

The Insolvency Act 1986

**Administrator's progress report**

Name of Company Stopgate Properties Limited	Company number 4175681
In the High Court of Justice Manchester District Registry Chancery Division [full name of court]	Court case number 3101 of 2007

(a) Insert full name(s) and  
address(es) of  
administrator(s)We (a) Leslie Ross and David Michael Riley of Grant Thornton UK LLP, Royal Liver Building Liverpool  
L3 1PS joint administrators of the above company attach a progress report for the period

from

to

(b) Insert dates

(b)11 September 2007

(b)10 September 2009

Signed



Joint Administrator (IP No 7244)

Dated 10 October 2009

**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, Royal Liver Building Liverpool L3 1PS

Ref: LR/S00451/DJ/9

Tel 0151 224 7248

DX Number

DX Exchange

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



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21/10/2009

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COMPANIES HOUSE



# Grant Thornton

Our Ref LR/S00451/DKJ/7

To the Creditors

**Recovery and Reorganisation**

Grant Thornton UK LLP  
Royal Liver Building  
Liverpool L3 1PS

T +44 (0)151 224 7200  
F +44 (0)151 224 7201  
[www.grant-thornton.co.uk](http://www.grant-thornton.co.uk)

10 October 2009

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 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 (Appendix A) for the period ended 10 September 2009 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 any or all of them.

**Chartered Accountants**

Member firm within Grant Thornton International Ltd

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.

## **2 STATUTORY INFORMATION**

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

registered number 4175681

registered office Grant Thornton UK LLP  
Royal Liver Building  
Liverpool  
L3 1PS

former trading address Alaxandra House  
Hanson Road  
Liverpool  
L9 7BP

## **3 PROGRESS REPORT**

- 3.1. 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.
- 3.2. I am therefore continuing with a sale of the apartments at The Focus Building together with the remaining apartments at Victoria Street which I consider will achieve 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.
- 3.3. In accordance with paragraph 76(2)(a) of Schedule B1 to the Insolvency Act 1986 the administration was extended for a period of 12 months to give a revised date for the automatic termination of the administration of 10 March 2010.
- 3.4. I have not yet secured sales of either of the two Focus apartments and have collected £2,400 in rent.
- 3.5. Nine of the Victoria Street apartments have been sold and I am currently negotiating with interested parties in respect of the remaining three units.
- 3.6. I collected £58,446 from the Emirates House tenants comprising £10,374 book debts and £48,072 rent and electricity charges for the period from 11 September 2007 to the date of sale of the property in January 2009.
- 3.7. Insurance claims made in respect of Emirates House, Alexandra House and Victoria Street have realised £135,016.

- 3.8. 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.
- 3.9. Based on the figures currently to hand there will be no prescribed part of floating charge assets 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 less than the prescribed minimum.
- 3.10. 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.
- 3.11. In accordance with Statement of Insolvency Practice (SIP 9), I attach as Appendix B a summary of my time costs to 10 October 2009 by grade of staff and type of work. This shows total time costs of £497,453, representing 2,058 hours at an average of £242 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

**APPENDIX A****STOPGATE PROPERTIES LIMITED - IN ADMINISTRATION****RECEIPTS AND PAYMENTS ACCOUNT****FOR THE PERIOD 11 SEPTEMBER 2007 TO 10 SEPTEMBER 2009**

	£
<b>RECEIPTS</b>	
Realisation of assets:	
Book debts	10,374
Leasehold land & property	1,575,000
Rent and electricity recharges	50,472
VAT refund	55,175
Insurance claims	135,016
Cash at bank	4,988
VAT refund	1,057
	<u>1,832,083</u>
<b>PAYMENTS</b>	
Administration expenses:	
Completion costs	444,762
Legal fees	50,435
Administrator's disbursements	2,157
Security and site clearance	60,464
Insurance	85,850
Utilities	36,658
Agents fees and marketing	26,753
Bank charges and interest	16,120
Statutory notices	201
Yorkshire Bank plc	500,000
	<u>1,223,399</u>
Balance at bank	<u>608,684</u>

### Introduction

The following information is provided in connection with the Joint Administrators 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 at 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.

	To 30 June 2008 £	To 30 June 2009 £	From 1 July 2009 £
Partners	375	390	410
Manager up to	330	335	355
Administrators up to	175	195	205
Assistants and support staff up to	110	135	145

#### 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.

### Time and Charge-out Summaries

Classification of Work Function	Partner Hours	Manager Hours	Other Senior Professional Hours	Assistant and Support Staff Hours	Total Hours	Time Cost £	Average Hourly Rate £
Admin & Planning	21.15	237.15	110.64	179.31	548.25	104,714.00	191.00
Investigations	32.50	23.50	0.00	8.75	64.75	19,098.00	294.95
Realisation of Assets	162.05	180.00	112.25	11.00	465.30	127,354.00	273.70
Trading	0.00	774.25	35.50	3.50	813.25	203,590.00	250.34
Creditors	42.95	86.75	1.50	35.00	166.20	42,697.00	256.90
Case specific matters (specify)							
Total hours and cost	258.65	1,301.65	259.89	237.56	2,057.75	497,453	241.75
Total fees claimed to date						£nil	

### Disbursements

Disbursements charged for the period from 11 September 2007 to 10 September 2009 total £3,525.98 and relate to the practitioners insolvency bond, mileage charged at the standard rate and courier charges.