were they breached their fiduciary duties as directors of Reflex by abrogating their duties resulting in or, in the alternative, by allowing, the dissipation of £252,980 of company assets between 09 December 2013 and 18 December 2013, without making due provision for subrogated rights and/or claims of at least two creditors. The dissipation was at a time when Reflex was insolvent and they knew, or ought to have known about the subrogated rights and/or claims of at least two creditors.

- the bank registered a charge against Reflex on 06 October 2008. Personal guarantees were also given by six of Reflex's directors at that time
- Reflex filed three abbreviated accounts at Companies House, showing it was balance sheet insolvent, with net liabilities, for the years ending 31 March 2009, 2010 and 2011. On 13 January 2011 a bank demanded repayment of £1,915,192 from Reflex for a loan obtained in 2008
- Reflex made a partial payment to the bank in February 2012. The bank subsequently enforced three of the personal guarantees and sold these properties to reduce further the demand against Reflex. As a consequence these parties replaced the bank as creditors in Reflex and were owed at least £320,150
- on 2 July 2013 an email was sent to Reflex's solicitors and one of Reflex's directors was copied into it. This email advised them of the subrogated rights and/or claims of at least two creditors
- on 6 December 2013 Reflex sold its final asset and settled the bank's charge against it in full. On 09 December 2013, Reflex received surplus funds of £330,337
- on 9 December 2013 a freezing order was obtained against Reflex and it was served on the company on 10 December 2013
- between 09 December 2013 and 10 December 2013 Reflex dissipated £252,980. These payments were made against invoices dated 04 December 2013 and 05 December 2013 and each invoice was paid in full
- of this sum, £19,980 was paid to the two creditors with subrogated rights and/or claims. This reduced their subrogated rights and/or claims to £300,170, which was outstanding at the date of Administration
- by the date of Administration Reflex sole asset was £37,460 cash

David Parker's date of birth is 27 March 1962 and he is of Birmingham.

Earl Falconer's date of birth is 23 January 1959 and he is also of Birmingham.

Lanval Storrod date of birth is 8 April 1959 and he is of Bromsgrove, Worcestershire.

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](#).

The Insolvency Service, an executive agency sponsored by the Department for Business, Energy and Industrial Strategy (BEIS), administers the insolvency regime, and aims to deliver and promote a range of investigation and enforcement activities both civil and criminal in nature, to support fair and open markets. We do this by effectively enforcing the statutory company and insolvency regimes, maintaining public confidence in those regimes and reducing the harm caused to victims of fraudulent activity and to the business community, including dealing with the disqualification of directors in corporate failures. Further information about the work of the Insolvency Service, and how to complain about financial misconduct, is [available](#).

BEIS' mission is to build a dynamic and competitive UK economy that works for all, in particular by creating the conditions for business success and promoting an open global economy. The Criminal Investigations and Prosecutions team contributes to this aim by taking action to deter fraud and to regulate the market. They investigate and prosecute a range of offences, primarily relating to personal or company insolvencies.

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

You can also follow the Insolvency Service on: * [Twitter](#) * [LinkedIn](#) * [YouTube](#)