

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company Stopgate Properties Limited - in administration	Company number 04175681
In the High Court of Justice, Manchester District Registry, Chancery Division	Court case number 3101 of 2007

(a) Insert full name(s) and
address(es) of
administrator(s)

I / We (a) Leslie Ross and David Michael Riley of Grant Thornton UK LLP, 1st Floor,
Royal Liver Building, Liverpool L3 1PS

* Delete as applicable

attach a copy of ~~*my~~ / our proposals in respect of the administration of the above company

A copy of these proposals was sent to all known creditors on

(b) Insert date

(b) 31 October 2007

Signed Les
Joint Administrator

Dated 31 October 2007

Contact Details:

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

	Tel
DX Number	DX Exchange



SATURDAY

A12

COMPANIES HOUSE

When you have completed and signed this form please send it to the Registrar of Companies at
Companies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff

Recovery and Reorganisation

Grant Thornton UK LLP
Chartered Accountants
UK member of
Grant Thornton International

Our Ref LR/DKJ/S000451/7/KG

TO THE CREDITORS

31 October 2007

Dear Sirs

STOPGATE PROPERTIES LIMITED - IN ADMINISTRATION

**HIGH COURT OF JUSTICE
MANCHESTER DISTRICT REGISTRY
CHANCERY DIVISION**

NUMBER 3101 OF 2007

1 INTRODUCTION

- 1 1 Following the appointment of myself and David Michael Riley as joint administrators of the above company by a qualifying floating charge holder on 11 September 2007, I am submitting my proposals pursuant to paragraph 49(1) of Schedule B1 to the Insolvency Act 1986 for achieving the objectives of the administration
- 1 2 This report contains the information required by Rule 2 33 of the Insolvency Rules 1986
- 1 3 In accordance with paragraph 100 (2) of Schedule B1 to the Insolvency Act 1986 the functions of the administrators are to be exercised severally by any of the administrators or jointly by all of them

2 STATUTORY INFORMATION

- 2 1 The company's statutory details are as follows

registered number	4175681
date of incorporation	8 March 2001
registered office	Grant Thornton UK LLP 1st Floor Royal Liver Building Liverpool L3 1PS

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Royal Liver Building
Liverpool L3 1PS
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Grant Thornton UK LLP is authorised and regulated by the Financial Services Authority for investment business.

A list of personnel permitted by Grant Thornton to accept appointments as insolvency practitioners and of their respective authorising bodies may be inspected at the above address.



COMPANIES HOUSE

authorised share capital 100 ordinary shares of £1 each

issued share capital 100 ordinary shares of £1 each

Directors:	shareholding
Steven Barkley	nil
Charles Clifford Wanless	nil

Secretary	shareholding
Charles Clifford Wanless	nil

- 2 2 The EC Regulations on Insolvency Proceedings do apply to the administration and the administration constitutes the "main proceedings" for the purposes of those regulations

3 BACKGROUND TO ADMINISTRATORS' APPOINTMENT

- 3 1 Grant Thornton UK LLP (the firm) was first consulted by Yorkshire Bank plc (the Bank), who hold a qualifying floating charge over the assets of the company, on 29 August 2007 with a view to giving advice on the company's financial position. Prior to that consultation, neither I nor the firm, had any dealings or involvement with the company, the directors or its secretary

- 3 2 On 11 September 2007 the Bank formally demanded repayment of the company's loan facility. The company was unable to comply, following which the Bank filed its notice of appointment of an administrator in the court for the appointment of joint administrators at 1pm on 11 September 2007

- 3 3 The objective of the administration is rescuing the company as a going concern or achieving a better result for the company's creditors as a whole than would be likely if the company were wound up, or realising property in order to make a distribution to one or more secured or preferential creditors

4 ASSETS AND LIABILITIES

- 4 1 The directors have been requested to prepare a statement of affairs of the company, but have not yet done so

- 4 2 I have instructed agents to prepare valuations of the company's assets, all in Liverpool, which consist of

- commercial properties at Alexandra House, Hanson Road and Emirates House, Stopgate Lane
- apartments at The Focus Building, Great Crosshall Street
- partially completed apartments involving a redevelopment of 38/40 Victoria Street

