

Press release: Bankruptcy restriction for man who gambled money borrowed from family

This follows an investigation by the Insolvency Service, which found representations were made to family and friends to get money, which was used for online spread betting and to fund his lifestyle.

Mr Patel entered into a 11 year bankruptcy restrictions' undertaking on 18 December 2017, by the restrictions set out in insolvency law that a bankrupt is subject to until they are discharged from bankruptcy (normally 12 months) until 2028.

Between 2013 and 2017, Mr Patel made false representations to family and friends to obtain loan funds of £390,000, saying that the funds were to be used as a venture investment. He used £238,451 of these funds to finance online spread betting, with the majority of the remaining funds being used to fund Mr Patel's lifestyle. Mr Patel's actions directly resulted in him becoming insolvent with total liabilities of £403,753.

Mr Patel was declared bankrupt on 26 July 2017 with a deficiency of £386,238. Mr Patel was interviewed at the Official Receiver's office at which time he stated that around December 2012 he began online spread betting and initially used his savings to fund this. However once his money ran out he obtained funds from family and friends and used the money he received to continue gambling.

The loans were covered by formal agreements which stated that Mr Patel would hold the investment funds for the duration of 12 months during which time the investor would not be able to withdraw the capital invested.

Mr Patel advised family and friends that the funds were to be used as a venture investment but he was in fact using the funds to finance his online spread betting and, from June 2015 onwards, to fund his living expenses with a very small amount being used to repay a couple of the lenders.

In January 2017 when all the money had been exhausted he ceased gambling and sought advice regarding his financial situation following which in July 2017 he made his own application for bankruptcy.

Commenting on the bankruptcy restriction, Gerard O'Hare, an Official Receiver at the Insolvency Service said:

Where a bankrupt has taken undue risks with creditors' money, he should not expect to do so without repercussions, particularly when others suffer financial loss as a result.

A bankruptcy restriction in these circumstances will serve to provide creditors with a degree of protection, and it will also act as a deterrent to the bankrupt not to act in a similar manner in the future.

Mr Shared Dayaram Patel is of Leicester and his date of birth is January 1966. The Bankruptcy Order was made on his own petition

If the Official Receiver considers that the conduct of a bankrupt has been dishonest or blameworthy in some other way, he (or she) will report the facts to court and ask for a Bankruptcy Restrictions Order (BRO) to be made. The court will consider this report and any other evidence put before it, and will decide whether it should make a BRO. If it does, the bankrupt will be subject to certain restrictions for the period stated in the order. This can be from 2 to 15 years.

The bankrupt may instead agree to a Bankruptcy Restrictions Undertaking (BRU) which has the same effect as an order, but will mean that the matter does not go to court.

These are restrictions set out in insolvency law that the bankrupt is subject to until they are discharged from bankruptcy – normally 12 months and include that bankrupts:

- must disclose their status to a credit provider if they wish to get credit of more than £500;
- who carry on business in a different name from the name in which they were made bankrupt, they must disclose to those they wish to do business with the name (or trading style) under which they were made bankrupt;
- may not act as the director of a company nor take part in its promotion, formation or management unless they have a court's permission to do so;
- may not act as an insolvency practitioner, or as the receiver or manager of the property of a company on behalf of debenture holders;

Additionally, a person subject to a Bankruptcy Restrictions Order/Undertaking or a Debt Relief Restrictions Order/Undertaking,

- may not be a Member of Parliament in England or Wales.

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](#).

Media enquiries for this press release – 020 7674 6910 or 020 7596 6187

You can also follow the Insolvency Service on:

[News story: Fast Track applications coming soon](#)

[unable to retrieve full-text content]The Civil Service Fast Track will be open for applications soon. Find out how to get updates on the next application window [here](#).

[News story: Digital solutions for independent living: apply for funding](#)

People Make Glasgow sign in front of the Technology and Innovation Centre.

[Glasgow's Health and Social Care Partnership](#) has up to £450,000 to invest in the development of a remote digital alarm monitoring system that will help people with complex needs to live independent lives at home.

There is £150,000 to fund a series of feasibility studies into potential solutions, and a further £300,000 that could support the development of the 2 most promising ideas in a second phase.

Supporting independent living in Glasgow

The partnership wants to use technology to help more people live independent lives at home.

Digital technologies, including ambient sensors, GPS trackers and video technology, are already in use in the health sector, but they work in isolation and do not combine with Glasgow's main telecare platform.

Glasgow Health and Social Care Partnership is being supported in this competition by the [Can Do Innovation Challenge Fund](#). It is seeking solutions using the SBRI (Small Business Research Initiative) programme.

System must manage risks in the home

Projects are being asked to develop a remote digital alarm monitoring system that can help with the management of risks in the home and that links into Glasgow's existing telecare platform.

Solutions must:

- be easy to use and understand for people with poor mobility, hearing or eyesight
- highlight risks consistently and safely
- connect to the existing platform so the user can access the services they need, regardless of supplier
- be cost effective
- be efficient to install and maintain and have a 'plug and play' design

Competition information

- the competition opens on 19 February 2018, and the deadline for registration is at midday on 25 April 2018
 - it is open to any organisation that can demonstrate a route to market for its idea
 - we expect phase 1 contracts to be worth up to £30,000 and last up to 6 months
 - we expect phase 2 contracts to be worth up to £150,000
 - successful projects will attract 100% funded development contracts
 - a briefing event will be held in Glasgow on 14 March 2018
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Press release: Director disqualified for selling company assets for own benefit

The disqualification order was granted at Perth Sheriff Court following an investigation by the Insolvency Service. The disqualification commenced on 20 December 2017 and is effective until 20 December 2024.

