

[Press release: Freeze put on scam heating system company](#)

Xefro Trade Ltd sold its products on the basis of misrepresentations made in promotional material and an investigation by the Insolvency Service found the company misled the public and failed to install systems safely. The company was wound up on 17 October 2017.

The heating system itself was not fit for sale and was described as a “defective and dangerous” product. In some cases the company failed to deliver systems at all despite receiving advance payments.

Potential customers were given comparisons between their current heating systems and the potential savings, suggesting that the Xefro graphene coated radiators could reduce the cost of heating a house by 75% and save 2.05 tonnes of carbon per system per year.

The company falsely stated that these claims had been verified by independent tests but in fact, the cost of operating the Xefro system was more than double and produced almost twice the amount of CO2 emissions of a conventional heating system over a 24 hour period.

The enquiry showed that a number of the company’s customers paid deposits of between £100 and £4,000 for the Xefro heaters but that they were either not delivered or, if delivered, were never installed.

Many of those customers who did receive their systems complained about poor workmanship, failure to comply with promised delivery dates or to install the system correctly once delivered. They then found that the 20 year performance guarantee was worthless as they were unable to contact the company and the guarantees were not underwritten by an insurance company.

Alex Deane, Chief Investigator, in Companies Investigations of the Insolvency Service said:

Companies that don’t deliver on their promises and make misleading claims should be aware that the Insolvency Service can and will investigate and, if necessary, apply to Court to close them down.

Xefro Trade Ltd was incorporated on 30 January 2015, registration number 09413716. Its registered office is at The Quadrant, Green Lane, Heywood, Manchester OL10 1NG. The company’s directors were Martin Benson, Michael Drogan (until 30 June 2016) and Peter Nabridnyj (until 25 June 2015).

The winding-up order was pronounced by Deputy District Judge Watkin on 17 October 2017 in the High Court, with Lucy Wilson-Barnes appearing for the Secretary of State and no representation for the company.

The petition to Wind-up the company was presented to the High Court on 2 August 2017, under the provisions of Section 124A of the Insolvency Act 1986 following confidential enquiries by Company Investigation under Section 447 Companies Act 1985, as amended. The winding-up order was made on 17 October 2017. Company Investigations, part of the Insolvency Service, uses powers under the Companies Act 1985 to conduct confidential fact-finding investigations into the activities of live limited companies in the UK on behalf of the Secretary of State for Business, Energy & Industrial Strategy (BEIS).

Further information about live company investigations is available [here](#)

All public enquiries concerning the affairs of the company should be made to: The Official Receiver, Public Interest Unit, 2nd Floor, 3 Piccadilly Place, London Road, Manchester, M1 3BN. Tel: 0161 234 8531 Email: piu.north@insolvency.gsi.gov.uk

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