

# Boss in B&C crash launches new firm

By PETE SAWYER

## Computer-probe chief is now into offshore dealing

THE boss of the computer firm which dragged the British & Commonwealth conglomerate into insolvency is back in business.

David McCormick's new property venture — falsely claimed to be a public company — has intimate links with top City accountants Moores Rowland.

McCormick has been interviewed three times — once, in September, over four days — by Department of Trade and Industry inspectors probing the Atlantic Computers leasing company which he headed.

He is also the target of a court action brought by the Dutch tax authorities.

He has joined forces with an offshore tax expert, Graham Snell, who for the past month has been suspended as a partner of Moores Rowland. Snell was suspended around the time of a visit to Moores Rowland's head offices by

Inland Revenue inspectors investigating one of its clients. Those clients have included several from the dubious Atlantic family of companies.

The company now being run by McCormick and Snell, General Realty Investments, is based in Chelsea, London. It is using a web of offshore companies in Jersey, the Isle of Man and the West Indies to legally avoid paying tax on its foreign property dealings.

### Official

The company claims on its brochure to have the status of PLC (public limited company). But this is false. Official forms filed by Moores Rowland on behalf of the company make no mention of McCormick's past directorships in Atlantic, even though the law requires them to be disclosed.

General Realty Investments'

classy brochure credits McCormick with extensive business experience and positions with some of the world's largest and most profitable companies. But it, too, fails to mention that he was the chief executive of Atlantic Computers.

McCormick set up General Realty Investments, eight months after Atlantic failed.

It received a £4.5 million loan for its property deals from UK-based European Partners In Capital, which is owned by three Swedish insurance companies. The loan was channelled through a shadowy Dutch Antilles company with a business address at Moores Rowland's Isle of Man office.

Draft accounts, audited by Price Waterhouse, show that European Partners In Capital has a deficiency of £763,000. The 1990 accounts have not yet been officially filed, in breach of the law. McCormick

became chief executive of Atlantic in July 1988 soon after its acquisition by B & C. He sold his Dutch leasing company, ICA, to Atlantic five years ago for £11.5 million.

Two Dutch tax inspectors later spent 18 months in Atlantic's offices seeking to unravel ICA's tax liabilities.

Moores Rowland was at one stage the auditor of Atlantic and looked after the offshore investments of at least three Atlantic directors.

### Clone

It has also audited the accounts of four Atlantic 'clone' companies, all of which have boosted their profits using the same widely criticised financial and accounting devices as Atlantic.

One clone was Blackspur Leasing, now being investigated by the Serious Fraud Office, whose ex-finance director, Nigel Eastaway, has rejoined Moores Rowland in London.

B & C paid £417 million for Atlantic, which later proved worthless and sparked its collapse last year with debts of more than £2 billion.