

# AM10

## Notice of administrator's progress report



Companies House

MONDAY



A03 09/03/2020 #2  
COMPANIES HOUSE

### 1 Company details

Company number 08139698  
Company name in full Focused Security Services Ltd

→ Filling in this form  
Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Mark Elijah Thomas  
Surname Bowen

### 3 Administrator's address

Building name/number 11 Roman Way  
Street Berry Hill  
Post town Droitwich Spa  
County/Region Worcestershire  
Postcode WR99AJ  
Country

### 4 Administrator's name ①

Full forename(s)  
Surname

① Other administrator  
Use this section to tell us about  
another administrator.







### 5 Administrator's address ②

Building name/number  
Street  
Post town  
County/Region  
Postcode  
Country

② Other administrator  
Use this section to tell us about  
another administrator.

## AM10

## Notice of administrator's progress report

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**Business & Property Courts in Birmingham**

**No. 622 of 2019**

**Focused Security Services Limited  
(In Administration)**

**The Administrator's Progress Report to 08 February 2020**

**Mark Bowen**

**MB Insolvency**

**11 Roman Way**

**Berry Hill, Droitwich**

**Worcestershire**

**WR9 9AJ**

**01905 776 771**

**[information@mb-i.co.uk](mailto:information@mb-i.co.uk)**

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Mark Bowen was appointed Administrator of Focused Security Services Limited on 09 August 2019. The affairs, business and property of the Company are managed by the Administrator. The Administrator acts as an agent of the Company and contracts without personal liability.

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## 1. EXECUTIVE SUMMARY

This report describes the progress since the commencement of the Administration ("the Review Period"). A summary of key information in this report is detailed below.

### Asset realisations

Asset	Estimated to realise per Statement of Affairs	Realisations to date	Anticipated future realisations	Total anticipated realisations
Goodwill	49,676	37,426	12,250	49,676
Intellectual Property	1.00	1.00	-	1.00
Customer Contracts	1.00	1.00	-	1.00
Customer Records	1.00	1.00	-	1.00
Customer Database	1.00	1.00	-	1.00
Office Furniture & Equipment	320	320	-	320
Cash at Bank	4,215	3,317	-	3,317
Other debtors	Uncertain	-	-	-
Factored Book Debts (Fixed Charge Surplus)	9,674	6,664	-	6,664

### Expenses

Expense	Estimated per Proposal's Estimated Outcome Statement	Expense charged to date	Anticipated further expense to closure	Total anticipated expense
Administrator's fees	49,335	26,000	23,335	49,335
Solicitors' fees	1,500	550	-	550
Accountant's Fees	1,500	-	1,500	1,500
Storage Costs	700	-	600	600
Pension Fees	300	300	300	300
Category 1 Disbursements	511	501	10	511
Category 2 Disbursements	320	50	270	320

### Dividend prospects

Creditor class	Distribution / dividend paid to date	Anticipated distribution / dividend, based upon the above
Secured creditor	-	Paid in full from fixed charge book debt realisations
Preferential creditors	NA	NA
Unsecured creditors	Nil	Nil

#### 1.1 Summary of key issues outstanding

- Realisation of the remaining deferred consideration
- Director's Loan Account

## **2. THE PROGRESS OF THE ADMINISTRATION**

### **2.1 The Administrator's receipts and payments account**

Attached at Appendix II is a receipts and payments account for the Review Period.

The rest of this report describes the key developments in the Administration over the Review Period. For a detailed list of work undertaken by the Administrator as a whole, see Appendix IV.

In this section, I have summarised the main asset realisations during the Review Period and an estimation of those assets yet to be realised, together with details of the associated costs incurred but as yet remaining unpaid.

### **2.2 Administration (including statutory reporting)**

The Administrator has met a considerable number of statutory and regulatory obligations. Whilst many of these tasks have not had a direct benefit in enhancing realisations for the insolvent estate, they have assisted in the efficient and compliant progressing of the administration, which has ensured that the Administrator and their staff have carried out their work to high professional standards.

During the Review Period, primarily these tasks have included:

- Informing all relevant persons of the commencement of the Administration, including filing statutory documents at Companies House and meeting statutory advertising requirements;
- Issuing the Administrator's Proposals, seeking relevant creditors' approvals and issuing notice of the outcome;
- Drafting and issuing the progress report to creditors;
- Consulting with and instructing staff and independent advisers as regards practical, technical and legal aspects of the case to ensure efficient progress;
- Maintaining case files, which must include records to show and explain the administration and any decisions made by the Administrator that materially affect the administration;
- Monitoring and maintaining an adequate statutory bond;
- Conducting periodic case reviews to ensure that the administration is progressing efficiently, effectively and in line with the statutory requirements;
- Maintaining and updating the estate cash book and bank accounts, including regular bank reconciliations and processing receipts and payments; and
- Completing periodic tax returns.

