

Directors falsely applied for £100,000 bounce back loans

David Garry Harrison (48) and Paul Hudson (47) both received 11-year bans after they did not dispute they caused their company to apply for £100,000 worth of bounce back loans it was not entitled to.

The pair, both from Cullompton, Devon, are now disqualified from directly, or indirectly, becoming involved in the promotion, formation or management of a company, without the permission of the court.

David Harrison's ban became effective on 31 May, while Paul Hudson's disqualification began on 9 June.

Ace Buildings and Maintenance Services Limited was incorporated in June 2017 and carried out general building and maintenance work.

Ace Building and Maintenance Services Limited, however, began to struggle and by October 2019 had a winding-up petition presented against it because it could not pay its debts.

The directors entered into discussions about insolvency arrangements before causing Ace Buildings and Maintenance Services Limited to first enter into a company voluntary arrangement in February 2020. A creditors voluntary liquidation in December 2020 followed, with the company stating liabilities of more than £340,000.

The building firm's insolvency, however, triggered an investigation by the Insolvency Service before investigators discovered David Harrison and Paul Hudson caused Ace Building and Maintenance Services Limited to submit two sham applications for bounce back loans it was not entitled to.

On 4 May 2020, David Harrison and Paul Hudson successfully applied for a £50,000 bounce back loan but did not declare the company was distressed and had entered into a company voluntary arrangement with close to £110,000 worth of liabilities.

The two directors submitted a second bogus application on 16 June 2020. Again, they did not declare Ace Building and Maintenance Service Limited's difficulties or that it has already received the maximum amount allowed under the bounce back loan scheme.

Mike Smith, Chief Investigator for the Insolvency Service, said:

Bounce back loans provided a vital lifeline to help viable businesses during the pandemic. David Harrison and Paul Hudson, however, cynically applied for government support they were not entitled to when they were fully aware their company was insolvent and was not able to pay its debts.

11-years is a substantial amount of time to be removed from the corporate arena and their disqualifications will protect the public and creditors, while also serving as a clear warning to other rogue directors that we will robustly tackle financial misconduct.

Ace Buildings and Maintenance Services Limited's Liquidator is considering the bounce back loans and recovery of funds.

David Garry Harrison is from Cullompton, Devon and his date of birth is February 1975.

Paul Hudson is from Cullompton, Devon and his date of birth is January 1974.

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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