

## The Insolvency Act 1986

**Statement of administrator's proposals**

Pursuant to paragraph 49 of Schedule B1 to the Insolvency Act 1986  
and Rule 2.25 of the Insolvency (Scotland) Rules 1986

Name of Company 116 WRS Ltd (formerly Miller (Aspect Court Ltd))	Company number SC318203
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- (a) Insert full name(s) and address(es) of administrator(s) I / We (a) Thomas Campbell MacLennan, RSM Tenon, 160 Dundee Street, Edinburgh, EH11 1DQ and K R Craig, RSM Tenon, 48 St Vincent Street, Glasgow, G2 5TS

attach a copy of 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) 25 July 2011

Signed

Joint Administrator

Dated

25/7/11

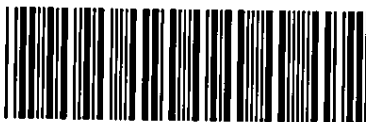
**Contact Details:**

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

When you have completed and signed this form please send it to the Registrar of Companies at:

Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF  
DX 235 Edinburgh / LP 4 Edinburgh-2



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SCT 27/07/2011 772  
COMPANIES HOUSE

WEDNESDAY

**Joint Administrators' Proposals relating to  
116 WRS Ltd ("the Company") – In Administration**

**Issued on: 25 July 2011**

Thomas Campbell MacLennan and Kenneth Robert Craig of RSM Tenon Recovery are the Joint Administrators of the Company and these are the Joint Administrators' statutory proposals relating to the Company.

#### **1. Statutory Information**

Statutory information relating to the Company is attached at **Appendix I**.

#### **2. Circumstances leading to the appointment of the Joint Administrators**

The company was incorporated in March 2007. The main activity of the company was that of property investment.

The only asset of the company was a office building on West Regent Street in Glasgow city centre and was purchased at the height of the market.

The company was unable to fully let the building and as a result of this suffered cashflow problems.

The cashflow position became critical at in May 2011 and the directors took the decision to appoint administrators.

#### **3. Objectives of the Administration of the Company and the Joint Administrators' strategy for achieving them**

The purpose of an Administration is to achieve one of the three objectives set out in the insolvency legislation, which are to:

- (a) rescue the company as a going concern; or
- (b) achieve 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
- (c) realise property in order to make a distribution to one or more secured or preferential creditors.

Objective (a) could not be achieved as no purchaser could be found for the shares of the Company and the nature of the Company's trading and its financial circumstances meant that a Company Voluntary Arrangement was not appropriate.

Given the nature of the assets the outcome to creditors would be the same regardless of type of appointment.

As a result, I am seeking to achieve objective (c) for the Company.

The insolvency legislation has set a 12 month maximum duration for Administrations, unless the duration is extended by the Court or the creditors. If I am unable to complete the Administration of the Company within 12 months then I will either apply to the Court or seek the approval of the secured creditor to extend the duration of the Administration.

#### **4. Actions of the Joint Administrators following appointment**

Following appointment, Knight Frank were appointed to market and sell the building.

The strategy in respect of the sale of the property is being finalised and the building will be on the market shortly.

A summary of the Company's recent trading performance is shown below:-

	Management accounts to 30 April 2011 £	Management accounts to December 2010 £	Accounts for the year to December 2009 £
<b>Profit &amp; Loss a/c</b>			
Turnover	59,715	206,086	232,659
Gross profit	31,548	148,863	37,016
Administrative costs	(55)	-	(45,070)
Interest receivable	-	-	52
Interest payable	(52,793)	(160,126)	(217,898)
Net loss	<u>(21,300)</u>	<u>(11,263)</u>	<u>(225,900)</u>
<b>Balance Sheet</b>			
Stocks	4,700,495	4,700,495	4,700,495
Debtors	89,101	244,528	65,049
Cash at Bank	3,805	9,649	29,011
Creditors < 1 year	(2,175,097)	(2,315,068)	(2,143,687)
Creditors > 1 year	(4,259,943)	(4,259,944)	(4,259,944)
Net liabilities	<u>(1,641,639)</u>	<u>(1,620,339)</u>	<u>(1,609,076)</u>

## 5. Financial Position of the Company

I have prepared an estimate of the financial position of the Company as at 26 May 2011 from the records of the Company, and that is attached at Appendix II, together with a list of names and addresses of all known creditors, and the amounts of their debts.

