

Coventry director given 10-year ban for Bounce Back Loan fraud

Raitis Dzerkalis, 32, from Coventry has been disqualified as a director for ten years.

He was sole director of RDZ Solution Ltd, which was incorporated in 2015 and was registered at an address in Coventry. RDZ provided a mobile vehicle breakdown service.

In June 2020, however, Raitis Dzerkalis applied for and secured £40,000 through the Bounce Back Loan scheme. The company's accounts ending October 2019 showed turnover of just £12,240, but Dzerkalis fraudulently stated the turnover as £162,240. In reality, the most the company was eligible for under the scheme was £3,060.

The mechanic proceeded to spend nearly the full loan amount for his own personal benefit, and not for legitimate business requirements, breaching the terms of the Bounce Back Loan scheme.

Recovery of the funds is ongoing with £8,000 recovered to date.

The Secretary of State for Business, Energy and Industrial Strategy accepted a disqualification undertaking from Raitis Dzerkalis after he admitted securing the Bounce Back Loan fraudulently. His ban runs from 28 February 2022 to 27 February 2032.

The disqualification undertaking prevents him from directly, or indirectly, becoming involved in the promotion, formation or management of a company, without the permission of the court.

Dave Elliott, Chief Investigator at The Insolvency Service said:

Covid Support Schemes were a lifeline to businesses across the UK protecting jobs and preserving businesses.

As this case shows The Insolvency Service will take swift firm action against directors who sought to abuse the scheme.

Notes to editors

Raitis Dzerkalis is of Coventry and his date of birth is May 1989.

RDZ Solutions (Company Reg no 09803876)

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](#).

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