

Press release: Bosses banned for removing £700k from failed caravan company

Liberty Joseph Durant (70), Joseph Price (54) and David Alan Borland (66) appeared at Lincoln Crown Court on 12 November 2018 where in addition to the director disqualifications, they received suspended prison sentences.

The court heard that Classic Caravans Limited, based in Sleaford, Lincolnshire, was incorporated in November 2008, where it manufactured and serviced caravans.

Joseph Price became the sole director in December 2010 but only four years after first being incorporated, the company ceased trading at the beginning of October 2012 with debts of close to £220,000, triggering an insolvency process to close down the business.

Classic Caravans nominal work in progress was transferred to a new company, Carlight Trailers Limited, where Joseph Price was one of the directors and the sole shareholder was Liberty Durant.

And the day before Classic Caravans entered into formal liquidation, Joseph Price informed the liquidator that Liberty Durant owned a significant amount of Classic Caravans' stock. This meant property totalling approximately £693,000 could not be returned as assets to the company's creditors.

The case was referred to the Insolvency Service where investigators found that Liberty Durant had previously been disqualified in 2011 for six years in relation to a separate company and should not have been acting in the management of a company.

Investigators also found that before Classic Caravans was going to be wound-up, Liberty Durant and Joseph Price conspired with former solicitor David Alan Borland, trading under the name DAB Legal Services, to produce a fraudulent 'Contract of Sale'.

The fake sales contract enabled Liberty Durant to claim 'retention of title' on Classic Caravans stock that should have been used by the liquidator to repay Classic Caravans' creditors.

However, the sales contract was falsely back-dated to 2010, two years before the company entered into liquidation, and was proved fraudulent as one of the copies of the contract included the liquidator's address, someone who had only been appointed in 2012.

At court Liberty Durrant was given a 10-year disqualification order, a £1,000 fine and a two-year prison sentence, suspended for two years, after pleading guilty to one count of acting in contravention of a disqualification order and one count of fraud.

Joseph Price was given a 6-year disqualification order, a £1,000 fine and a 16-month prison sentence, suspended for 2 years, after pleading guilty to one count of fraud

And David Borland was given a 5-year disqualification order, a £1,000 fine and 12-month prison sentence, suspended for 2 years, after pleading guilty to one count of fraud.

Glenn Wicks, Chief Investigator for the Insolvency Service, said:

“These men cynically and ruthlessly used a forged document in an attempt to defraud creditors and to allow Liberty Durrant to act as a shadow director in breach of his disqualification. The court has shown this sort of behaviour will be dealt with severely.”

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](#).

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