

## Press release: Ban for further director of Manchester financial advisory business

An investigation by the Insolvency Service found that Mr Sharma 31, of Hale, caused funds totalling £42,920 to be transferred to the company's current account, of which at least £25,929 was paid to another company controlled by Rahul Sharma, and individuals connected to him. Mr Sharma's nine year disqualification commenced on 3 July 2017 and will end in July 2026.

Debt Connect was supposed to look after the interests of clients who were in financial difficulties. However Investigators found that during the time when Rahul Sharma was directing the company, Debt Connect did not make all payments due to clients' creditors, including printed cheques not posted out totalling £32,465 which were in a box delivered up to the liquidators, nor did it pay refunds due to clients of at least £9,267.

In addition, Debt Connect had lost its Consumer Credit Licence and been instructed by a Tribunal to return payments received from clients which would not be distributed to their creditors.

Earlier:

- Rajiv Sharma, 58, of Whitefield, Manchester, signed an eleven year disqualification in which he did not dispute that he acted as a director of Debt Connect between at least October 2013 and October 2014 whilst he was already subject to disqualification. His disqualification in relation to Debt Connect commenced on 10 November 2016, and runs until November 2027
- Stephen Bradbury, 60, of Darwen, Lancashire, signed a four year disqualification undertaking. He had been appointed as a director of Debt Connect in October 2013 but abrogated his responsibilities by taking no active role in the company, other than to sign paperwork when instructed by others. This allowed Rahul Sharma to make some of the illegitimate payments. Mr Bradbury's disqualification began on 26 October 2016

Commenting on the disqualifications, Robert Clarke, Investigations Group Leader at The Insolvency Service, said:

Debt Connect's customers were vulnerable individuals who had already experienced financial difficulties and had turned to a debt management company with the expectation that the resolution of their problems would be paramount.

However, there were serious failings within the company; Rahul

Sharma failed to ensure all payments were made to clients' creditors and defied a clear Tribunal instruction, and Rajiv Sharma blatantly ignored his existing disqualification. The lengthy bans these men have accepted are wholly justified.

Also, directors such as Mr Bradbury should know that failing to play their part in directing a company is unacceptable, and the Insolvency Service will pursue this as a matter of misconduct.

## Notes to editors

Rajiv Sharma was registered with Companies House as a director of Debt Connect (UK) Ltd (company number 04296391) between 15 October 2007 and 1 November 2011. He was disqualified from acting as a director or being concerned in the promotion, formation or management of a company for 6 years from 13 March 2012.

Mr Sharma did not obtain leave of the court when he acted as a director of Debt Connect between at least 31 October 2013 and 28 October 2014.

Rahul Sharma was appointed as a director of Debt Connect between 31 October 2011 and 31 October 2013, although evidence gathered by investigators established that Rahul Sharma continued to act as a director of the company until at least 16 December 2013.

Companies House records show that Stephen Bradbury was appointed as a director of Debt Connect on 31 October 2013, and remained so appointed until the company went into Liquidation.

Debt Connect was incorporated on 01 October 2001. From around March 2009 the company traded from No. 2 Universal Square, Devonshire Street North, Manchester M12 6JH.

When Debt Connect went into Liquidation on 28 October 2014, the company disclosed assets estimated to realise £1,000, and liabilities to creditors of £157,842.

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, an executive agency sponsored by the Department for

Business, Energy and Industrial Strategy (BEIS), administers the insolvency regime, and aims to deliver and promote a range of investigation and enforcement activities both civil and criminal in nature, to support fair and open markets. We do this by effectively enforcing the statutory company and insolvency regimes, maintaining public confidence in those regimes and reducing the harm caused to victims of fraudulent activity and to the business community, including dealing with the disqualification of directors in corporate failures. Further information about the work of the Insolvency Service, and how to complain about financial misconduct, is [available](#).

BEIS' mission is to build a dynamic and competitive UK economy that works for all, in particular by creating the conditions for business success and promoting an open global economy. The Criminal Investigations and Prosecutions team contributes to this aim by taking action to deter fraud and to regulate the market. They investigate and prosecute a range of offences, primarily relating to personal or company insolvencies.

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