

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 4 7 3 2 7 2 7

Company name in full Security and Facilities Management Services Limite

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Annette

Surname Reeve

3 Liquidator's address

Building name/number Astute House

Street

Post town Wilmslow Road

County/Region Handforth

Postcode S K 9 3 H P

Country

4 Liquidator's name ①

Full forename(s)

Surname

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

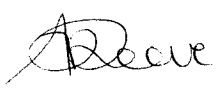
6 Period of progress report

From date	^d 2	^d 5	^m 0	^m 5	^y 2	^y 0	^y 2	^y 0	
To date	^d 2	^d 4	^m 0	^m 5	^y 2	^y 0	^y 2	^y 1	

7 Progress report

<input checked="" type="checkbox"/> The progress report is attached	
---	--

8 Sign and date

Liquidator's signature	Signature X 	X							
Signature date	^d 0	^d 3	^m 0	^m 6	^y 2	^y 0	^y 2	^y 1	

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Sabina Fox

Company name Beesley Corporate Recovery
Limited

Address Astute House
Wilmslow Road

Post town Handforth

County/Region Cheshire

Postcode S K 9 3 H P

Country

DX

Telephone 01625 544 795

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.


**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Security and Facilities Management Services Limite
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £	From 25/05/2020 To 24/05/2021 £	From 25/05/2017 To 24/05/2021 £
58,346.11	SECURED ASSETS	
	Book Debts	NIL
		NIL
(130,995.00)	SECURED CREDITORS	
(64,077.83)	HSBC Bank plc	NIL
	Bibby Financial Services Ltd	NIL
		NIL
22,800.00	HIRE PURCHASE	
(21,024.52)	Landrover Discovery OV13EAO	NIL
	Conister Bank Limited	NIL
		NIL
	ASSET REALISATIONS	
	Book Debts	313.55
	Cash at Bank	5,339.82
	Director contribution to costs	7,620.00
5,200.00	Office equipment	NIL
650.00	Plant and machinery	NIL
2,500.00	Stock	NIL
		13,273.37
	COST OF REALISATIONS	
	Bank Charges	0.25
	Legal Fees	850.00
	Liquidators Fees	1,055.26
	Pension Consultancy	150.00
	Specific Bond	450.00
	Statement of Affairs Fee	10,000.00
	Statutory Advertising	207.00
	Storage Costs	550.00
		(13,262.51)
(33,406.14)	PREFERENTIAL CREDITORS	
	Employee arrears of wages/holiday pa	NIL
		NIL
(24,881.95)	UNSECURED CREDITORS	
(62,028.18)	Consumer Creditors	NIL
(30,038.77)	Employee redundancy/notice pay	NIL
(725.70)	HM Revenue & Customs	NIL
(224,579.04)	Paul Birch Director's loan account	NIL
	Trade & Expense Creditors	NIL
		NIL
(2.00)	DISTRIBUTIONS	
	Ordinary Shareholders	NIL
		NIL
(502,263.02)		NIL
	REPRESENTED BY	
	Bank 1 Current	10.86
		10.86


Annette Reeve
Liquidator

Security and Facilities Management Services Limited
Liquidator's Annual Progress Report to Members and Creditors

For the period 25 May 2020 to 24 May 2021

Report Dated 3 June 2021

Private & Confidential

**Beesley Corporate Recovery
Astute House
Wilmslow Road
Handforth
SK9 3HP**

SECURITY AND FACILITIES MANAGEMENT SERVICES LIMITED - IN LIQUIDATION

CONTENTS

- 1** Introduction and Statutory Information
- 2** Receipts & Payments
- 3** Progress of the Liquidation
- 4** Creditors
- 5** Liquidator's Remuneration
- 6** Creditors' Rights
- 7** Next Report

APPENDICES

- A** Receipts and Payments Account for the Period from 25 May 2020 to 24 May 2021 and Cumulative Receipts and Payments Account for the Period since the Liquidator's Appointment
- B** Time Analysis for the Period from 25 May 2020 to 24 May 2021
- C** Cumulative Time Analysis for the Period since the Liquidator's Appointment
- D** Additional information in relation to Liquidator's Fees, Expenses & the use of Subcontractors

SECURITY AND FACILITIES MANAGEMENT SERVICES LIMITED - IN LIQUIDATION

1 Introduction and Statutory Information

- 1.1 I, Annette Reeve of Beesley Corporate Recovery, was appointed as Liquidator of Security and Facilities Management Services Limited (the **Company**) on 25 May 2017. This progress report covers the period from 25 May 2020 to 24 May 2021 (**the Period**) and should be read in conjunction with any previous progress reports which have been issued.
- 1.2 Information about the way that we will use, and store personal data on insolvency appointments can be found at <http://beesley.co.uk/docs/CorpPrivacyNotice.pdf>. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.3 The principal trading address of the Company was Systems House, Tupton Way, Holmewood Industrial Park, Holmewood, Chesterfield S42 5UZ.
- 1.4 The registered office of the Company has been changed to Astute House, Wilmslow Road, Handforth SK9 3HP and its registered number is 04732727.

