

# Press release: Debt management bosses banned after transferring half-a-million from own companies

Andrew Brooke (45) and Gary Gregson (38) have been disqualified for 13 and 10 years respectively and are now prevented from acting, directly or indirectly, as directors of companies.

Gary Gregson was the main director of Gregson and Brooke Financial Services Ltd (GBFS) and One Tick Ltd (OT). The companies provided debt management services to people in financial distress, helping them to come to agreements with their creditors and pay down their debts.

The companies operated through various different trading names, including Expert Money Solutions.

Together GBFS and OT received payments from customers into debt payment plans and offered a 'credit resolve' product, which attempted to challenge the enforceability of credit agreements signed by their clients, as well as reclaiming PPI payments.

Although this was a legitimate service, GBFS and OT would pay minimal contributions to the credit providers from their clients' debt payment plans, while keeping a significant portion of their clients' money to go towards 'service fees'.

Some customers complained to the Financial Ombudsman that their debts had increased, despite having paid money into their debt payment plans.

The Financial Conduct Authority (FCA), the financial services regulator, visited the offices of GBFS and OT in July 2014 and as a result the firm agreed to stop accepting new customers.

The FCA also warned Gary Gregson that the companies could be closed down after they were unable to provide adequate records of how much money was being held on behalf of their clients.

Gary Gregson agreed not to withdraw fees, other than to pay staff, but then proceeded to transfer £210,006 from GBFS and OT to himself and third parties he was connected to, before resigning his directorships.

The firms then came under the stewardship of Andrew Brooke, who was reappointed as a director of the companies on 20 August 2014. The FCA continued to have concerns and issued Supervisory Notices to GBFS and OT on 29 August 2014.

But Andrew Brooke then proceeded to transfer a total of £442,000 to another company he was a director of before both GBFS and OT entered into administration in October 2014.

Following the collapse of the companies, the Insolvency Service investigated due to concerns identified by the firms' administrators.

Gary Gregson was disqualified by the court for 10 years, beginning on 7 March 2018, for a lack of commercial probity and failure to ensure the debt management companies, including another failed company, Gregson and Brooke Ltd (GAB), adhered to guidance issued by the regulator.

Andrew Brooke was disqualified at an earlier hearing for 13 years, beginning on 7 July 2017, having also acted with a lack of commercial probity and failure to ensure GAB adhered to the regulator's guidance.

At the same time as Andrew Brooke was disqualified, his wife Shalles Fee Onido (43), also known as Shalles Brooke, and Nova Espoltero (33) were disqualified for four years each having allowed Andrew Brooke to authorise £442,000 worth of transfers from GBFS and OT.

Robert Clarke, Head of Insolvent Investigations North for the Insolvency Service, said:

"The real victims here are Brooke and Gregson's clients who sought genuine assistance to help manage their debts but many received little or no benefit at all from instructing the companies to act on their behalf.

"Brooke and Gregson clearly put their own interests ahead of their clients. The vast amount of money they transferred out of their companies and their timing as the net was closing in from the FCA showed a cynical disregard for the needs of their customers.

"I would also like to thank the FCA, whose cooperation was crucial in securing these disqualifications."

Jonathan Davidson, Director of Supervision – retail and authorisations at the FCA said:

"These individuals were more interested in lining their own pockets than helping potentially vulnerable people get out of debt. This case shows what can be achieved when we work with partners, like the Insolvency Service, to ensure people face the consequences of their actions.

"We are pleased that as result of our partnership it will be years before they have any involvement in the business community again as directors."

## **Notes to editor**

### **Information on the Directors**

Gary John Gregson lives in Manchester, having previously resided in Bolton.

Andrew Roy Brooke lives in Digos City, Philippines, having previously resided in Bolton.

Shalles Fee Onido lives in Digos City, Philippines.

Nova Espoltero lives in Davao City, Philippines.

### **Information on the companies**

Information from Companies house regarding Gregson and Brooke Limited ([CRO No. 06194937](#)). The company went into liquidation on 7 July 2014 and had an estimated deficiency of £1,956,491.

Information from Companies house regarding Gregson and Brooke Financial Services Ltd ([CRO No. 07338291](#)). The company went into Administration on 27 October 2014 and the Joint Administrators' Progress Report, dated 15 April 2016, disclosed an estimated deficiency of £2,307,440.

Information from Companies house regarding One Tick Ltd ([CRO No. 06904931](#)). The company went into administration on 27 October 2014 and the Joint Administrators' Progress Report, dated 15 April 2016, disclosed an estimated deficiency of £183,858.

### **Court details**

Gregson attended a trial in February 2018 in the High Court at Manchester District Registry. His Honour Judge Davies found that Gregson transferred a total of £144,781 from Gregson and Brooke Financial Services Ltd and £65,225 from One Tick Ltd to himself and third parties connected to him between 28 July 2014 and 21 August 2014. Mr Gregson told the Court that the transfers had been made as repayments of loans he had given to the companies.

Brooke was disqualified at an uncontested hearing in June 2017 in the High Court at Manchester District Registry. His Honour Judge Bird concluded that Brooke transferred a total of £285,000 and £157,000 from GBFS and OT respectively to another company of which he was a director after the FCA had issued the Supervisory Notices on 29 August 2014. The third party company had issued single page invoices to GBFS and OT on 15 August 2014 with the only narrative being 'commission'.

### **What is a disqualification order?**

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

In addition that person cannot act as an insolvency practitioner and there are many other restrictions are placed on disqualified directors by other regulations. Disqualification undertakings are the administrative equivalent of a disqualification order but do not involve court proceedings. Further information on director disqualifications and restrictions is [available](#).

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 authorises and regulates the insolvency profession, 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](#).

## **About the Financial Conduct Authority**

1. On 18 September 2014 the Financial Conduct Authority [issued a Consumer Warning](#) about Gregson and Brooke Financial Services and One Tick (and another connected company, The Money Management Service Ltd) advising customers to stop making payments to the firms.
2. On 1 April 2013 the Financial Conduct Authority (FCA) became responsible for the conduct supervision of all regulated financial firms and the prudential supervision of those not supervised by the Prudential Regulation Authority (PRA).
3. The FCA took over regulation of consumer credit, which includes debt management firms, on 1 April 2014.
4. The FCA has an overarching strategic objective of ensuring the relevant markets function well. To support this it has three operational objectives: to secure an appropriate degree of protection for consumers; to protect and enhance the integrity of the UK financial system; and to promote effective competition in the interests of consumers.
5. Find out more information [about the FCA](#).

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