

# Press release: Bubble bursts for wholesaler who failed to keep proper records

Javid Mogra, aged 32 of Bolton, Lancashire, admitted that he had failed to keep sufficient company records and gave an undertaking to the Secretary of State for Business, Energy and Industrial Strategy not to be a director of a limited company, for 9 years, from 7 August.

Mr Mogra was the sole director of Middleborough Ltd (Middleborough) which was wound up by the Court in the public interest on 14 November 2016.

The company owed creditors at least £2,119,589 despite filing accounts showing turnover of £2,321,657 for the period ended 31 August 2015.

In giving his undertaking, Mr Mogra did not dispute that he failed to ensure Middleborough Ltd kept adequate accounting records, and that as a consequence, it has not been possible to:

- verify his explanation for the shortfall of £54,229 paid to Middleborough by a customer in respect of beverages supplied between 29 June 2015 and 27 August 2015
- verify his explanation for an underpayment of £1,435,954 to the supplier, a shortfall of £1,235,302 received from the customer and an overall loss of £348,390 incurred on sales of car parts between 02 January 2015 and 16 September 2015
- verify his explanation regarding the sale of 6,136 sets of accident data and a debt due to a supplier of at least £624,929 incurred between 01 July 2015 and 16 September 2015
- determine the accuracy of financial statements filed at Companies House for the periods ending 28 February 2014, 10 February 2015 and 31 August 2015
- determine the accuracy of Middleborough's VAT returns submitted to HMRC in relation to the 03/2015 to the 03/2016 VAT periods
- determine the nature and extent of Middleborough's assets and liabilities
- verify the legitimacy of Middleborough's trading or show that all transactions have been carried out in the usual course of business and to the benefit of the company

Commenting on the disqualification, Ken Beasley, Official Receiver of the Insolvency Service's Public Interest Unit, said:

The Insolvency Service will not tolerate Directors who cannot show that their Companies are being run for legitimate purposes.

The director of this company has fallen far short of the standard of record keeping that can be reasonably expected and as a result, there were serious concerns over the true nature of this business.

## Notes to editors

Middleborough Ltd (Company number 08384563) was incorporated on 1 February 2013. The registered office of Middleborough Ltd is currently situated at 2nd Floor, 3 Piccadilly Place, Manchester, M1 3BN. The registered office and trading address of Middleborough prior to the liquidation was situated 9 Maplewood Gardens, BOLTON, BL1 3NR.

Javid Mogra gave an undertaking to the Secretary of State not to be a director for 9 years in respect of his conduct in Middleborough on 23 June 2017. The undertaking has been accepted and the period of disqualification commenced on 07 August 2017.

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. 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.

Media enquiries for this press release – 020 7596 6187

You can also follow the Insolvency Service on:

---

## **[News story: Travel advice for Moldova v Wales – World Cup Qualifier](#)**

If you use assistive technology (such as a screen reader) and need a version of this document in a more accessible format, please email [webmaster@digital.fco.gov.uk](mailto:webmaster@digital.fco.gov.uk). Please tell us what format you need. It will help us if you say what assistive technology you use.

---

## **[Press release: Pizza company director takes away seven year disqualification](#)**

Mr Singh was the sole registered director of Charnwood Foods Ltd which traded as Papa John's Pizza in Bromsgrove from March 2014 to March 2015.

An investigation by the Insolvency Service found that Mr Singh unreasonably caused payments of at least £205,000 to the partnership he had a personal interest in.

On 5 July 2017, Balwinder Singh gave a disqualification undertaking to the Secretary of State for Business, Energy and Industrial Strategy (BEIS), which prevents him from managing or controlling a company, until 30 July 2024.

Charnwood Foods Ltd went into liquidation on 26 August 2015, with no assets, owing an estimated £358,816 to creditors of which £308,233 was owed to a bank in respect of bank loans.

The misconduct accepted by Balwinder Singh, was that he:

- breached his fiduciary duties as director of Charnwood Foods Ltd in that he unreasonably caused payments totalling at least £205,000 to be made to a partnership in which he had a personal interest and that these payments, were at the risk of, and to the detriment of, Charnwood Foods Ltd and its creditors
- failed to deliver up adequate accounting records to show that such payments were reasonable.

Aldona O'Hara, Investigation Leader, -Insolvent Investigations Midlands and West at the Insolvency Service, said:

In investigating insolvent companies, the Insolvency Service always looks very closely at individuals who demonstrate a disregard for creditors and appropriate action is taken where wrongdoing is uncovered.

Directors have a duty to ensure that their companies maintain proper accounting records, and, following insolvency, deliver them to the office-holder in the interests of fairness and transparency. Without a full account of transactions it is impossible to determine whether a director has discharged his duties properly, or is using a lack of documentation as a cloak for impropriety.

This disqualification will prevent a repeat occurrence of this and act as a deterrent to any other directors who are thinking of putting their own interests before that of their company's creditors.

#### **Notes to editors**

Charnwood Foods Limited (Company No. 08876092) was incorporated on 4 February 2014. The Company traded as a pizza restaurant franchise from March 2014 to March 2015 from 32 Birmingham Road, Bromsgrove, B61 0DD.

Balwinder Singh (date of birth: 1 June 1959) was the sole appointed director from incorporation on 4 February 2014 to the date of the Creditors' Voluntary Liquidation on 26 August 2015. Balwinder Singh was the sole shareholder of the company.

