

WANdisco CEO and CFO quit as fraud investigation finds \$115 million black hole in finances

The bosses of beleaguered tech firm WANdisco are to quit the business after an internal investigation into suspected fraud found over \$115 million in missing bookings.

Co-founder and CEO David Richards and CFO Erik Miller are to step down from the board with immediate effect, WANdisco said today, as the firm scrambled to find interim execs to replace them.

WANdisco said the investigation had confirmed that its previously published purchase orders and sales bookings for last year were false. Revenue for 2022 should have been \$9.7 million rather than \$24 million, and bookings should have been \$11.4 million rather than \$127 million.

WANdisco said the departures were not connected to the investigation.

David Richards said: "I am sad to be leaving WANdisco after 18 extremely enjoyable years. I remain a passionate supporter and significant shareholder of the Company."

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The Sheffield-based business, which only weeks ago was eyeing a US listing for its shares, [last month asked for them to be suspended in London as it discovered a major fraud that could threaten it as a going concern.](#)

In a shock announcement to the stock exchange, it tore up its guidance for 2022 and said an investigation was under way to identify its “true financial position” after sales booked by an employee appeared to have been inflated in what it called “significant, sophisticated and potentially fraudulent irregularities.”

The company [brought in Ken Lever, who until recently was chair of waste management business Biffa,](#) to become the firm’s interim chair as well as run its fraud investigation alongside non-exec director Peter Lees and audit committee chair Karl Monaghan.

South Yorkshire police and police from San Francisco, the home of the company’s US base, told the Standard they had not had any reports from WANdisco relating to fraud. WANdisco and the London Stock Exchange declined to comment on whether police were involved in the investigation. The Serious Fraud Office said it could neither confirm nor deny whether it was investigating the incident.

A one-time stock-market darling, WAN helps companies move complex data systems to run via cloud computing and helps manage connected devices in the so-called “internet of things.”

It had a market value in London of around £880 million at the time its shares were suspended at 1310p each. Its clients have included Barclays, Daimler, games maker EA and GoDaddy, the US internet domain company.

52-year-old Richards, who only last year was awarded an MBE for services to the IT sector, controls a 5.5% stake in the company which was worth over £30 million before the stock market suspension.

A month ago today, Richards [collected an award from the City AM newspaper for “innovative company of the year.”](#)

“Judges gave WANdisco a unanimous seal of approval” for the firm as it “distinguished itself in the tech space this year,” the newspaper wrote.