

Press release: Director of Colchester restaurant receives 8-year disqualification

Mr Khan was the director of Colne Valley Restaurant Limited, which traded as Colne Valley Indian Restaurant in Earls Colne, Colchester.

He has been disqualified from acting as a company director for 8 years after an investigation by the Insolvency Service found he had employed an illegal worker, understated profits for tax purposes, and failed in his duty to ensure the company either maintained or preserved adequate accounting records.

Mr Khan's disqualification from 11 April 2017 means that he cannot promote, manage or be a director of a limited company until 2025.

Prior to the cessation of its trading in February 2014, officers from HM Revenue & Customs (HMRC) had visited the premises and discovered that some of the restaurant takings were excluded from its takings records. Further investigations undertaken by HMRC also found that some of the restaurant's sales had been underpriced, while some ingredients had been overpriced, leading to understatements of profits for Corporation Tax purposes.

Officers from Home Office Immigration Enforcement (HOIE) also visited the restaurant premises on 4 October 2013 when the company was found to be employing an illegal worker. Mr Khan was as a result served with a Notification of Liability for a Civil Penalty of £5,000. The fine was not paid and Mr Khan took steps to place the company into Creditors Voluntary Liquidation, which took place on 19 May 2015.

Robert Clarke, Head of Insolvent Investigations North at the Insolvency Service, said:

The Insolvency Service rigorously pursues directors who fail to deal properly with a company's taxation affairs and to pay fines imposed for breaking employment and immigration laws. We have worked closely in this case with our colleagues at HM Revenue & Customs and the Home Office to achieve this disqualification.

The director sought unfair advantages over his competitors by failing to ensure that profits were properly recorded and by employing individuals who did not have the right to work in the UK, in breach of his duties as a director.

The public has a right to expect that those who break the law will face the consequences. Running a limited company means you have statutory protections as well as obligations.

If you fail to comply with your obligations, then the Insolvency Service will investigate you.

Notes to editors

Colne Valley Restaurant Limited (CR0 No. 06527924) was incorporated in 2008. The company's trading address was 110 High Street, Earls Colne, Colchester, Essex, C06 2QX.

Colne Valley Restaurant Limited entered liquidation on 19 May 2015 with no assets and liabilities of £38,514. Moulana Mohammed Abdul Goffar Khan is from Halstead and his date of birth is June 1973.

The disqualification undertaking was accepted by the Secretary of State on 21 March 2017 and will come into force on 11 April 2017.

A disqualification order has the effect that without specific permission of a court, a person with a disqualification cannot:

1. act as a director of a company
2. take part, directly or indirectly, in the promotion, formation or management of a company or limited liability partnership
3. 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](#).

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

You can also follow the Insolvency Service on: