

Press release: Raising false invoices sees Sheffield directors disqualified

Michael O'Toole, 56 of Sheffield and Mark Rice, 39 of Sheffield both provided an eight year disqualification undertaking to the Secretary of State in respect of their conduct. Mr O'Toole's disqualification commenced on 6 July 2017 and Mr Rice's ban began on 28 June 2017.

An Insolvency Service investigation found invoices totaling £760,000 had been factored, of which only one, of £45,000, was found to be a true invoice.

Commenting on the disqualification, Martin Gitner, Deputy Chief Investigator of Insolvent Investigations, Midlands & West at the Insolvency Service, said:

The directors failed to run their business in accordance with the terms set out in its agreement with the invoice discount facility provider.

The company obtained money to which it was not entitled by submitting details of sales invoices which did not exist and this caused the provider to incur financial losses.

Using false documents is contrary to the conduct expected of a company director and the Insolvency Service has strong enforcement powers which we will not hesitate to use to remove dishonest or reckless directors from operating a business in an environment with the benefit of limited liability.

Notes to editors

Plast-Tec Plastering Systems Limited (CR0 No. 06402826). The company's registered office was at Neepsend Triangle Business Park, Burton Road, South Yorkshire, S3 8BW.

Mr O'Toole's date of birth is 17 June 1961 and he resides in Sheffield. He was appointed as a director on 1 December 2013.

Mr Rice's date of birth is 27 September 1977 and he resides in Sheffield. He was a director from incorporation on 18 October 2007.

The matters of unfitness, which Mr O'Toole did not dispute in the Disqualification Undertaking, were that:

Between December 2015 and April 2016, I caused Plast-Tec Plastering

Systems Limited (PTPS) to factor false invoices totalling at least £715,000 to Lloyds TSB Commercial Finance..

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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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