

# Press release: Waste management company director disqualified for poor record keeping

Mr Cosgrove had a disqualification order made against him, with effect from 24 October 2017, on behalf of the Secretary of State for Business, Energy & Industrial Strategy, which prevents him from becoming directly or indirectly involved in the promotion, formation or management of a company for eight years.

Paul Cosgrove was the director of TBP & Son Ltd, a company trading as a provider of waste management services.

The company went into liquidation on 13 February 2015 owing £1,744,396 to creditors, of which £1,058,168 was owed to trade and expense creditors and £686,128 was owed to HM Revenue & Customs.

The unfit conduct that led to Mr Cosgrove receiving an order was that he failed to maintain, preserve or deliver up the books and records of the company which resulted in it not being possible to:

- determine the reason for company expenditure totaling £4.2 million
- explain what happened to assets totaling £5,242,845.
- determine the true level of VAT due to HMRC

Commenting on the disqualification, Martin Gitner, Deputy Head of Investigations with the Insolvency Service said:

Failure to deliver up the books and records of a company to the Liquidator which results in a loss to creditors and the public purse will be rigorously investigated by the Insolvency Service in liaison with HM Revenue & Customs.

Even where the director chooses not to engage with the investigation process, disqualification as a director is the likely outcome of such activity.

## **Notes to editors**

Paul Cosgrove, date of birth March 1980 and he resides in Newark, Nottinghamshire.

TBP & Son Ltd (CR0 No. 06896956) was incorporated on 6 May 2009. The company traded as a provider of waste management services. Mr Cosgrove was a director from 1 October 2013 to liquidation.

The Company went into Creditors Voluntary Liquidation on 13 February 2015 with an estimated deficiency of £1,744,397.

On 3 October 2017, a Disqualification Order was made against Mr Cosgrove on behalf of the Secretary of State, effective from 24 October 2017, for a period of 8 years .

The matters of unfitness, which Mr Cosgrove did not dispute, were that from 1 October 2013 to the date of liquidation on 13 February 2015, Paul Cosgrove failed to ensure that TBP & Son Limited (TBP) maintained and/or preserved adequate accounting records, or in the alternative he failed to deliver up to the Liquidator such records as were maintained. As a consequence it is not possible:

- to determine, in the absence of a complete purchase records, the reason for expenditure totalling £4,283,785 to a third party out of TBP's bank account during the period 01 October 2013 to 13 February 2015 and in particular, to verify that this was legitimate company expenditure
- to establish whether all of TBP's assets were disclosed in the statement of affairs and in particular to determine what, if any, stock and book debts were owned by the company at the date of liquidation, and the full and true value of any items transferred or otherwise disposed prior to liquidation, in that purchase invoices show that between 26 October 2013 and 2 December 2014, TBP purchased scrap metals for the sum of £5,004,477 against corresponding sales invoices in the sum of £2,133,430, resulting in scrap metal with an invoice value of £2,871,047 being unaccounted for; and purchase invoices show that between 26 October 2013 and 2 December 2014, TBP purchased waste paper and plastics for the sum of £2,634,076 against corresponding sales invoices in the sum of £262,278 resulting in waste paper & plastics with an invoice value of £2,371,798 being unaccounted for
- for HM Revenue & Customs to determine the true level of TBP's liability in respect of Value Added Tax which resulted in HMRC raising officers assessments and surcharges against the company totalling £624,485 in respect of the period 1 April 2014 to 2 December 2014

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

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.

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

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