2 Receipts and Payments

- 2.1 At Appendix A is my Receipts and Payments Account covering the Period of this report as well as a cumulative Receipts and Payments Account for the period from the date of my appointment as Liquidator to the end of the Period covered by this report.
- 2.2 In Section 3 below, you will find an update on the progress made during the Period in realising the Company's assets and dealing with its affairs. I would, however, bring the following matters about the receipts and payments during the Period to your attention:

3 Progress of the Liquidation

- 3.1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period and an explanation of the work done by the Liquidator and his staff.
- 3.2 At the time of the last report, you will recall that the liquidation remained open as investigations remained ongoing into all realisable Company assets.

Draft proceedings were issued against Paul Birch on 20 August 2020 for misfeasance and breach of duty for the sum of £83,566.46 plus interest and costs.

Paul Birch proposed an IVA ("Individual Voluntary Arrangement") to his Creditors which was due to be considered on 19 August 2020, and the meeting was adjourned to 26 August 2020. The Nominee was not made aware of the draft proceedings, or prior discussions with our solicitor, therefore our claim had been omitted from the IVA proposal.

The Liquidator's proof of debt and proxy vote was submitted for £105,344.11. The vote was to reject the IVA proposal. However, it was accepted by voting Creditors by a narrow margin. The Nominee accepted the Liquidator's vote as a contingent Creditor for £1.

At this stage, the Liquidator's solicitor remains in contact with the Supervisor of the IVA, DMC Recovery Limited, and Paul Birch's own solicitor. Paul Birch continues to dispute our claim, therefore at this stage, it has not been admitted into the IVA. The dividend prospects at this stage are 17.33p/£ and if our claim is admitted, this will reduce to 12.44p/£.

Administration (including statutory compliance & reporting)

- 3.3 An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work I anticipated would need to be done in this

SECURITY AND FACILITIES MANAGEMENT SERVICES LIMITED - IN LIQUIDATION

area was outlined in my initial fees estimate/information which was previously agreed by creditors.

- 3.4 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Liquidator.
- 3.5 As noted in my initial fees estimate/information, this work will not necessarily bring any financial benefit to creditors but is required on every case by statute.

Realisation of Assets

- 3.6 It is not anticipated that the work the Liquidator has carried out to deal with the Company's assets will provide a financial benefit to creditors. This is because either the value of the assets was insufficient to produce a financial benefit after the associated costs of realisation were taken into consideration, or because there were no assets owned by the Company in accordance with the Company's statement of affairs that could be realised for the benefit of creditors.

Creditors (claims and distributions)

- 3.7 Liquidators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 3.8 Since 1 December 2020, claims from preferential creditors now fall into one of two categories, either ordinary (typically involving employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal, which rank equally among themselves), or secondary (which are claims by HMRC for VAT or other relevant tax deductions such as PAYE and employee NIC deductions, together with student loans and CIS deductions, which also rank equally among themselves). Ordinary preferential claims rank ahead of secondary preferential claims and all preferential creditors must be paid in full before any distribution can be made to the unsecured creditors of a company.
- 3.9 Work undertaken by a Liquidator in dealing with a company's creditors may only therefore bring a financial benefit to certain classes of creditor such as a secured creditor or the preferential creditors, however a Liquidator is required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Liquidator in dealing with those claims.
- 3.10 More information on the anticipated outcome for all classes of creditor in this case can be found in Section 4 below.
- 3.11 At this stage, I consider the following matters worth bringing to the attention of creditors:
- I have dealt with the claims of 20 employees
 - Creditor balances have increased to approximately £787,533.41 with claims received totalling £581,921.04. The reason for this is due to several Creditor claims increasing, plus there were several Creditors who had not been declared in the original statement of affairs
 - I have received preferential claims from the Redundancy Payments Service totalling £7,692.54

SECURITY AND FACILITIES MANAGEMENT SERVICES LIMITED - IN LIQUIDATION

Investigations

- 3.12 My investigations revealed the following issues:
- 3.13 The Director has been found to be in breach of his duties, including but not limited to: authorising or allowing payments to himself in excess of his legitimate salary entitlement; authorising or allowing the Company's bank account to be used for personal payments, or otherwise for payments which were not made for any legitimate purpose in the Company's business or interests and receiving and retaining the personal benefit of any or all of these payments to the detriment of the Company and its creditors.
- 3.14 As covered in section 3.2, the services of MD Law LLP have been engaged to initially contact Paul Birch to discuss the findings of our investigations to try to reach a settlement, and eventually issue draft proceedings.
- 3.15 You may recall from my first progress report to creditors that some of the work Liquidators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (**CDDA 1986**) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Liquidator can pursue for the benefit of creditors.
- 3.16 My report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the first year of the liquidation and is confidential. A disqualification order has been made against Paul Birch until 7 November 2026, for conduct whilst acting as a Director of a related Company SFM Security Limited 10750864.