### **2.3 Realisation of assets**

#### **Sale of the Business and Assets**

As reported in detail in the Proposals and the SIP 16 statement, the business and certain assets of the Company were sold for £50,000 on 9 August 2019 to Focused Services Group Ltd, ('FSG') a connected party, by way of a formal sale agreement. The offer from FSG being the only offer received following a period of marketing prior to appointment.

The sale was made on deferred terms payable by way of monthly instalments which commenced on 9 September 2019 and are due to finish 9 April 2020. I can confirm that to date all payments have been received in line with the agreement and in a timely manner.

#### **Cash at Bank**

The Company's current account has been closed and funds of £3,317 have been realised representing the credit balance as at the date of appointment after final charges had been applied.

#### **Book Debt Surplus**

The Company factored its book debts, and as a result were held as security by Positive Cashflow Finance Limited ('PCF'). Following appointment, PCF continued to collect the book debts which resulted in a surplus available for the estate; this surplus has been transferred to the Company in Administration, funds received totalled £6,664. The attached receipts and payments account refers to a surplus of £8,164 as, upon receipt of this amount, PCF advised that the sum of £1,500.40 had been transferred in error and were returned to PCF.

#### **Other Debtors**

As detailed within my proposals, the Company's last accounts included other debtors of circa £149,000 of which the sum of circa £60,000 related to an overdrawn loan account due from Mr. David Foster. The remaining amount relates to monies owed by a prior director who is now deceased.

The loan account has been reviewed as part of my investigations, and the Company's accountants MCA Group engaged to provide assistance with the reconciliation of the loan account; Mr. Foster has now been asked for his proposals for repayment of the loan account.

Mr. Foster has advised that due to his personal financial circumstances he is presently unable to repay the loan account. He is currently awaiting the outcome of divorce proceedings which I understand are due to come to a conclusion in April 2020, where any settlements (if applicable) will be made. The position, along with Mr. Foster's definitive statement of assets and liabilities will be reviewed at this stage.

#### **2.4 Estimated future realisations**

As detailed above, deferred consideration of two months totalling £12,250 is due to be paid in March & April 2020.

The only other potential realisation will be the director's loan account which at this stage is considered unlikely to result in a realisation.

#### **2.5 Costs incurred but remaining unpaid**

The following table summarises the costs incurred during the Review Period, but which as yet remain unpaid:

Cost Description	Amount (£)
Accountant's Fees	1,000
Storage Fees	700
TOTAL	1,700

During the Review Period, the Administrator has also incurred time costs and direct expenses, not all of which have yet been discharged. Further details of these costs are set out in section 5 below.

### 3. CREDITORS: CLAIMS AND DISTRIBUTIONS

#### 3.1 Secured creditors

The Company granted a fixed and floating charge to Positive Cashflow Finance Limited ('PCF') on 30 July 2019 who were owed circa £136,284 on appointment.

The indebtedness to PCF has been repaid under the terms of their fixed charge by way of a collection of the company's book debt ledger.

#### Preferential creditors

- 3.2 There are no preferential claims in respect of arrears of wages and holiday pay as all employees transferred to the purchaser upon completion of the pre-packaged sale.

#### 3.3 Unsecured creditors

Unsecured claims were estimated at £198,502 in the Director's Estimated Statement of Affairs. It is not anticipated that a dividend will be paid to unsecured creditors.

### 4. INVESTIGATIONS

#### 4.1 Investigations

As part of the Administrator's statutory duties, an investigation into the conduct of the Company Directors was completed.

In this regard, a confidential report was submitted to The Insolvency Service on 4 November 2019.

#### 4.2 Initial Assessment of Potential Recoveries

As part of my duties as Administrator, I am obliged to review shortly after appointment all the information available and conduct an initial assessment of whether there are any matters which may lead to any recoveries for the benefit of creditors. This would typically include any potential claims which may be brought against parties either connected to or who have past dealings with the Company.

This review has been completed and I can confirm that I did not identify any further assets (aside from the directors' loan account of which I was already aware), or actions which would lead to a recovery for creditors.



