

Press release: Poor business practice leaves no way for construction company directors to dig their way out of bans

The Inverness Sherriff Court handed an eight year disqualification to Donald Cameron (37), while his fellow director Steven Cameron (36) signed an undertaking agreeing not to run or control a company for seven years. Both were directors of Highland Groundworks Limited.

On the 28 April 2015 Highland Groundworks Limited, with liabilities of £41,786, was placed into liquidation. Steven Cameron and Donald Cameron were joint directors at that time.

Following the Liquidator's appointment the investigation found that from 1 September 2012 to 29 December 2014 the company books and records were inadequate to:

- verify the position with regards to assets owned by the Company at the date of liquidation, especially with regards to fixed assets held at 31 August 2012 comprising plant, machinery and vehicles with a net book value of £102,194 and Debtors in the sum of £64,098
- verify expenditure from the Company bank account totalling £493,351
- verify whether receipts into the Company bank account between 01 September 2012 and 29 December 2014 totalling £404,639 are a true representation of the total of the total sales achieved by the company.

The investigation found that from at least 7 August 2013 the company traded to the detriment of HM Revenue and Customs, in that VAT returns were submitted up to the quarter ended 30 June 2013 disclosing an outstanding liability, including surcharges, of £9,955 which remained outstanding at liquidation. The Company failed to submit VAT returns for the quarters 30 September 2013 to 31 December 2014 resulting in an estimated liability, including surcharges, totalling £28,844 which remained outstanding at liquidation.

Robert Clarke, Head of Company Investigation at the Insolvency Service said:

Directors have a duty to ensure that their companies maintain proper accounting records, and, following insolvency, deliver them to the office-holder in the interests of fairness and transparency. Without a full account of transactions it is impossible to determine whether a director has discharged his duties properly, or is using a lack of documentation as a cloak for impropriety.

Both Steven and Donald Cameron have paid the price for failing to do that, as they cannot now carry on in business other than at

their own risk.

The public can be assured that where there have been abuses of public finance provisions which result in losses of this type, the Insolvency Service will investigate the conduct of the parties involved and take action to remove the privilege of limited liability trading for a lengthy period.

Notes to editors

Highland Groundworks Limited (SC363452) went into liquidation on the 28 April 2015 with a deficiency to creditors of £41,786. The company operated in the field of construction and civil engineering from the premises at 6 Cceraig, Kiltarlity, Beauly, Inverness-shire IV4 7JN.

Steven Cameron's date of birth is 9 November 1981.

Steven Cameron was appointed as director of Highland Groundworks Limited on 3 August 2009 and remained a director throughout the company's trading.

Donald Cameron's date of birth is 26 May 1981.

Donald Cameron was appointed as director of Highland Groundworks Limited on 3 August 2009 and remained a director throughout the company's trading.

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.

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