Mr McFarlane's ban relates to his selling off company assets for his own benefit whilst creditors were left unpaid. Gilmour McFarlane (29) was the sole director of Garden Haulage Limited. From 2009 the company hired out plant and machinery in addition to labour and carried out contractual work, primarily for farms. The company went into liquidation on 28 August 2015 with an estimated deficiency to its creditors of £38,670.

The investigation by the Insolvency Service found that at a time when the company was insolvent, Gilmour McFarlane caused it to dispose of plant and machinery to a third party for a sum of £55,000 plus VAT while on the same day Gilmour McFarlane settled a personally guaranteed loan to that party. This transaction was to the detriment of HMRC and other creditors of the company.

The investigation also found that for the period from at least 1 September 2014 to 28 August 2015, Gilmour McFarlane failed to preserve or deliver up adequate accounting records for Garden Haulage Limited as a consequence of which it has not been possible to establish the true financial position of the company, how other assets were dealt with and whether all sums due to the company were collected in.

Robert Clarke, Group Leader of Insolvent Investigations North at the Insolvency Service said:

The period of this disqualification reflects the fact that when a company fails to keep adequate financial records it is simply not possible to determine whether there has been other, more serious, impropriety in relation to the management of its affairs.

Furthermore, directors who put their own personal financial interests above those of customers and creditors damage confidence in doing business and are corrosive to the health of the local economy.

Gilmour McFarlane's date of birth is April 1988.

Gilmour McFarlane was appointed as director of Garden Haulage Limited

(company number SC364384) on 21 August 2009 and remained a director throughout the company's trading. Garden Haulage Limited had a registered office of 66 Tay Street, Perth, PH2 8RP.

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](#).

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Press release: New proposals to help vulnerable people benefit from cheaper energy

- government takes further steps to tackle fuel poverty
- government consulting on new powers to make it easier for consumers to be protected from unfair energy bills under the safeguard tariff
- new data-sharing measures means vulnerable consumers would be protected from high energy bills automatically

The government has today (12 February 2018) launched a consultation asking for views on amending the Digital Economy Act to bring in data-sharing measures that could help bring down the bills of those most at risk of fuel poverty.

The consultation will explore the use of powers which would allow the sharing of information between public authorities and energy suppliers so that vulnerable consumers receiving certain benefits would automatically be protected by the safeguard tariff.

The energy regulator, Ofgem, introduced a safeguard tariff cap in April 2017 for 4 million consumers on prepayment meters. This month, it was extended to a further one million who receive the Warm Home Discount. Ofgem consulted on further eligibility for the safeguard tariff cap earlier this year and the powers proposed in this consultation will make identifying and protecting these vulnerable consumers easier while still protecting their data.

The move comes as the government prepares to introduce a Tariff Cap Bill which will put an end to rip-off standard variable tariffs.

Business and Energy Secretary Greg Clark said:

The effects of energy price rises are often felt most by those on the lowest incomes, as they are usually on the highest standard variable tariffs. These people are at risk of being plunged further into fuel poverty if they are left at the mercy of a broken energy market. Enabling energy suppliers to establish who should be on Ofgem's safeguard tariff cap will help these vulnerable consumers.

The government is committed to tackling fuel poverty. We want to make it easier for those vulnerable consumers to bring their energy bills down. And it doesn't stop there. We are working with Ofgem and other partners to ensure that switching is made easier and we'll be introducing an energy price cap bill soon so that we can have an energy market that works for everyone.

The proposed amendments to the Digital Economy Act will allow suppliers to work with government to carefully identify those whose energy bills are high and potentially putting them in financial difficulty. These people can then be placed under Ofgem's safeguard tariff cap, protecting them from high bills and unfair price rises.

We will shortly be introducing our Tariff Cap Bill which will put an end to rip-off standard tariffs. Our Bill, published in the autumn, has been undergoing pre-legislative scrutiny in order to build cross-party consensus. We expect a report from the BEIS Select Committee shortly so that we can begin the process of getting the Bill through the House in order to protect millions of consumers as soon as possible.

National Energy Action (NEA) Chief Executive Adam Scorer said:

Schemes to take people out of fuel poverty have been hamstrung by an inability to target support on those who need it most. Data matching is a necessary part of the answer and NEA welcomes this consultation as an important step to establishing a safe and effective way of bringing help with energy costs to those least able to afford a warm home.

Energy regulator Ofgem announced today its intention to trial its first 'hassle free' switching service as part of a package of reforms aimed at making it easier for people to switch as well as protecting those who don't switch from being overcharged.

The industry body, Energy UK, has also launched a new Commission today as part of its drive to improve customer engagement with a particular focus on vulnerable customers.

Suppliers would not be permitted to use the information they receive for any purpose other than those that are outlined in the Digital Economy Act. In addition to legislative controls and criminal penalties, a code of practice would be put in place alongside detailed contractual arrangements for the handling and protection of the data – see the recent government consultation on [Digital Economy Act, part 5: data sharing codes and regulations](#)

Ofgem recently [consulted on expanding the eligibility criteria for the safeguard tariff](#)