

# Press release: Former solicitor accepts bankruptcy restrictions for 6 years

A former solicitor who gifted away nearly half-a-million pounds worth of assets to family members before declaring himself bankrupt and unable to pay back his creditors has had his bankruptcy extended.

Philip Shiner (61), of Selly Park, Birmingham, gave an undertaking to the Secretary of State for Business, Energy, and Industrial Strategy, to be bound for 6 years, by the restrictions beginning on 23 February 2018.

Restrictions arising from a bankruptcy last for 12 months but Mr Shiner's have been extended to six years following his unacceptable behaviour when he tried to deny paying his creditors, including liabilities arising in connection with his business Public Interest Lawyers Limited, by gifting his assets to his family.

Mr Shiner petitioned for his own bankruptcy in March 2017 declaring that he had no money to pay his creditors following the closure of his law practice, Public Interest Lawyers Limited.

However, in the six months leading up to his petition, Mr Shiner made a series of transactions to rid himself of his assets by gifting them to family members and to Public Interest Lawyers Limited

Mr Shiner started off by selling a commercial property for £245,000, which he paid to Public Interest Lawyers Limited.

He then transferred ownership of his house worth £300,000 with no mortgage, along with two guitars he valued at £3,500 and other artwork, to a family trust in December 2016. The terms of the trust allowed Mr Shiner to remain living in the property, despite not owning it.

And in January 2017, Mr Shiner sold a second commercial property for £305,000 and again, paid the proceeds into Public Interest Lawyers' funds.

Mr Shiner then transferred from Public Interest Lawyer Limited's accounts £94,908 into a personal pension fund and a further £74,485 was placed into a trust account to help maintain his family. The remainder was allegedly used to pay creditors owed money by Public Interest Lawyers Limited.

Unfortunately for Mr Shiner, upon receiving the bankruptcy order the Official Receiver was able to spot these activities and has since been able to recover £483,538. This includes selling Mr Shiner's home, which the Official Receiver is in the process of doing.

Following Mr Shiner's offer of a bankruptcy restrictions undertaking and what the Official Receiver has been able to recover, the total outstanding amount

owed in Shiner's bankruptcy estate comes in at just under £6.5m.

Mr Shiner was the sole director of a solicitor's firm, Public Interest Lawyers Limited, which undertook bogus damage claims against the Ministry of Defence and former soldiers, alleging fictitious murder and torture incidents.

But concerns were raised about the conduct of Public Interest Lawyers Limited, which were upheld, and led to Mr Shiner being struck off the roll of solicitors.

Public Interest Lawyers Limited was wound up in December 2017 after the Official Receiver petitioned to place the firm into liquidation.

Justin Dionne, Official Receiver from the Insolvency Service, said:

Mr Shiner thought he could be clever by giving away his assets to his family members so that when he declared himself bankrupt there wasn't anything to pay his creditors with.

Sadly he was mistaken as all his activities were easily spotted and we have since been able to recover a substantial amount of money, even if it was in his family's name.

Mr Shiner's activities should serve as a lesson and act as a deterrent to him and others from acting in the same way.

Mr Philip Joseph Shiner has given an undertaking to the Secretary of State for Business, Energy and Industrial Strategy, to be bound for six years, by the restrictions set out in insolvency law that a bankrupt is subject to until they are discharged from bankruptcy – normally 12 months – until 2024. In addition, he cannot manage or control a company during this period without leave of the court.

If the Official Receiver considers that the conduct of a bankrupt has been dishonest or blameworthy in some other way, he (or she) will report the facts to court and ask for a Bankruptcy Restrictions Order (BRO) to be made. The court will consider this report and any other evidence put before it, and will decide whether it should make a BRO. If it does, the bankrupt will be subject to certain restrictions for the period stated in the order. This can be from two to 15 years.

The bankrupt may instead agree to a Bankruptcy Restrictions Undertaking (BRU) which has the same effect as an order, but will mean that the matter does not go to court.

These are restrictions set out in insolvency law that the bankrupt is subject to until they are discharged from bankruptcy – normally 12 months and include

that bankrupts:

- must disclose their status to a credit provider if they wish to get credit of more than £500
- who carry on business in a different name from the name in which they were made bankrupt, they must disclose to those they wish to do business with the name (or trading style) under which they were made bankrupt
- may not act as the director of a company nor take part in its promotion, formation or management unless they have a court's permission to do so
- may not act as an insolvency practitioner, or as the receiver or manager of the property of a company on behalf of debenture holder

Additionally, a person subject to a bankruptcy restrictions undertaking may not be a Member of Parliament in England or Wales.

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.

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