Rule 2.33

Form 2 17B

The Insolvency Act 1986

Statement of administrator's proposals

2.17B

Name of Company	Company Number
Gladstone Securities Limited	04562615

In the	Court case number
High Court of Justice Chancery Division Leeds District Registry (full name of court)	755 of 2012

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

We (a) Lyn Vardy of PricewaterhouseCoopers LLP, 1 East Parade, Sheffield, S1 2ET and Toby Underwood of PricewaterhouseCoopers LLP, 101 Barbirolli Square, Lower Mosley Street, Manchester, M2 3PW

attach a copy of our proposals in respect of the administration of the above company.

(b) Insert date

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

(b) 19 July 2012

Signed ____________________
Joint Administrator

Dated 19/7/12

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

Christopher Dent	
PricewaterhouseCoopers LLP, Benson House, 33 Wellington Street, Leeds, LS1 4JP	
	Tel 0113 289 4092
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**

MONDAY
A1DSHAS8
A13 23/07/2012 #212
COMPANIES HOUSE

pwc

To all known creditors

19 July 2012

Dear Sirs

Gladstone Securities Limited - in administration ("the Company")

I wrote to all known creditors on 1 June 2012 to explain that the Company had entered into administration and that my colleague Toby Underwood and I had been appointed as joint administrators ("the Administrators")

I enclose the Administrators' proposals for achieving the purpose of administration

What steps should you be taking now?

We have formed the view that the Company has insufficient property to enable a distribution to be made to unsecured creditors.

Accordingly, a meeting of creditors is not being convened at this time In accordance with Rule 2 33(5) of the Insolvency Rules 1986 ("IR86") our proposals will be deemed to have been approved by creditors unless a meeting of creditors is requisitioned in the prescribed manner by at least 10% in value of creditors within eight business days of the date on which the proposals are circulated

If you have not already done so, please complete and return your statement of claim form as soon as possible

If you require any further information, please do not hesitate to contact my colleague Christopher Dent on 0113 289 4092

Yours faithfully
for and on behalf of the Company

L Norfolk

Lucy Norfolk
for Lyn Vardy
Joint Administrator

Lyn Vardy and Toby Underwood have been appointed as joint administrators of the Company to manage its affairs, business and property as its agents and without personal liability Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales

The joint administrators are Data Controllers of personal data as defined by the Data Protection Act 1998 PricewaterhouseCoopers LLP will act as Data Processor on their instructions Personal data will be kept secure and processed only for matters relating to the administration

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Gladstone Securities Limited – in Administration

High Court of Justice, Chancery Division, Leeds District Registry

Case Number 755 of 2012

Joint Administrators' proposals for achieving the purpose of administration

19 July 2012

Contents

1. Purpose of this document

I wrote to all creditors on 1 June 2012 to explain that Gladstone Securities Limited ("the Company") had entered into Administration and that Toby Underwood and I had been appointed as Joint Administrators ("the Administrators") on 29 May 2012

We were appointed as Administrators to manage the affairs, business and property of the Company We will act until such time as our proposals for achieving the purpose of administration have been agreed by creditors and implemented, following which the Administration will be ended

The purpose of administration is to achieve one of the following objectives -

(a) Primarily, rescuing the Company as a going concern, or failing that,
(b) Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration), or finally,
(c) Realising property in order to make a distribution to one or more secured or preferential creditors

For the reasons detailed in this document, objective (c) is being pursued as it was not reasonably practical to rescue the Company as a going concern or achieve a better result for creditors than would be likely if the Company were wound up (without first being in Administration).

This document and its appendices form the Administrators' statement of proposals for achieving the purpose of administration as required by Paragraph 49 Schedule B1 of the Insolvency Act 1986 ("Sch.B1 IA86")

As detailed in Section 2, we have formed the view that the Company has insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of the prescribed part as provided for by Section 176A IA86 Accordingly, by virtue of Paragraph 52(1) Sch B1 IA86, a meeting of creditors is not being convened at this time In accordance with Rule 2 33(5) of the Insolvency Rules 1986 ("IR86") our proposals will be deemed to have been approved by creditors unless a meeting of creditors is requisitioned in the prescribed manner by at least 10% in value of creditors within 8 business days of the date on which these proposals are circulated We will write to creditors again after the expiry of this period to confirm the deemed approval of the proposals, or alternatively confirm that a meeting is to be held

1. Purpose of this document

If you have any concerns or questions regarding the background to this case or what is being proposed, please do not hesitate to contact my colleague, Christopher Dent, on 0113 289 4092

Yours faithfully
for and on behalf of the Company

Lyn Vardy
Joint Administrator

christopher m dent@uk pwc com
T +44 (0) 113 289 4092
F +44 (0) 113 289 4460

Lyn Vardy and Toby Underwood have been appointed as joint administrators of the Company to manage its affairs, business and property as its agents Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales The joint administrators act as agents of the Company without personal liability