## THE ADMINISTRATOR'S FEES AND EXPENSES

### 4.1. Pre-Administration Costs

Included within the Administrator's Proposals was a Statement of Pre-Administration Costs.

These costs were approved by the secured creditor (PCF) as detailed below:

Party instructed	Amount approved (£)	Date approved
MB Insolvency	5,640	30.09.2019
Deeley Matthews*	1,500	30.09.2019
Freeths LLP	4,500	30.09.2019
<b>TOTAL APPROVED</b>	<b>£11,640</b>	

\*Note Deeley Matthews pre appointment costs have not yet been paid.

### 4.2. The Administrator's Fees

The basis of the Administrator's fees was fixed on 30 September 2019 by the secured creditor as follows:

1. A set fee of £49,355

To date, £26,000 has been drawn in respect of this set fee.

"A Creditors' Guide to Administrators' Remuneration" is available for download at [www.mb-i.co.uk](http://www.mb-i.co.uk).

Should you require a paper copy, please send your request in writing to the Administrator at the address on the front of this report and this will be provided to you at no cost.

### 4.3. Comparison of estimates

The expenses incurred to date are compared with the original expenses estimate as follows:

Expenses	Original expenses estimate £	Actual expenses incurred in the Review Period £	Actual expenses incurred to date £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Legal costs	1,500	550	550	-
Accountant's Fees	1,500	1,000	1,000	-
Storage Costs	700	600	600	-
Pension Fees	300	300	300	-
Category 1 expenses	511	501	501	-
Category 2 expenses	320	300	300	-
<b>TOTAL</b>	<b>4,831</b>	<b>3,251</b>	<b>3,251</b>	

The bases on which the expenses defined as Category 2 disbursements are calculated are explained in Appendix III.

Having regard for the costs that are likely to be incurred in bringing this Administration to a close, the Administrator considers that:

- the original fees estimate is unlikely to be exceeded; and
- the original expenses estimate is unlikely to be exceeded

#### **4.4. Creditors' right to request information**

Any secured creditor, or unsecured creditor with the support of at least 5% in value of the unsecured creditors or with permission of the Court, may request in writing the Administrator to provide additional information regarding fees or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report.

#### **4.5. Creditors' right to challenge fees and/or expenses**

Any secured creditor, or unsecured creditor with the support of at least 10% in value of the unsecured creditors or with permission of the Court, may apply to the Court for one or more orders, reducing the amount or the basis of fees which the Administrator is entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within 8 weeks of receipt by the applicant(s) of the progress report detailing the fees and/or expenses being complained of.

Please note that such challenges may not disturb fees or expenses (whether or not discharged from the estate) disclosed in prior progress reports.

### **5. CONCLUSION**

The Administration will continue in order to finalise the following outstanding matters:

- Continue to collect the deferred consideration
- Continue to review and realise any amounts in respect of the Director's Loan Account

If you require any further information please contact Sophie Murcott on 01905 776 771.



**Mark Bowen - Administrator**

MarkBowen was appointed Administrator of The Company on 9 August 2019. The affairs, business and property of the Company is managed by the Administrator. The Administrator acts as an agent of the Company and contracts without personal liability.

**FOCUSED SECURITY SERVICES LIMITED  
(IN ADMINISTRATION)**

**STATUTORY INFORMATION**

Company Name	Focused Security Services Limited
Previous Names	None
Proceedings	In Administration
Court	Business & Property Courts in Birmingham
Court Reference	622 of 2019
Date of Appointment	9 August 2019
Administrator	Mark Bowen
	MB Insolvency, 11 Roman Way, Berry Hill, Droitwich, Worcester, WR9 9AJ
Registered office address	MB Insolvency, 11 Roman Way, Berry Hill, Droitwich, Worcester, WR9 9AJ
Company Number	08139698
Appointment by	The Director

**DEFINITIONS**

The Act	Insolvency Act 1986
The Rules	Insolvency (England & Wales) Rules 2016
The Administrator	Mark Bowen of MB Insolvency
The Company	Focused Security Services Limited (in Administration)
The Court	Business & Property Courts in Birmingham
SIP	Statement of Insolvency Practice
Review Period	Period covered by the report from 9 August 2019 to 8 February 2020

