

# Further bankruptcy restrictions for Bounce Back Loan abuse



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Five individuals have separately been made subject to bankruptcy restrictions totalling 48 years as the Insolvency Service continues to identify and tackle abuse of the Bounce Back Loan scheme.

In each of the five separate cases, the Bounce Back Loans were either wrongfully obtained through overstating their businesses turnover, or on behalf of a company that had already ceased trading prior to the pandemic, or were simply misused for personal use rather than legitimate business spending.

Charlene Wilson was a self-employed beauty therapist based in Jarrow. She received a £50,000 Bounce Back Loan by overstating her turnover and spent around £15,000 on personal expenses. She has accepted bankruptcy restrictions for 8 years.

Georgiana Cercel ran a beauty business from her home in Lincoln while studying full-time. She received a £50,000 Bounce Back Loan by overstating her business turnover, and gave £10,000 to her sister. She is subject to bankruptcy restrictions for 10 years.

Florin Bodale worked as a building contractor through his company Varga Construction. He obtained a £50,000 Bounce Back Loan by overstating his turnover, although he told investigators he believed he had been asked for total turnover for the previous 3 years. However this amount would still have been less than half the turnover he stated. He has accepted a 10-year bankruptcy restrictions undertaking.

Sarah Sweeting ran a farm shop home delivery service from

October 2020. She obtained a £22,000 Bounce Back Loan despite not being eligible as businesses had to have been trading prior to March 2020. Of the £22,000, she transferred around £14,000 to her husband. She is subject to a 10-year bankruptcy restrictions undertaking.

Abbas Moradmand ran a tyre business from 2018 to 2019 after which point he worked as a taxi driver. After a short closure the business re-opened and continues to trade under new ownership. However, Moradmand secured a Bounce Back Loan of £26,894 to which he was not entitled as it was based on an application on behalf of his former tyre business. He has accepted a 10-year bankruptcy restrictions undertaking.

Their bankruptcy restrictions mean none of the above individuals are able to borrow more than £500 without disclosing their bankrupt status. They also cannot act as a company director without permission from the court.

In each of the above cases the local Official Receiver is working on potential recovery action.

Kevin Read, Official Receiver at the Insolvency Service, said:

In all of these cases it was obvious, or it should have been obvious, that they either misused the Bounce Back Loan for personal benefit, took a larger loan than they were eligible for, or weren't eligible for a Bounce Back Loan at all.

This is taxpayers' money they have abused and we will not hesitate to impose bankruptcy restrictions in these circumstances.

Notes to editors

Charlene Kylie Wilson is of South Shields, and her date of birth is July 1988.

Details of her undertaking is available on the Individual Insolvency Register

Georgiana Mariana Cercel is of Lincoln, and her date of birth is July 1995.

Details of her undertaking is available on the Individual Insolvency Register

Florin Petrisor Bodale is of Harrow, and his date of birth is June 1990.

Details of his undertaking is available on the Individual Insolvency Register

Sarah Louise Sweeting is of Bromley, and her date of birth is November 1974.

Details of her undertaking is available on the Individual Insolvency Register

Abbas Moradmand is of Bournemouth, and his date of birth is January 1971.

Details of his undertaking is available on the Individual Insolvency Register

Bankruptcy restrictions are wide ranging. The effects are the same whether you are subject to a bankruptcy restrictions order or to an undertaking. Guidance on the main statutory consequences flowing from a bankruptcy restrictions order or undertaking.

Information about the work of the Insolvency Service, and how to complain about financial misconduct.

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