- 4 3 At this stage I consider it would be commercially prejudicial to disclose these valuations prior to sale and I do not believe it is appropriate to provide an estimated outcome statement with these proposals
- 4 4 In any event the outcome remains uncertain pending finalisation of the costs which will be incurred in completing the development at Victoria Street and the professional costs in dealing with the administration
- 4 5 A list of the names and addresses of the creditors, in so far as they are known, the amount of their debts and details of any security held is attached at Appendix A
- 4 6 The Bank is the sole secured creditor and the amount due at the date of my appointment was £2,896,776 secured by fixed charges over the company's properties and a floating charge dated 26 January 2006
- 4 7 Based on the figures currently to hand it is unlikely that a prescribed part of floating charge assets will be available to be set aside for the benefit of unsecured creditors under Section 176A of the Insolvency Act 1986, as the Company's net property is likely to be less than the prescribed minimum
- 4 8 However if the Company's net property unexpectedly exceeds the prescribed minimum, if appropriate and in accordance with Section 176A (5) of the Insolvency Act 1986, I propose to make application to Court for an order that Section 176A should not apply if it transpires that the costs of distribution would be disproportionate to the benefits

5 CONDUCT OF THE ADMINISTRATION

TRADING AND FINANCING OF THE ADMINISTRATION

- 5 1 Following my appointment I have been
- preparing a strategy for completing the redevelopment at Victoria Street which involves a conversion to 12 apartments This has necessitated taking advice from professional advisers and designers, and obtaining quotations for the outstanding work, whilst continuing with the development
 - obtaining valuations of the company's commercial properties at Alexandra House and Emirates House
 - obtaining valuations of the company' apartments at The Focus Building
 - collecting rent from the tenants at the commercial properties
 - securing the premises where units are unoccupied
 - liaising with the company's Bank regarding the funding of the outstanding work
- 5 2 My receipts and payments account covering the period 11 September 2007 to 31 October 2007 is attached at Appendix B

6 PROPOSALS FOR ACHIEVING THE OBJECTIVE OF THE ADMINISTRATION

- 6 1 The joint administrators will pursue the objective of rescuing the company as a going concern or achieving a better result for the company's creditors as a whole than would be likely if the company were wound up, or realising property in order to make a distribution to one or more secured or preferential creditors
- 6 2 This objective will be achieved by the joint administrators seeking a rescue of the company as a going concern with the refinancing of the existing property portfolio
- 6 3 If this strategy cannot be achieved then I will continue with the redevelopment at Victoria Street with a view to sale, together with a sale of the commercial properties and apartments at The Focus Building via my agents Messrs Knight Frank LLP. This will achieve a better result for the company's creditors as a whole than would be likely if the company were wound up, or realise property in order to make a distribution to one or more secured or preferential creditors
- 6 4 It is proposed that the administration will end by the company going into Creditors Voluntary Liquidation, or if there are no monies available for unsecured creditors, by the dissolution of the company. If the Company is placed into Creditors Voluntary Liquidation it is proposed that Leslie Ross will be appointed liquidator. However, creditors may nominate a different Liquidator providing nomination to that effect is received before the approval of these proposals. These options will be considered further once the outcome has become clearer

7 ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS

- 7 1 Background information regarding the fees of administrators can be found at <http://www.insolvency-practitioners.org.uk> (navigate via 'Technical' to 'Creditors Guides to Fees'). Alternatively I will supply this information by post on request
- 7 2 The administrators will request that their remuneration be calculated according to the time properly given by the administrators and their staff in attending to matters arising in the administration
- 7 3 The joint administrators will charge out of pocket expenses at cost. Mileage is charged at standard rates which comply with HM Revenue and Customs limits or AA recommended rates. VAT is added to disbursement charges as necessary
- 7 4 Payments of the joint administrators' remuneration and disbursements are to be met from funds held in the administration in priority to the claims of creditors, and, after approval of the basis, the joint administrators may draw sums on account

- 7 5 In the event there is no return to unsecured creditors, the joint administrators' remuneration and disbursements will have to be agreed with the secured creditor in accordance with Rule 2 106 (9)(a) of the Insolvency (Amendment) Rules 2003
- 7 6 Our time costs to date total £77,974 Further details, including a breakdown by category of staff and work done will be given to the creditors' committee, if appointed, or made available at the creditors' meeting

8 MEETING OF CREDITORS

- 8 1 A meeting of creditors, pursuant to paragraph 51 of Schedule B1 to the Insolvency Act 1986 will be held on Monday 19 November 2007 at 10am at the offices of Grant Thornton UK LLP, 1st Floor, Royal Liver Building, Liverpool L3 1PS Formal notice of the creditors meeting is enclosed

Yours faithfully
for and on behalf of Stopgate Properties Limited



Leslie Ross
Joint Administrator

The affairs, business and property of Stopgate Properties Limited are being managed by Leslie Ross and David Michael Riley, appointed as joint administrators on 11 September 2007