The joint administrators are Data Controllers of personal data as defined by the Data Protection Act 1998 PricewaterhouseCoopers LLP will act as Data Processor on their instructions Personal data will be kept secure and processed only for matters relating to the administration

2. The Administrators' statement of proposals

a. Brief history and summary of the Administrators' actions to date

Background

The Company was incorporated in 2002 as a real estate company with the purpose of buying and selling commercial properties As a result, the only assets in the Company are two freehold properties There are no chattel assets and all property asset management is undertaken by Mason & Partners, a separate legal entity but with some common directors

At the time of the administrators' appointment, two properties were owned by the Company One is a modern pre fabricated retail store with a car park, located in Workington, Cumbria and leased to Poundstretcher Limited The other freehold property is a small retail unit in Abergale, South Wales, let to Superdrug Stores Plc

The circumstances giving rise to the Administrators' appointment

The original tenant of the property at Workington was Focus (DIY) Limited ("Focus"). However, following the insolvency of Focus in May 2011, the directors had no choice other than to secure a new tenant at market rates This resulted in Poundstretcher being given a new lease at much lower rent levels than had previously been in place

The lower rent at the Workington site, and associated drop in the value of the property, together with the stagnant property market resulted in the secured creditor of the Company, Yorkshire Bank Plc ("the Bank"), becoming concerned that the value of the Company's properties would not be sufficient to cover the outstanding finance secured against them As a result of this potential negative equity, the Bank required closer control over the Company's assets Following a review of the available options, the Bank met with the directors of the Company and all parties elected to place the Company into administration The directors subsequently appointed the Administrators on 29 May 2012

Pre-Administration costs

In the period immediately prior to their appointment, the Administrators incurred time costs of £3,441 in relation to placing the Company into Administration

The amount of unpaid fees and details of what these relate to are set out at Appendix A Payment of unpaid pre-Administration costs as an expense of the Administration is subject to approval in the same manner as the Administrators' remuneration and is separate from approval of the Administrators' proposals In this case, as the Administrators have stated that they think that the Company has insufficient property to enable a distribution to be made to non-preferential unsecured creditors, it will be for the secured creditor and preferential creditors to determine these costs

2. The Administrators' statement of proposals

Connected party transactions

The Company's property asset management was conducted by Mason & Partners Limited This company is owned by the directors and carries out all asset management functions, including rent collections for the properties owned by the Company

The Administrators are not aware of any other connected party transactions.

The manner in which the Company's affairs and business have been managed and financed

The Administrators have contacted the tenants of the two properties and requested that future rent is paid to the administration bank accounts The value of the properties and the strategy for assessing the two leasehold agreements are being reviewed with the aim of maximising value for the Company's creditors

Objective of the Administration

As noted in Section 2, the purpose of the Administration is to achieve one of three objectives

There are minimal creditors of the Company, and the only Company assets are the two freehold properties and the associated rental income As a result, the Administrators are pursuing the third objective - realising property in order to make a distribution to one or more secured or preferential creditors

In order to achieve this objective, the Administrators are in the process of reviewing whether a sale of the two freehold properties with their current tenants in place is the best way to realise maximum value for the creditors. It is anticipated that that the secured creditor will receive distributions from the funds realised from the sale of the Company's assets.

Dividend prospects

Secured creditor

On appointment, Yorkshire Bank Plc ("the Bank") had outstanding lending in the region of £5 24 million in respect of fixed and floating charges over the Company's assets Based on the current estimate of the net realisations available to the Bank, the Administrators believe that the Bank is unlikely to recover its lending in full

2. The Administrators' statement of proposals

Preferential creditors

The Company does not have any preferential creditors

Unsecured creditors

As detailed above, the Administrators have formed the view that the Company has insufficient property to enable a distribution to the unsecured creditors, other than by way of the prescribed part provisions

Prescribed Part

The Prescribed Part (Section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003) applies where there are floating charge realisations, net of costs, to be set aside for unsecured creditors For each company, this equates to

- 50% of net property up to £10,000
- 20% of net property in excess of £10,000
- Subject to a maximum amount of £600,000

The Prescribed Part applies to the Company as there are charges created and registered at Companies House following the Prescribed Part order coming into force on 15 September 2003.

