

The Insolvency Act 1986

Administrator's progress reportName of Company
Stopgate Properties LimitedCompany number
04175681In the High Court of Justice
Manchester District Registry
Chancery DivisionCourt case number
3101 of 2007(a) Insert full name(s) and
address(es) of
administrator(s)We (a) Leshe Ross and David Michael Raley of Grant Thornton UK LLP, 1st Floor, Royal Liver Building
Liverpool L3 1PS joint administrators of the above company attach a progress report for the period

from

to

(b) 11 September 2007

(b) 10 March 2008

(b) Insert dates

Signed



Joint Administrator (IP Nos 7244)

Dated 8 April 2008

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.

Dave Jones

Grant Thornton UK LLP, 1st Floor, Royal Liver Buildings, Liverpool L3 1PS

Ref LR/DI/S00451/7/KG

Tel 0151 224 7248

DX Number

DX Exchange



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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

WEDNESDAY

Our Ref LR/S00451/DKJ/7

TO THE CREDITORS

8 April 2008

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 Riley as joint administrators of the above company by Yorkshire Bank plc, 20 Merrion Way, Leeds LS2 8NZ on 11 September 2007, I now report on the progress of the administration to date
- 1.2 I enclose Form 2.24B together with an account of my receipts and payments for the 6 months ended 10 March 2008 (Appendix I) in accordance with Rule 2.47 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 by either or both of them.

2 STATUTORY INFORMATION

- 2.1 The company's statutory details are as follows:

registered number	4175681
registered office	Grant Thornton UK LLP 1st Floor Royal Liver Building Liverpool L3 1PS
former trading address	Alexandra House Hanson Road Liverpool L9 7BP

3 PROGRESS REPORT

- 3.1 A meeting of creditors, pursuant to paragraph 51 (1) of Schedule B1 to the Insolvency Act 1986 was held on 19 November 2007. At that meeting the joint administrators proposals dated 31 October 2007 were approved by the creditors present in person and by proxy. A creditors committee was not established. A resolution that the joint administrators' remuneration be calculated according to the time properly spent by the joint administrators and their staff in attending to matters arising in the administration was approved.
- 3.2 A refinancing of the existing property portfolio could not be achieved and consequently there was no prospect of rescuing the company as a going concern. I am therefore continuing 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.
- 3.3 As outlined in my proposals dated 31 October 2007 I instructed agents to prepare valuations of the company's assets, all in Liverpool, consisting 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
- 3.4 I then instructed my agents to market the various properties and a number of enquiries (predominantly Emirates House) were received. Various offers have been made, however, to date I have yet to secure any realisations and negotiations are continuing with interested parties.
- 3.5 Since my appointment I have been collecting rent from the tenants at the commercial properties, maintaining security of the unoccupied units and continuing with the redevelopment at Victoria Street which is now nearing completion.
- 3.6 To date I have collected £20,044 from the tenants comprising £5,656 book debts and £14,388 for the period since 11 September 2007.
- 3.7 The amount due to the secured creditor 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.
- 3.8 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.

- 3 9 However if the Company's net property 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
- 3 10 In accordance with Statement of Insolvency Practice (SIP 9), I attach as Appendix II a summary of my time costs to 3 April 2008 by grade of staff and type of work. This shows total time costs of £249,688, representing 1001 hours at an average of £249 per hour, against which I have not yet drawn any fees. Details of any matters which have had a significant impact on the time costs are included in the appendix, together with details of any disbursements charged during the period under review.

Yours faithfully
for and on behalf of Stopgate Properties Limited



Leslie Ross
Joint Administrator

STOPGATE PROPERTIES LIMITED - IN ADMINISTRATION

APPENDIX I

**RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD
FROM 11 SEPTEMBER 2007 TO 10 MARCH 2008**

RECEIPTS	£
Realisation of assets	
Book debts	5,656
Rent and electricity recharges	14,388
Cash at bank	4,988
	<u>25,032</u>
PAYMENTS	
Administration expenses	
Completion costs	252,389
Security and site clearance	23,747
Insurance	28,736
Essential payments	10,500
Utilities	8,580
Agents fees and marketing	7,494
Bank charges and interest	1,881
Telephone	64
Mail redirection	43
Statutory notices	201
VAT	40,015
	<u>373,650</u>
Balance at 10 March 2008	<u>(348,618)</u>

INTRODUCTION

The following information is provided in connection with the Administrator's remuneration and disbursements in accordance with SIP 9.

EXPLANATION OF GRANT THORNTON UK LLP CHARGING AND DISBURSEMENT RECOVERY POLICIES

Time costs

All partners and staff are charged out a hourly rates appropriate to their grade, as shown on the attached schedule. Details of the hourly charge-out rates are made available to creditors or committees at the time of fixing the basis of our fees. Support staff (ie secretaries, cashiers and filing clerks) are charged to the case for the time they work on it

	£
Partners	375
Manager up to	330
Administrators up to	175
Assistants and support staff	110

Disbursements

Out of pocket expenses are charged at cost. Mileage is charged at standard rates which comply with HM Revenue and Customs limits or AA recommended rates. Where a room is booked at a Grant Thornton UK LLP office for a meeting of creditors or of a creditors' meeting, a charge of £65 is made. Storage of records directly relating to a case at £8 per annum per box and confidential destruction at £2 20 per box. VAT is added to disbursement charges as necessary.

Stopgate Properties Limited - In Administration Time and Charge-out summaries to 3 April 2008												Appendix II	
TO DATE													
	Partner		Manager		Senior		Admin/Support		Total		Total	Average hourly rate	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£			
Administration and Planning	4 00	1,502	131 20	35,064	59 35	6,379	64 75	7,345	259 30	50,290	194		
Investigations	29 00	10,877	14 25	3,563	0 00	0	0 00	0	43.25	14,440	334		
Realisation of Assets	60 50	22,698	127 50	35,048	14 50	2,538	8 50	1,188	211.00	61,468	291		
Trading	0 00	0	398.00	100,768	28 50	4,988	0 00	0	426 50	105,757	248		
Creditors	28 45	10,674	24 25	6,084	0 00	0	8 50	995	61 20	17,733	290		
Grand Total	121.95	45,749	695.20	180,507	102.35	13,906	81.75	9,526	1,001.25	249,688			