Ban for manufacturing director caught breaching disqualification

Medisafe Systems was incorporated in March 2010 and traded as a hospital fittings and equipment supplier.

But seven years later, the company began to struggle, and Medisafe Systems entered administration in November 2017, which brought them to the attention of the Insolvency Service.

Investigators established that Loughlin Michael Shannon (74), from Newcastle-on-Tyne was appointed a director of the company in March 2010 but resigned in January 2012.

Just over a year later, Loughlin Shannon voluntarily accepted a three-year disqualification undertaking in March 2013. This was in relation to his conduct as a director of Aycliffe Analytical Service Limited where he was banned for trading to the detriment of the tax authorities.

This meant Loughlin Shannon was banned from managing Medisafe. But his restrictions did not deter him, and Loughlin Shannon continued to act as a director in direct breach of his disqualification for just under two years between December 2014 and September 2016.

On 8 July 2020 the Secretary of State accepted a disqualification undertaking from Loughlin Michael Shannon, after he did not dispute that he acted as a director of Medisafe Systems Ltd whilst disqualified from doing so.

Effective from 29 July 2020, Loughlin Shannon is banned for 9 years from directly or indirectly becoming involved, without the permission of the court, in the promotion, formation or management of a company.

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

Loughlin Shannon thought he could get away with disregarding his ban when he continued to act as a director of Medisafe Systems. However, his actions caught up with him when the company went into insolvency and his misconduct came to light.

A nine-year ban is a significant amount of time to be disqualified and should serve as a stark warning to other directors to respect the terms of any undertaking you sign.

Loughlin Michael Shannon is of Newcastle on Tyne and his date of birth is November 1945.

Medisafe Systems Ltd (Company number 07199293).

Aycliffe Analytical Service Limited (Company number 06461813)

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 <u>range of restrictions</u>.

<u>Further information about the work of the Insolvency Service, and how to complain about financial misconduct</u>.

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