The Administrators consider that there are insufficient sums available for a distribution to the unsecured creditors under the Prescribed Part provisions

Ending the Administration

The Administrators currently envisage that once the objective of the Administration has been achieved, the Administration may end in one of the manners set out in Section 3 (b) (vi) of these proposals depending on the circumstances at that time

2. The Administrators' statement of proposals

b. Proposals for achieving the purpose of the Administration

The Administrators make the following proposals for achieving the purpose of the administration

i) The Administrators will continue to manage and finance the Company's business, affairs and property in such manner as they consider expedient with a view to realising property in order to make a distribution to one or more secured or preferential creditors.

ii) The Administrators may investigate and, if appropriate, pursue any claims that the Company may have under the Companies Act 1985 or IA86 or otherwise In addition, the Administrators shall do all such other things and generally exercise all their powers as Administrators as they in their discretion consider desirable in order to achieve the purpose of the Administration or to protect and preserve the assets of the Company or to maximise their realisations or for any other purpose incidental to these proposals

iii) If the Administrators think that funds will become available for unsecured creditors, the Administrators may at their discretion establish in principle the claims of unsecured creditors for adjudication by a subsequent liquidator and that the costs of so doing be met out of the prescribed part as costs associated with the prescribed part

iv) If the Administrators think that funds will become available for unsecured creditors, the Administrators may at their discretion make an application to court for permission to make distributions to unsecured creditors under Paragraph 65(3) Sch B1 IA86

v) If an extension beyond the statutory duration of one year is considered advantageous, the Administrators shall either apply to the court or seek consent from the appropriate classes of creditors for an extension

vi) The Administrators may use any or a combination of "exit route" strategies in order to bring the Administration to an end, but in this particular instance the Administrators are likely to wish to pursue one of the following options as being the most cost effective and practical in the present circumstances -

(a) If it transpires that there are insufficient funds with which to make a distribution to unsecured non-preferential creditors, once all of the assets have been realised and the Administrators have concluded all work within the Administration, the Administrators will file a notice under Paragraph 84(1) Sch B1 IA86 with the Registrar of Companies, following registration of which the Company will be dissolved approximately three months later, or

(b) Once asset disposals are complete, the Administrators will place the Company into creditors' voluntary liquidation In these circumstances, it is proposed that Lyn Vardy and Toby Underwood be appointed as Joint Liquidators and any act required or authorised to be done by the Joint

Liquidators may be done by either or both of them In accordance with Paragraph 83(7) Sch B1 IA86 and Rule 2 117A(2)(b) IR86, creditors may nominate alternative liquidators, provided that the nomination is made before the proposals are approved, or

(c) Once asset disposals are complete, the Administrators will apply to the Court to allow the Administrators to distribute surplus funds, if any, to unsecured non-preferential creditors If such permission is given, the Administration will be brought to an end by notice to the Registrar of Companies under Paragraph 84 Sch B1 IA86, following registration of which the Company will be dissolved approximately three months later

vii) The Administrators shall be discharged from liability pursuant to Paragraph 98(1) Sch B1 IA86 in respect of any action of theirs as Administrators made at a time resolved by the secured creditor

viii) As the Administrators have stated that they think that the Company have insufficient property to enable a distribution to be made to non-preferential unsecured creditors, other than by way of the prescribed part provisions, it will be for the secured creditor to determine the basis and level of their fees

2. The Administrators' statement of proposals

c Statement of affairs

A statement of affairs of the Company was delivered to the Administrators on 19 July 2012 The statement was signed by a director of the Company

The Administrators make the following comments on the statement of affairs -

- In accordance with the standard format of the statement of affairs, no provision has been made for the costs of realising the Company's assets or the costs of the Administration, and
- The Administrators have not carried out anything in the nature of an audit on the information

The statement of affairs is attached at Appendix A and, as is required by statute, includes details of the names, addresses and debts of creditors (including details of any security held).

2. The Administrators' statement of proposals

d. *Statutory and other information*

Court details for the Administration:	High Court of Justice, Chancery Division, Leeds District Registry, 755 of 2012
Full name:	Gladstone Securities Limited
Trading name:	Gladstone Securitas Limited
Registered number:	04562615
Registered address:	Benson House, 33 Wellington Street, Leeds, LS1 4JP
Company directors:	Paul Pearce, Christopher Mason, Andrew Mason, Christopher Chetwood
Company secretary:	Ben Harvey
Shareholdings held by the directors and secretary:	Christopher Mason, 25 Ordinary Shares Andrew Mason, 25 Ordinary Shares
Date of the Administration appointment:	29 May 2012
Administrators' names and addresses:	Lyn Vardy, PricewaterhouseCoopers LLP, 1 East Parade, Sheffield, S1 2ET and Toby Underwood, PricewaterhouseCoopers LLP, 101 Barbirolli Square, Lower Mosley Street, Manchester, M2 3PW
Appointor's name and address:	The directors of the Company,
Objective being pursued by the Administrators:	Objective (c) realising property in order to make a distribution to one or more *secured or preferential creditors.*
Division of the Administrators' responsibilities:	In relation to paragraph 100(2) Sch B1 IA86, during the period for which the Administration is in force, any function to be exercised by the persons appointed to act as Administrators may be done by any or all of the persons appointed or any of the persons for the time being holding that office