APPENDIX A

STOPGATE PROPERTIES LIMITED - IN ADMINISTRATION

CREDITORS AT 11 SEPTEMBER 2007 PER ATTACHED LIST

Stopgate Properties Limited - In administration
Creditors at 11 September 2007

Unsecured Name	Address	Amount £
Charles Clifford Wanless	73 Whitewood Park	70,000 00
Steven Barkley	51 Burghill Road	20,000 00
Sutton Metropolitan Borough Council	Pavilion Buildings	Not known
Vodafone Limited	PO Box 549	Not known
Liverpool City Council	Parking Services	Not known
British Telecommunications plc	BT Insolvency Group	73 79
ScottishPower Energy Retail Limited	1 Atlantic Quay	596 83
United Utilities Water plc	PO Box 50	Not known
Metropolitan Borough of Wirral	Business Rates Section	Not known
Liverpool City Council	Revenue & Benefits Service	3,365 66
Npower Limited	Bridge House	20,909 74
Lex Vehicle Partners Limited	Heathside Park	Not known
Alba Lifts Limited	Unit 16D Westside	7,431 17
Aquaspeed Drain Services	171 Smallbrook Lane	105 75
Cobham Murphy Limited	116 Duke Street	2,837 21
Diaz Associates	5 Cavendish Road	5,035 70
Tweeds Limited	Cavern Court	5,146 50
Gaskells Waste Services	17-21 Foster Street	Not known
Legal & General Assurance Society	City Park	Not known
Mason Owen Property Consultants	Gladstone House	872 77
Sheffield Insulations Limited	Hillsborough Works	1,670 27
Tracker	3rd Floor	125 00
Kaupthing Singer & Friedlander Premium Finance Limited	Parsonage House	1,709 88
HM Revenue & Customs	Debt Management Enforcement & Insolvency	24,220 26
HM Revenue & Customs	VAT Insolvency	1,167 45
PB Electrical & Security Services Limited	63 Whitewood Park	4,692 71
WB Recycling Limited	Pingwood Lane	2,943 41
Mersey Building Services Limited	Unit 17 Manor Complex	1,175 00
	Aintree	
	Croxeth Park	
	99-105 Lord Street	
	Banbury	
	PO Box 981	
	Alexander Bain House	
	Glasgow	
	Warrington	
	PO Box 2	
	PO Box 834	
	200 Clough Road	
	Heathside Park Road	
	Jackson Street	
	Leigh	
	Liverpool	
	Crosby	
	8 Matthew Street	
	Boodle	
	The Droeway	
	11 Union Court	
	Langsett Road	
	The Wharf	
	Parsonage Square	
	Durington Bridge House	
	3rd Floor	
	Fazakerley	
	Simonswood	
	Kirkby Bank Road	
	Liverpool	
	Glasgow	
	G2 8SP	
	WASS 1AQ	
	Municipal Buildings	
	Municipal Buildings	
	Hull	
	Stockport	
	St Helens	
	Lancashire	
	L1 5JW	
	Liverpool	
	L23 6XB	
	L2 6RE	
	L20 6EX	
	BN3 7PY	
	L2 4UQ	
	S6 2LW	
	Leeds	
	LS1 4AZ	
	RH4 1UP	
	West Sussex	
	L74 4AA	
	Liverpool	
	L9 7LF	
	Liverpool	
	L33 4XZ	
	Liverpool	
	L33 7SY	
	Kirkby	
	Knowsley Industrial Park North	
	Wirral	
	CH41 8BU	
	L69 2UT	
	HU5 1SN	
	SK3 0RB	
	WA9 3AT	
	WN7 5PZ	
	Cleveland Street	
	Birkenhead	
	Dale Street	
	C2 8LA	
	L9 7LF	
	L12 OBS	
	PR8 1RJ	
	Liverpool	
	L89 2DH	
	Liverpool	
	L33 7SY	

Secured Name	Amount
Yorkshire Bank plc	2,896,775 95

APPENDIX B

STOPGATE PROPERTIES LIMITED - IN ADMINISTRATION

RECEIPTS AND PAYMENTS ACCOUNT 11 SEPTEMBER 2007 TO 31 OCTOBER 2007

	Total £
RECEIPTS	
Realisation of assets	
Cash at bank	4,988
Rent	1,682
Debtors	2,128
	<u>8,798</u>
PAYMENTS	
Administration expenses	
Completion costs	51,702
Insurance	834
Statutory notices	201
VAT	880
	<u>53,617</u>
Balance at 31 October 2007	<u><u>(44,819)</u></u>