

Press release: Poor record keeping lands East Lothian boss with directorship ban

Paul Gilhooley (48) from Tranent, East Lothian, was the sole director of Paul Gilhooley Consultancy Ltd. The consultancy was incorporated in May 2014, with registered offices in Dublin Street, Edinburgh.

However, the consultancy entered into a difficult trading period and was advised to enter into a Creditor Voluntary Liquidation (CVL) in June 2017, after Paul Gilhooley Consultancy had ceased trading.

In a CVL, insolvency practitioners are appointed to manage the winding up of the company and require full co-operation from the directors. Despite numerous requests, however, Paul Gilhooley failed to deliver any accounting records to the insolvency practitioners.

As a result, the insolvency practitioners could not determine from June 2016 what the consultancy had been doing, the exact reasons for the insolvency or the level of payment taken by Paul Gilhooley out of the company.

The administrators were also unable to verify a significant tax debt of just over £207,000 and could not establish the consultancy's debts, what happened to £14,000 of cash taken from the company's bank account or verify what happened to the consultancy's fixed assets.

On 11 September 2018, the Secretary of State accepted a disqualification undertaking from Paul Gilhooley, after he admitted that he failed to ensure Paul Gilhooley Consultancy Ltd maintained, preserved and /or delivered up adequate accounting records.

Effective from 2 October 2018, Paul Gilhooley is now banned for 7 years from directly or indirectly becoming involved, without the permission of the court, in the promotion, formation or management of a company.

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

Directors have a legal duty to maintain proper accounting records and Paul Gilhooley has paid the price for failing to do that as he be banned for a significant amount of time cannot now carry on in business other than at his own risk.

The Insolvency Service will take action against directors who do not take their obligations seriously and abuse their position of trust

Paul Gilhooley is of Tranent, East Lothian and his date of birth is December 1969

Company Paul Gilhooley Consultancy Ltd (Company Reg no. SC478667).

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 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 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](#).

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

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