

Press release: Car hire company director picks up seven-year ban for failing to keep records

Graham Peter Hanson Pender was the managing director and major shareholder of Chauffeurline (UK) Limited. The company was incorporated on 8 March 2013 and had contracts with major airlines chauffeuring pilots to and from Edinburgh Airport and local hotels.

An Insolvency Service investigation followed the administration.

The Edinburgh Sheriff Court heard evidence that:

- Mr Pender failed to ensure Chauffeurline (UK) Limited maintained and/or preserved adequate accounting records and failed to deliver these to the Administrators, as he is required to do
- Chauffeurline had arrears with HMRC in excess of £60,000
- Mr Pender made out cheques, payable to himself, in the final year of trading totalling £116,896.89 and has failed to provide company accounting records that would explain these transactions
- company accounts for the year ended 31 May 2015 disclose fixed assets of £490,078.

Due to the lack of proper records, the Insolvency Service has been unable to sufficiently explain whether assets were disposed of at fair value and for the benefit of the company and its creditors.

On the 26 September 2018, the Secretary of State obtained an order against Mr Pender for failing to deliver and maintain/preserve adequate accounting records.

Rob Clarke, Chief Investigator Insolvent Investigations North, part of the Insolvency Service, commented:

Companies are under a legal duty to account for their income and expenditure and fulfilling that duty is a key component of the role of a director. There is no place in the corporate arena for those who neglect their responsibilities in this area.

All too often, the lack of records to explain transactions is used to cover up other, more serious misconduct and we cannot determine whether that was the case at Chauffeurline, a fact which is reflected in the lengthy ban now in place.

Mr Pender's ban is effective from 18 October 2018 and lasts for a period of 7

years.

Notes to editors

Graham Peter Hanson Pender is of Edinburgh and his date of birth is 1959.

Chauffeurline (UK) Ltd (Company Reg. No. SC444545) was incorporated on the 8 March 2013.

The order was pronounced by Sheriff Holligan in the Edinburgh Sheriff Court.

Steven Chesney appeared for the Insolvency Service and no one appeared for or on behalf of the defendant.

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 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](#).

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