2. The Administrators' statement of proposals

Proposed end of the Administration:	Dissolution
Estimated dividend for unsecured creditors:	Nil
Estimated values of the prescribed part and the company's net property:	Nil
Whether and why the Administrators intend to apply to court under Section 176A(5) IA86:	N/A
The European Regulation on Insolvency Proceedings (Council Regulation(EC) No. 1346/2000 of 29 May 2000):	The European Regulation on Insolvency Proceedings applies to this Administration and the proceedings are main proceedings

3. Receipts and payments account

	Estimated per directors' sworn statement of affairs	29 May 2012 to 23 July 2012
	£	£
Receipts		
Freehold property	2,300,000	-
Rent	-	24,375.00
	2,300,000	24,375 00
Payments		
		-
Net receipts and payments		24,375.00
Vat control account		4,875.00
Total Balance held at bank		29,250 00

Appendix A Pre-administration costs

The following are costs incurred prior to the appointment of Administrators but with a view to the Company entering Administration

	Unpaid amount (£)	Paid amount (£)
Fees charged by the Administrators • Fees incurred in putting the Company into administration and reviewing the Company's finances	3,441	-
Expenses incurred by the Administrators • Solicitors preparation of documents for filing in court and pre appointment advice	2,750	-
Fees charged by other persons qualified to act as an insolvency practitioner	-	-
Expenses charged by other persons qualified to act as an insolvency practitioner	-	-
Total	6,191	-

Appendix B Copy of the statement of affairs

Rule 2 29

Form 2 14B

Statement of affairs

Name of Company	Company number
Gladstone Securities Limited	04562615

In the	Court case number
High Court of Justice, Chancery Division, Leeds District Registry	755 of 2012

(a) Insert name and address of registered office of the company

Statement as to the affairs of (a) _Gladstone Securities Limited, c/o Mason & Partners, The Corn Exchange, Brunswick Street, Liverpool, L20PJ

(b) Insert date

on the (b) _29th May 2012, the date that the company entered administration

Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named company as at (b) 29th May 2012 the date that the company entered administration

Full name ____Paul Pearce

Signed

Dated 17/07/12

A – Summary of Assets

Assets

	Book Value £	Estimated to Realise £
Assets subject to fixed charge		
Property:		
Workington	1,950,000	1,950,000
Abergele	350,000	350,000
Assets subject to floating charge		
VAT Debtor	5,220	5,220
Yorkshire Bank Current Acc - 70969158	1	1
Yorkshire Bank Current Acc - 70966258	21,280	21,280
M&P Client Account	95,192	95,192
Uncharged assets:		
Estimated total assets available for preferential creditors	2,421,693	2,421,693

Signature ____________ Date 17/07/12

A1 – Summary of Liabilities

		Estimated to realise £
Estimated total assets available for preferential creditors (carried from page A)	£	£2,421,693
Liabilities Preferential creditors.-		
Estimated deficiency/surplus as regards preferential creditors		£
Estimated prescribed part of net property where applicable (to carry forward)	£	
Estimated total assets available for floating charge holders		£
Debts secured by floating charges	£5,243,576	
Estimated deficiency/surplus of assets after floating charges		£-2,821,883
Estimated prescribed part of net property where applicable (brought down)	£	
Total assets available to unsecured creditors		£-2,821,883
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	£9,348	
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)		£-9,348
Shortfall to floating charge holders (brought down)		£-2,821,883
Estimated deficiency/surplus as regards creditors		£-2,831,231
Issued and called up capital	£100	
Estimated total deficiency/surplus as regards members		£-2,831,331

Signature ____________ Date 17/07/12

COMPANY CREDITORS

Note: You must include all creditors and identify all creditors under hire-purchase, chattel leasing or conditional sale agreements *and* customers claiming amounts paid in advance of the supply of goods or services *and* creditors claiming retention of title over property in the company's possession

Name of creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
Coulter Hurst & Co	Moffat House, 14-20 Pall Mall, Liverpool, L3 6AL	£9,347 98	None		
Yorkshire Bank		£5,243,575.65	1st Legal Charge over Workington and Abergele plus Debenture		

Signature ________ Date 17/07/12

COMPANY SHAREHOLDERS

Name of Shareholder	Address (with postcode)	No of shares held	Nominal Value	Details of Shares held
Andrew Mason	Cherryhill, Chorlton Lane, Malpas, SY14 7EP	25	£25	Ordinary shares
Christopher Mason	Derron, 11 Broomfield Ride, Oxshott, Surrey, KT22 0LR	25	£25	Ordinary shares
Helen Chetwood	1 The Pipers, Pipers Lane, Lower Heswall, CH60 9LL	25	£25	Ordinary shares
Leanne Pearce	35 Montclair Drive, Liverpool, L18 0HB	25	£25	Ordinary shares
	TOTALS	100	£100	

Signature ______

Date 17/07/12