On 27 March 2014 and 17 July 2014 Charnwood Foods Ltd received bank loans of £169,000 and £164,000 from a bank. The loans were guaranteed by the government under the Enterprise Finance Guarantee, Section 8 of the Industrial Development Act, 1982.

The seven year disqualification undertaking was signed on behalf of the Secretary of State for Business, Energy and Industrial Strategy on 10 July 2017 to be effective from 31 July 2017.

The matters of unfitness, which Balwinder Singh did not dispute in the disqualification undertaking, were that:

- between 26 June 2014 and 27 March 2015, Balwinder Singh breached his fiduciary duties as a director of Charnwood Foods Limited (CFL) in that he unreasonably caused payments totalling at least £205,000 to be made to a partnership in which he had a personal interest and these payments

were of at the risk of and to the detriment of CFL and its creditors; and/or Balwinder Singh failed to deliver up adequate accounting records to show that such payments were reasonable

- on 27 March 2014 and 17 July 2014, CFL received Bank Loans of £169,000 and £164,000, respectively. Balwinder Singh signed both loan agreements on behalf of CFL
- on 23 June 2014, Balwinder Singh personally entered into a partnership with a third party. On 18 July 2014, 11 August 2014 and 20 August 2014 three cheque payments totalling £125,000 were made from CFL's bank account to the partnership
- between 26 June 2014 and 27 March 2015, additional payments totalling £80,000 were made from CFL's bank account to the partnership
- inadequate records have been delivered up to show that such payments were in the best interest of CFL or its creditors, or that any benefit was received by CFL in respect of these payments
- on 26 August 2015 Balwinder Singh placed CFL into Creditors Voluntary Liquidation and submitted CFL's Statement of Affairs in the liquidation proceedings showing no assets and liabilities to a trade and expense creditor of £1,200 and to the Bank of £308,233
- Balwinder Singh failed to disclose to the Liquidator's of CFL that he made payments totalling at least £205,000 to the Partnership

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. 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.

Media enquiries for this press release – 020 7596 6187

You can also follow the Insolvency Service on:

---

## **[News story: 1,500 extra medical undergraduate places confirmed](#)**

The department has published the [government response to the recent consultation on expanding undergraduate medical education](#).

The government will increase the number of student places at medical schools in England by 1,500.

From next year, existing medical schools will be able to offer an extra 500 places to future doctors. Another 1,000 places will be allocated across the country, based on an open bidding process.

The bidding process will be supervised by Health Education England and the Higher Education Funding Council for England.

The extra places will be targeted at under-represented social groups such as lower income students, as well as regions that usually struggle to attract trainee medics.

The government has also pledged to ensure the places are allocated to medical schools who will work closely with their local communities to help talented students from disadvantaged backgrounds become doctors.

Alongside the plans to train 1,500 more medical students, the government will also fund 10,000 additional training places for nurses, midwives and allied health professionals. Some of these places will be available to students next month.

---

## **[Press release: UK Foreign Office](#)**

# Minister Lord Ahmad concludes visit to Bangladesh

Lord Tariq Ahmad of Wimbledon, Minister of State at the Foreign and Commonwealth Office and Minister for the Commonwealth and the United Nations, left Bangladesh today following a two day trip.

As the first UK Minister to visit the country following June's election, Lord Ahmad met the Prime Minister, Sheikh Hasina, and the State Minister for Foreign Affairs, Shahriar Alam and reinforced the UK's commitment to deepening relations and co-operation with Bangladesh across a wide range of issues including trade, development, migration, and the shared challenge of combating terrorism and extremism. He reiterated the UK's hope that the next parliamentary elections would be free, fair and inclusive. His message to Bangladeshi political parties was:

"Number one, please participate and secondly let's have a free, fair and transparent election, because those are foundations for ensuring sustainable democracy for the long term."

Ahead of the Commonwealth Summit in London next year, Lord Ahmad called on Bangladesh to play a leading role. He said:

"The Commonwealth has huge potential to increase its global influence. Britain will be looking at ways to re-invigorate and re-energise this unique institution when London hosts the Commonwealth Summit next April. Bangladesh has a great tale to tell, which should be shared with our partner Commonwealth countries, about the work it has done to empower women and girls through education and employment."

He also discussed the role of the Commonwealth in promoting values such as tolerance, human rights and the rule of law.

Lord Ahmad visited a textile factory to witness a skills development programme for workers in the ready-made garment industry, which is being carried out with UK assistance. The Minister acknowledged the role the garment industry plays in Bangladeshi women's emancipation:

"It's marvellous to see millions of women in Bangladesh becoming self-reliant through employment. This is a driving force behind the country's progress towards middle income status."

Lord Ahmad also addressed a reception for Bangladeshis who had studied in the UK on Chevening and Commonwealth Scholarships. Launching the UK's Chevening scholarship for 2018-2019, Lord Ahmad welcomed the four-fold increase in the number of scholarships since 2014.

## Notes for Editors

- Lord Tariq Mahmood Ahmad is a British businessman, appointed Minister of State for the Commonwealth and United Nations at the Foreign and Commonwealth Office on 13 June, 2017.
- On January 13, 2011, he was created a life peer, taking the title Baron Ahmad of Wimbledon.
- There are more than 230 Chevening alumni in Bangladesh working in a variety of sectors.
- Over 1600 Commonwealth scholarships have been awarded to Bangladeshi citizens since the programme began in 1960.