## APPENDIX II

**Focused Security Services Ltd  
(In Administration)  
Administrator's Summary of Receipts & Payments**

S of A £		To 08/02/2020		£	£
	SECURED ASSETS				
49,676 00	Goodwill		37,426 00		
1 00	Intellectual Property		1 00		
145,958 00	Book Debts		NIL		
1 00	Contracts		1 00		
1 00	Customer Records		1 00		
1 00	Customer Database		1 00		
					37,430 00
	SECURED CREDITORS				
-136,284 00	Positive Cashflow Finance Ltd		NIL		
					NIL
	ASSET REALISATIONS				
320 00	Office Furniture & Equipment		320 00		
	Book Debts (Fixed Charge Surplus)		8,164.11		
4,152 00	Cash at Bank		3,317 18		
	Bank Interest Gross		2 92		
Uncertain	Other Debtors		NIL		
					11,804 21
	COST OF REALISATIONS				
	Specific Bond		420 00		
	Pre Appointment Fees		5,640.00		
	Office Holders Fees		26,000 00		
	Refund 3rd Party Monies		1,500.40		
	Pension Fees		300 00		
	Legal Fees (1)		5,050.00		
	Postage		9 80		
	Photocopying		49 98		
	Statutory Advertising		71 00		
					-39,041 18
	UNSECURED CREDITORS				
-29,076 32	Trade & Expense Creditors		NIL		
-23,000 00	Banks/Institutions		NIL		
-146,425 93	HM Revenue & Customs		NIL		
					NIL
	DISTRIBUTIONS				
-2 00	Ordinary Shareholders		NIL		
					NIL
-134,678.25					10,193.03
	REPRESENTED BY				
	Vat Receivable				7,498.16
	Bank 1 Current				2,694 87
					10,193.03

**FOCUSED SECURITY SERVICES LIMITED  
(IN ADMINISTRATION)**

**CHARGE-OUT RATES AND BASES OF CATEGORY 2 DISBURSEMENTS**

<b>Staff</b>	<b>Charge out rates £ per hour</b>
<b>Insolvency Practitioner/Partners</b>	<b>300</b>
<b>Senior Manager</b>	<b>250</b>
<b>Manager</b>	<b>200</b>
<b>Administrator</b>	<b>150</b>
<b>Secretarial/Administration support staff</b>	<b>90</b>

<b>Description</b>	<b>Cost £</b>
<b>Photocopying / Printing</b>	<b>£0.17 per sheet</b>
<b>Registered office fee</b>	<b>£125 per annum</b>
<b>IPS charge</b>	<b>£125 per case</b>
<b>Mileage</b>	<b>£0.45 per mile</b>
<b>Room hire</b>	<b>£60 per hour where held at MBI offices</b>

**FOCUSED SECURITY SERVICES LIMITED (IN ADMINISTRATION)**  
**DETAILS OF WORK UNDERTAKEN BY THE ADMINISTRATOR**

General Description	Includes
<b>Administration (including statutory reporting)</b>	
<b>Statutory/advertising</b>	Filing of documents to meet statutory requirements Advertising in accordance with statutory requirements
<b>Document maintenance/file review/checklist</b>	Filing of documents Periodic file reviews Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists
<b>Bank account administration</b>	Preparing correspondence opening and closing accounts Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments
<b>Planning / review</b>	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case
<b>Books and records / storage</b>	Dealing with records in storage Sending case files to storage
<b>Creditor reports</b>	Disclosure following pre-pack sale of assets SIP 16 & 13 Preparing proposal, six monthly progress reports,
<b>Creditors' decisions</b>	Preparation of decision notices, proxies/voting forms Collate and examine proofs and proxies/votes to establish decisions Responding to queries and questions following decisions Issuing notice of result of decision process
<b>Investigations</b>	
<b>SIP 2 Review</b>	Collection, and making an inventory, of company books and records Correspondence to request information on the company's dealings, making further enquiries of third parties Reviewing questionnaires submitted by creditors and directors Reconstruction of financial affairs of the company Reviewing company's books and records Review of specific transactions and liaising with directors regarding certain transactions
<b>Statutory reporting on conduct of director(s)</b>	Preparing statutory investigation reports Liaising with the Insolvency Service Submission of report to the Insolvency Service Assisting the Insolvency Service with its investigations
<b>Realisation of Assets</b>	
<b>Sale of Business as a Going Concern</b>	Instructing and liaising with agents Pursuing deferred sale consideration
<b>Debtors and retentions</b>	Receiving updates from charge holder regarding surplus funds, receiving and liaising reassignment of ledger
<b>Creditors (claims and distribution)</b>	
<b>Creditor communication</b>	Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post Corresponding with the PPF and the Pensions Regulator
<b>Dealing with proofs of debt ('POD')</b>	Receipting and filing POD