

Press release: 11-year ban for road haulage boss driven to commit fraud

David Cooper, 55, from Blyth, Northumberland, was a director of CFM Transport Ltd (CFMT), based in Chester Le Street, Tyne and Wear.

Mr Cooper was a Heavy Goods Vehicle (HGV) mechanic and driver for around 30 years before seeing an opportunity to move into the road haulage business, incorporated CFMT and began trading in 2011.

The business grew and expanded into European markets and on advice, set up two further companies, CFM Cargo Logistics Ltd and CFM Continental Ltd.

In early 2015, however, one of the company's vehicles was involved in an accident abroad and while waiting for the insurance claim to be settled and the companies' petroleum tax refund entitlements, Mr Cooper submitted false VAT claims in order to keep the companies afloat.

Mr Cooper's wrongdoing was discovered and with the prospect of criminal proceedings for tax-related fraud, he opted to cease trading.

Following the end of the liquidation process, the Insolvency Service looked in to Mr Cooper's role in the collapse of the companies. Those investigations revealed that Mr Cooper had knowingly created and submitted false returns in order to claim VAT to which the company was not entitled.

On 8 October, the Secretary of State accepted a disqualification undertaking from David Cooper, after he admitted knowingly creating and submitting false returns to reclaim Value Added Tax to which the company was not entitled. His ban is effective from 29 October 2018 and lasts for 11 years.

Robert Clarke, Chief Investigator for the Insolvency Service, commented:

The public can be assured that where there have been abuses of public finance provisions which result in losses of this type, the Insolvency Service will investigate the conduct of the parties involved and take action to remove the privilege of limited liability trading for a lengthy period.

Directors have a firm duty to ensure they deal properly with tax matters and pay what is due. Mr Cooper has paid the price for failing to do that, as he cannot now carry on in business other than at his own risk.

In a separate investigation, Mr Cooper was convicted of "being knowingly concerned in fraudulent evasion of VAT", totalling £148,228 and on 15 June

2017 he was sentenced to 16 months imprisonment, suspended for 24 months.

David Cooper is of Blyth, Northumberland and his date of birth is June 1963.

CFM Transport (Company Reg no: 07828520)

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](#).

The Insolvency Service administers the insolvency regime, investigating all compulsory liquidations and individual insolvencies (bankruptcies) through the Official Receiver to establish why they became insolvent. It may also use powers under the Companies Act 1985 to conduct confidential fact-finding investigations into the activities of live limited companies in the UK. In addition, the agency authorises and regulates the insolvency profession, deals with disqualification of directors in corporate failures, assesses and pays statutory entitlement to redundancy payments when an employer cannot or will not pay employees, provides banking and investment services for bankruptcy and liquidation estate funds and advises ministers and other government departments on insolvency law and practice.

Further information about the work of the Insolvency Service, and how to complain about financial misconduct, is [available](#).

Media enquiries for this press release – 020 7674 6910 or 020 7596 6187

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