

Press release: Husband and wife bosses of Morden fish and chip shop disqualified

The Secretary of State for Business, Energy and Industrial Strategy accepted disqualification undertakings from Tuncay Saglam (51) and Leyla Saglam (50) meaning neither shall not be a director of a company whether directly or indirectly, or be involved in the management of a company in any way for seven years unless they have permission from court.

The disqualifications follow collaboration between the Insolvency Service and HMRC, whose investigations established that Mr and Mrs Saglam caused or allowed the company to submit inaccurate statutory VAT returns to HMRC by the deliberate suppression of sales income being to their benefit.

An in depth HMRC investigation revealed that the company had failed to record all of its cash takings and had therefore under-declared the VAT. As a result, HMRC raised a VAT assessment including interest and civil penalties of over £168,000. Additionally, HMRC also reassessed the company's Corporation Tax liability to be in excess of £210,000 and raised Corporation Tax penalties in excess of £141,000.

At liquidation, HMRC stated that the company owed in excess of £545,000 in relation to arrears of VAT, PAYE and National Insurance Contributions, and Corporation Tax.

Commenting on the disqualification, Lawrence Zussman, Deputy Head of Investigations with the Insolvency Service said:

The periods of these disqualifications sends a clear message to other company directors that tax abuse of any kind, particularly when it comes to suppression of cash takings by directors will not be tolerated.

Defrauding the Exchequer of taxes, deprives the public services of much needed funds required to ensure the public receives the services it rightfully deserves.

The Insolvency Service will therefore not hesitate to take action against directors so they cannot abuse limited liability provided by trading through a company.

Notes to editors

Tuncay Saglam (date of birth January 1966) and Leyla Saglam (date of birth December 1967), both of London, were directors of Mr Cod Morden Ltd (Company No. 06649655), which was incorporated in July 2008.

Mr and Mrs Saglam have been disqualified for a period of 7 years each from 5 January 2018 having given undertakings to the Secretary of State for Business, Energy and Industrial Strategy.

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](

<https://www.gov.uk/government/publications/corporate-insolvency-effect-of-a-disqualification-order>

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.

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.

The agency also authorises and regulates the insolvency profession, 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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