Matters still to be dealt with

- 3.17 The Liquidation will remain open until the Liquidator's claim in Paul Birch's IVA is accepted, or we reach an acceptable settlement, outside of his arrangement.

4 Creditors

Secured Creditors

- 4.1 HSBC Bank plc and Bibby Financial Services Ltd hold fixed and floating charges over the Company's assets. At the date of the liquidation the indebtedness to the secured creditors was estimated at £130,995 and £64,077.83 respectively. A claim from HSBC Bank plc has been received in the sum of £132,292.79. However, a claim from Bibby Financial Services Ltd has not been received.

Preferential Creditors

- 4.2 A summary of the ordinary and secondary preferential claims in the liquidation and details of any distributions paid to date can be found below:

Ordinary preferential claims	Agreed Claim £	Statement of Affairs Claim £	Dividend paid p in the £1
Employee claims (Total number of claims = 20)	7,692.54	33,406.14	Nil

Unsecured Creditors

- 4.3 The Company's statement of affairs indicated there were 101 creditors whose debts totalled £476,751.10. To date, I have received claims totalling £581,921.04 from 37 creditors.

SECURITY AND FACILITIES MANAGEMENT SERVICES LIMITED - IN LIQUIDATION

5 Liquidator's Remuneration

5.1 Creditors approved that the basis of the Liquidator's remuneration be agreed on the basis of time spent by the Liquidator and her staff attending to matters arising in the Liquidation in accordance with the fees estimate. My fees estimate/information was originally provided to creditors when the basis of my remuneration was approved and was based on information available to me at that time.

5.2 A copy of my approved fees estimate for the liquidation is reproduced below:

Category of work	Estimated Number of Hours	Estimated cost £
Administration (inc statutory compliance & reporting)	23	
Realisation of assets	17	
Creditors (claims & distributions)	13	
Investigations	18	
Total estimated fees		£18,700

5.3 My time costs for the Period are £5,125. This represents 19.50 hours at an average rate of £262.82 per hour. Attached as Appendix C is a Time Analysis which provides details of the activity costs incurred by staff grade during the Period in respect of the costs fixed by reference to time properly spent in managing the liquidation. To date, £1,055.26 plus expenses shown in the enclosed Receipts and Payments Account has been drawn on account.

5.4 Also attached as Appendix D is a cumulative Time Analysis for the period from 25 May 2017 to 24 May 2021 which provides details of the time costs incurred since my appointment. The cumulative time costs incurred to date are £38,997.50. This represents 165.10 hours at an average rate of £236.21 per hour.

5.5 At the date of this report, I would confirm that my fees estimate for the liquidation remains unchanged and I currently anticipate that the total amount that will be paid to my firm in respect of the time costs incurred will be £18,700. Where this amount is less than my overall fees estimate, it may be that my fee recoveries will be restricted as a result of the funds available in the liquidation, which will prevent my time costs being recovered in full.

5.6 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from http://beesley.co.uk/guides/Creditors_Liquidators_Fees_Guide.pdf.

5.7 Attached as Appendix D is additional information in relation to the Liquidator's fees and expenses including where relevant, information on the use of subcontractors and professional advisers.

6 Creditors' Rights

6.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report.

6.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidator, as set out in this progress report, are excessive.

SECURITY AND FACILITIES MANAGEMENT SERVICES LIMITED - IN LIQUIDATION

7 Next Report

- 7.1 I am required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write to all creditors with my final account.
- 7.2 If you have any queries in relation to the contents of this report, Sabina Fox can be contacted by telephone on 01246 224399 or by email at sabina@beesley.co.uk.

