

Clothing manufacturer banned for unpaid tax bill

Surinder Singh (62), from Leicester, was the director of Lady Fashion (UK) Ltd. Trading from premises in Leicester, the company was incorporated in September 2017 and manufactured women's clothing.

The company, however, was placed into compulsory liquidation in July 2019 after ceasing trading and failing to pay a £98,000 tax bill which had accumulated from April 2018.

The Official Receiver was appointed Liquidator of Lady Fashion (UK) and investigated Surinder Singh's conduct as director of the company.

It was found that Surinder Singh had failed to ensure Lady Fashion kept accounting records. The director had also withdrawn £180,000 in cash from the company accounts between November 2017 and March 2019 and could not explain the reasons for the withdrawals to the Official Receiver.

Following the investigation, Surinder Singh has been banned from acting as a company director for a period of six years. He did not dispute that he failed to ensure Lady Fashion maintained and/or preserved adequate accounting records and that the company traded to the detriment of the tax authorities.

Surinder Singh signed the undertaking on 1 December before it came into effect on 22 December.

Robert Clarke, Chief Investigator at the Insolvency Service, said:

Surinder Singh tried to cloak his actions through a lack of records and attempted to gain an unfair competitive advantage by not paying the tax due.

Directors have a clear obligation to make sure they maintain full and accurate records for their business, and we will take robust action against those who fail to maintain these required standards, as this case shows.

Surinder Singh is from Leicester and his date of birth is June 1958.

Lady Fashion (UK) Ltd (Company number 10975693)

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 restrictions](#).

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