

Diverting customer payments lands restaurateur with 11-year ban

Syed Shabbi Ahmed's disqualification undertaking means that he is banned for 11 years from acting as a director or directly or indirectly becoming involved, without the permission of the court, in the promotion, formation or management of a company.

The investigation into the 43-year-old's conduct began after the company he was the sole director of, Blue Mango Tree Ltd, went into liquidation in September 2018.

Incorporated in May 2009, the company traded as the 'Jewel in the Crown' restaurant in Aberdeen and for 5 years made full tax returns to the tax authorities.

For more than three years, however, between February 2014 and November 2017, Blue Mango operated a second bank account which hadn't been declared to the tax authorities.

Investigators from the Insolvency Service unearthed that when customers used the restaurant's credit card machine to settle their bill, payments were diverted to the undeclared account.

£800,000 worth of payments made by customers was sent to the second account and investigators uncovered that Syed Ahmed transferred £123,000 to himself and withdrew a further £535,000 as cash.

This resulted in the tax authorities being owed just under £570,000 in the liquidation of the company.

On 8 November 2019, the Secretary of State accepted a disqualification undertaking from Syed Shabbi Ahmed, after he admitted not declaring £797,587 of payments received to the tax authorities. His ban is effective from 29 November 2019.

Robert Clarke, Chief Investigator for the Insolvency Service, said:

Syed Ahmed knew exactly what he was doing when he diverted funds for his own purposes, in an attempt to avoid paying the tax authorities what they were rightfully owed.

This ban should serve as a warning to other directors tempted to help themselves first, you have a duty to your creditors and if you neglect this duty you could be investigated by the Insolvency Service, with the possibility of losing the privilege of limited liability trading.

Syed Shabbi Ahmed is from Aberdeen and his date of birth is December 1976

Blue Mango Tree Ltd (Company number: SC359080)

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 restrictions.](#)

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