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"Thank you ASIC"

BACKGROUND

In the December 2015 issue of the CSBR Report I raised concerns over the ever increasing number of purported "Business Advisors" who were trolling the Court Notices in respect to Winding Up applications and as a consequence offering their services to aid and abet "Phoenix Activity" etc to the detriment of those incumbent creditors of the Debtor Company.

RECENT PROSECUTION BY ASIC OF A "BUSINESS ADVISOR".

On the 26th April 2016 a Mr Stephen Hall of Eagle Business Solutions was prosecuted for breaching Section 184(2) of the Corporations Act as applied by Clause 11.2(1) of the Commonwealth Criminal Code in that he aided and abetted and procured a Director with the intention of the Director either directly or indirectly gaining an advantage for himself to the detriment of the Company.

In summary those ASIC investigations found that Mr Hall had cold called a Company Director who had received a Winding Up notice from the Australian Taxation Office and after being engaged by the Company Mr Hall aided the Director to dishonestly use his position as a Director to conceal the actual ownership of Company assets from the Liquidator subsequently appointed by the Court.

ASIC have advised that "Gatekeepers" such as "business advisors" are trusted to give advice that is lawful and in the best interests of their client, Mr Hall was fined \$6,600 and disqualified from managing a Corporation for 5 years.

CONCLUSION

This sends a clear message to business advisors and "Gatekeepers" that they will be held personally responsible for knowingly providing advice to clients that cause clients to act illegally.

ASIC has advised it will vigilantly review those data matching programmes that flag consistencies to support such activity to expose those regularly involved which is a positive move to maintaining the integrity of our commercial system.

2016 IN HOUSE TRAINING

As always we at Chamberlains SBR are more than open to coming to your firm and running an in house session to your middle management and staff should you be interested in arranging a free session do not hesitate to contact us.

Chamberlains SBR, Chartered Accountants - Specialises in Personal & Corporate
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