

Press release: End of the road for director of second-hand car business

An Insolvency Service investigation found Mr McMonagle (48) had caused the company to trade in a manner which breached consumer protection legislation, causing a loss to customers in the region of £95,000.

On 21 January 2016, Marshalls of Kilmarnock, with liabilities of £544,309 was placed into compulsory liquidation following a winding up petition lodged by H M Revenue & Customs. Kevin McMonagle was the sole director of Marshalls of Kilmarnock Limited at that time.

Following the liquidator's appointment, the investigation found that from 4 June 2014 onwards, Trading Standards received 36 complaints from customers which resulted in quantifiable losses to 17 customers of about £95,000.

The complaints related to:

- not paying or returning money owed to customers
- selling motor vehicles which were not of satisfactory quality
- omitting to transfer vehicles registration documents
- failing to pay off finance agreements of customers trading in their vehicles

On 4 December 2014, officers from Trading Standards met with Mr McMonagle to discuss their concerns regarding the level of complaints against the company. Following further complaints, Trading Standards applied to the Court for an enforcement order after Mr McMonagle stopped co-operating with them during March 2015.

On 15 April 2015, Kilmarnock Sheriff Court issued an interim enforcement order to prevent continued breaches and protect customers following which Mr McMonagle surrendered his licence to sell second hand cars on 28 April 2015. This caused the company to cease trading.

The undertaking that Mr McMonagle has now given to the Secretary of State for Business, Energy and Industrial Strategy means he will not be able to act as a director of a company for seven years from 26 June 2017.

Robert Clarke, Head of Company Investigation at the Insolvency Service said:

When directors of a company do not comply with legislation that is designed to protect customers, and avoidable losses result, the Insolvency Service will fully investigate the circumstances and take action where appropriate.

In this case, a significant number of customers have been left out

of pocket thanks to Mr McMonagle's disregard of protective legislation and it is appropriate that their disqualification is for a significant period of time.

This ban should serve as a reminder to any directors tempted to do the same: the Insolvency Service will vigorously investigate you and seek to remove you from the marketplace.

Notes to editors

Marshall's of Kilmarnock Limited (CR0 No.SC479229) went into compulsory liquidation on 21 January 2016 with a deficiency to creditors of £544,309. The company was incorporated to sell second hand cars.

Kevin Vincent McMonagle's date of birth is 24 April 1969.

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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