

Courts shut down rogue education publisher

Safety Guide Ltd was wound up in the public interest in the High Court in Manchester before District Judge Bever on 4 June 2020. The Official Receiver has been appointed as the Liquidator.

In considering the petition, the court heard that Safety Guide sold sponsorship opportunities to businesses with the promise that their business name would feature in educational booklets sent to schools, focussing on knife-crime and bullying.

The company began trading in 2016 and targeted small businesses, having purchased contact details from data suppliers, before making unsolicited sales calls.

Following complaints, however, investigators from the Insolvency Service carried out confidential enquiries into the Safety Guide's practices and established that the company's sales staff made misleading claims to persuade customers to sponsor the educational booklets.

Tactics included misleading customers by stating that they had previously entered into a verbal contract to provide sponsorship and that the booklets were already printed with the customer's name included.

Investigators found that no previous agreement had been sought and the booklets were printed in bulk and the sponsor's name and details were added only after they had paid Safety Guide. Some of the schools who received the booklets also questioned their educational value.

Safety Guide gave the impression in sales calls that it was a not-for-profit organisation and claimed to be offering booklets as part of a time-limited campaign. This suggested to potential sponsors that Safety Guide was working closely with schools and education authorities, which was not the case.

Through these inappropriate sales practices, the book publisher secured just over £2.5million by February 2019. However, investigators found Safety Guide's accounting records to be inadequate and were unable to verify outgoings, including payment for sub-contract labour of more than £900,000.

Additionally, payments of a similar amount were made to employees but not accounted for via the company's payroll system and PAYE records.

The Court wound the company up on the grounds that Safety Guide traded with a lack of commercial probity, engaged in misleading and aggressive sales practices, and failed to maintain, preserve or deliver up adequate accounting records.

David Hope, Chief Investigator for the Insolvency Service, said:

This company acted with a lack of integrity and used dubious sales tactics to elicit significant funds from small businesses.

Thankfully the court recognised the severity of the misconduct and now that the company has been wound-up, the Official Receiver can undertake further enquiries into Safety Guide's practices, including those of the directors.

All public enquiries concerning the affairs of the company should be directed to the Official Receiver: Manchester.OR@insolvency.gov.uk.

Safety Guide Ltd (Company number: 10140828) was incorporated on 22 April 2016. The company's registered office is at: 4 Henry Square Chambers, Petersfield, Ashton-Under-Lyne, England, OL6 7ST.

The petition was presented under section 124A of the Insolvency Act 1986 on 23 March 2020.

Company Investigations, part of the Insolvency Service, uses powers under the Companies Act 1985 to conduct confidential fact-finding investigations into the activities of live limited companies in the UK on behalf of the Secretary of State for Business, Energy & Industrial Strategy (BEIS). [Information about how to complain about a live company](#).

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