Yours faithfully



Annette Reeve
Liquidator

A

Security and Facilities Management Services Limite
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £		From 25/05/2020 To 24/05/2021 £	From 25/05/2017 To 24/05/2021 £
	SECURED ASSETS		
58,346.11	Book Debts	NIL	NIL
		NIL	NIL
	SECURED CREDITORS		
(130,995.00)	HSBC Bank plc	NIL	NIL
(64,077.83)	Bibby Financial Services Ltd	NIL	NIL
		NIL	NIL
	HIRE PURCHASE		
22,800.00	Landrover Discovery OV13EAO	NIL	NIL
(21,024.52)	Conister Bank Limited	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
	Book Debts	NIL	313.55
	Cash at Bank	NIL	5,339.82
	Director contribution to costs	NIL	7,620.00
5,200.00	Office equipment	NIL	NIL
650.00	Plant and machinery	NIL	NIL
2,500.00	Stock	NIL	NIL
		NIL	13,273.37
	COST OF REALISATIONS		
	Bank Charges	NIL	0.25
	Legal Fees	NIL	850.00
	Liquidators Fees	NIL	1,055.26
	Pension Consultancy	NIL	150.00
	Specific Bond	NIL	450.00
	Statement of Affairs Fee	NIL	10,000.00
	Statutory Advertising	NIL	207.00
	Storage Costs	NIL	550.00
		NIL	(13,262.51)
	PREFERENTIAL CREDITORS		
(33,406.14)	Employee arrears of wages/holiday pa	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(24,881.95)	Consumer Creditors	NIL	NIL
(62,028.18)	Employee redundancy/notice pay	NIL	NIL
(30,038.77)	HM Revenue & Customs	NIL	NIL
(725.70)	Paul Birch Director's loan account	NIL	NIL
(224,579.04)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(2.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(502,263.02)		NIL	10.86
	REPRESENTED BY		
	Bank 1 Current		10.86
			10.86

Annette Reeve
Liquidator



Time Entry - SIP9 Time & Cost Summary

0182 - Security and Facilities Management Services Limite
All Post Appointment Project Codes
From: 25/05/2020 To: 24/05/2021

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	1.00	7.60	0.00	0.00	8.60	2,275.00	264.53
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	1.00	3.40	0.00	0.00	4.40	1,225.00	278.41
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	6.50	0.00	0.00	6.50	1,625.00	250.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	2.00	17.50	0.00	0.00	19.50	5,125.00	262.82
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	



Time Entry - SIP9 Time & Cost Summary

0182 - Security and Facilities Management Services Limite
All Post Appointment Project Codes
From: 25/05/2017 To: 24/05/2021

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	4.20	24.70	0.00	0.10	29.00	7,260.00	250.34
Case Specific Matters	0.60	0.60	0.00	0.00	1.20	360.00	300.00
Creditors	3.40	40.80	0.00	0.00	44.20	10,480.00	237.10
Investigations	1.00	6.90	0.00	0.00	7.90	1,902.50	240.82
Realisation of Assets	1.40	81.40	0.00	0.00	82.80	18,995.00	229.41
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	10.60	154.40	0.00	0.10	165.10	38,997.50	236.21
Total Fees Claimed						1,055.26	
Total Disbursements Claimed						0.00	

SECURITY AND FACILITIES MANAGEMENT SERVICES LIMITED - IN LIQUIDATION

Appendix D

Additional Information in Relation to the Liquidator's Fees, Expenses & the use of Subcontractors

Staff Allocation and the use of Subcontractors

The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.

We have not utilised the services of any subcontractors on this case.

Professional Advisors

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
MD Law LLP (legal advice)	Fixed fee
Clumber Consultancy (pension advice)	Fixed fee

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

Liquidator's Expenses

The estimate of expenses which were anticipated at the outset of the liquidation was provided to creditors when the basis of my fees was approved. The table below compares the anticipated costs against those incurred to date.

Category 1 expenses

These expenses do not require prior approval by creditors. The type of expenses that may be charged to a case as a Category 1 expense generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, external room hire and external storage costs. Also chargeable, will be any properly reimbursed expenses incurred by personnel in connection with the case. These expenses may include disbursements which are payments first met by an office holder and then reimbursed from the estate.

Expense	Estimated overall cost £	Paid in Prior Period £	Paid in the period covered by this report £	Incurred but not paid to date £
Agent's fees & expenses	1,500			
Legal fees & expenses	10,000	850		8,165
Statutory advertising	276	207		
Specific Penalty Bond	230	450		
External storage costs	150	550		
Bank charges		0.25		
Pension advice		150		

SECURITY AND FACILITIES MANAGEMENT SERVICES LIMITED - IN LIQUIDATION

Charge-Out Rates

Beesley Corporate Recovery's current charge-out rates effective from 1 January 2021 are detailed below. Work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. The current hourly charge-out rates are:

	£
Partner / Appointment taker	500
Senior Manager	300
Manager	250
Supervisor/Senior Administrator	200
Case Administrator/Cashier	165
Other assistants and support Staff	100