

The Insolvency Act 1986

Notice of result of meeting of creditors

Name of Company Stopgate Properties Limited	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 the
administrator(s)

I (a) Leslie Ross, Grant Thornton UK LLP, 1st Floor, Royal Liver Building, Liverpool L3 1PS

hereby report that a meeting of the creditors of the above company was held at

(b) Insert place of meeting

(b) Grant Thornton UK LLP, 1st Floor, Royal Liver Building, Liverpool L3 1PS

(c) Insert date of meeting

on (c) 19 November 2007 at which

(f) Details of other resolutions
passed

1 Proposals were approved

2 Resolution was passed specifying the terms on which the joint administrators' are to be remunerated and disbursements charged

A creditors' committee was not formed

Signed Les Ross
Joint Administrator

Dated 20 11 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



A22 21/11/2007 518
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

1st Floor
Royal Liver Building
Liverpool L3 1PS
T +44 (0)151 224 7200
F +44 (0)151 227 1153
www.grant-thornton.co.uk

Grant Thornton UK LLP is a limited liability partnership registered in England and Wales No OC307742. Registered office: Grant Thornton House, Melton Street, Euston Square, London NW1 2EP. A list of members is available from our registered office.

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.

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's 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

**Unsecured
Name**

Secured	Name
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Yorkshire Bank plc

20 Merrion Way

Leeds

LS2 8NZ

Amount

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>

Notice of a meeting of creditors

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 the administrator(s)

Notice is hereby given by (a) Leslie Ross and David Michael Riley of Grant Thornton UK LLP,
1st Floor,
Royal Liver Building,
Liverpool
L3 1PS

(b) Insert full name and address of registered office of the company

that a meeting of the creditors of (b) Stopgate Properties Limited - in administration

(c) Insert details of place of meeting

is to be held at (c) the offices of Grant Thornton UK LLP, 1st Floor, Royal Liver Building,
Liverpool L3 1PS

(d) Insert date and time of meeting

on (d) Monday 19 November 2007 at 10.00 hrs.

*Delete as applicable

The meeting is

~~*(1) an initial creditors' meeting under paragraph 51 of Schedule B1 to the Insolvency Act 1986 ("the Schedule"),~~

~~*(2) an initial creditors' meeting requested under paragraph 52(2) of the Schedule,~~

~~*(3) to consider revisions to my proposals under paragraph 54(2) of the Schedule,~~

~~*(4) a further creditors' meeting under paragraph 56 of the Schedule,~~

~~*(5) a creditors' meeting under paragraph 62 of the Schedule~~

I invite you to attend the above meeting.

A proxy form is enclosed which should be completed and returned to me by the date of the meeting if you cannot attend and wish to be represented.

In order to be entitled to vote under Rule 2.38 at the meeting you must give to me, not later than 12 00 hours on the business day before the day fixed for the meeting, details in writing of your claim.

Signed



Joint Administrator

Dated 31 October 2007

A copy of the *proposals / ~~revised proposals~~ is attached

* Delete as applicable

**Rule 8.1
Form 8.2**

Insolvency Act 1986

**Notes to help completion
of the form**

Proxy (Administration)

STOPGATE PROPERTIES LIMITED

Please give full name and address
for communication

Name of creditor

Address

Please insert name of person
(who must be 18 or over) or the
chairman of the meeting' If you
wish to provide for alternative
proxy-holders in the circumstances
that your first choice is unable to
attend, please state the name(s) of
the alternatives as well

Name of proxy-holder

1 _____
2 _____
3 _____

Please delete words in brackets if
the proxy holder is only to vote as
directed ie he has no discretion

I appoint the above person to be my/the creditor's proxy holder at the
meeting of creditors to be held on 19 November 2007 or at any adjournment
of that meeting The proxy holder is to propose or vote as instructed below
(and in respect of any resolution for which no specific instruction is given,
may vote or abstain at his/her discretion)

Voting Instruction for Resolutions

* Please delete as appropriate

1 For the acceptance/rejection* of the administrators' proposals/revised
proposals* as circulated

2 For the appointment of _____ as a
member of the creditors committee

The following resolution to be considered only if no creditors' committee is
formed

3 The administrators' remuneration be fixed according to Grant Thornton
UK LLP's time costs and that the joint administrators be authorised to draw
such remuneration at such intervals as they may determine and to pay any
expenses properly incurred in relation to the administration.

For/Against*

This form must be signed

Signature _____ Date _____

Name in CAPITAL LETTERS _____

Only to be completed if the creditor
has not signed in person

Position with creditor or relationship to creditor or other authority for
signature _____

Remember There may be resolutions on the other side of this form.