### 5.1. 116 West Regent Street, Glasgow.

As previously stated the main asset of the company is an office block located in Glasgow city centre.

The building is partially refurbished and is currently part let.

The ultimate value of the property is at this stage unknown.

### 5.2. Other assets

The company held an amount of cash at bank and a number of book debts relating to rent arrears.

A review of the book debts has been carried out and steps have been taken to ingather these.

Requests have been made to the company bankers for the transfer of funds held in the pre appointment bank account. We still await receipt of these funds.

### 5.3. Preferential creditors

The company had one employee and no preferential claims are expected.

### 5.4. Prescribed Part

There are provisions of the insolvency legislation that require an Administrator to set aside a percentage of a Company's assets for the benefit of the unsecured creditors in cases where

the Company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property." A Company's net property is that left after paying the preferential creditors and costs and expenses of the administration, but before paying the lender who holds a floating charge. An Administrator has to set aside:

- 50% of the first £10,000 of the net property; and
- 20% of the remaining net property up to a maximum of £600,000.

The Company granted a floating charge to Anglo Irish Banking Corporation plc on 23 March 2007 and was assigned to Calgacus Capital Ltd on 23 March 2011 and the prescribed part provisions will apply. The Administrators' estimate of the financial position of the Company shows that the net property of the Company is £57,000 and I estimate that the prescribed part of the net property for unsecured creditors is £14,000. However, these estimates do not take into account the costs of the Administration which will reduce the amount of the Company's net property.

#### **6. Joint Administrators' Receipts and Payments Account**

I have attached a copy of the joint administrators' receipts and payments since the date of appointment at Appendix IV.

#### **7. Proposed Future Actions of the Joint Administrators to Achieve the Objective of the Administration**

In order to achieve the objective of the Administration of the Company the property owned by the company will be marketed for sale. Rentals will continue to be collected in respect of the current tenants.

#### **8. Meeting of Creditors**

I am not convening a meeting of creditors as, in the Administrators' opinion, the company has insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of the prescribed part.

However, creditors whose debts amount to at least 10% of the total debts of the company can require me to call a meeting. Such a request must be made to me in writing within 12 days of the date of the letter accompanying these proposals.

If creditors do not require me to convene a meeting of creditors within that time period, then my proposals will be deemed to have been approved.

Creditors are also entitled at a meeting of creditors to establish a Creditors' Committee should they so wish, provided that there are no fewer than three and no more than five wishing to be represented on the Committee.

#### **9. Joint Administrators' Remuneration and Expenses**

I propose that our fees will be charged by reference to the time properly spent by us and our staff in dealing with the matters relating to the Administration of the Company. This time will be charged at the hourly charge out rate of the grade of staff undertaking the work at the time the work is undertaken. Information about current charge out rates is set out in **Appendix III**.

I also propose that we are permitted to charge what are known as category 2 expenses. Information about category 2 expenses is also set out in **Appendix III**.

To the date this report is prepared, my time costs amount to £14,566 representing 62.8 hours work, at an average charge out rate of £231.90.

Please go to [www.rsmtenton.com/creditorguides](http://www.rsmtenton.com/creditorguides) and click on "Creditors' Guides" if you require further information relating to Administrator's Remuneration. Alternatively a copy is available free of charge upon request from the address below.

#### **10. Discharge from liability**

We are, in accordance with legislation, seeking a resolution from the creditors for discharge from liability in respect of any action of ours as Administrators to take effect immediately following our cessation to act as Administrators.

#### **11. Joint Administrators' Investigations**

I have a duty to consider the conduct of those who have been directors of the Company at any time in the three years preceding the Administration. I am also required to investigate the affairs of the Company in general in order to consider whether any civil proceedings should be taken on its behalf. I should be pleased to receive from you any information you have that you consider will assist me in this duty. I would stress that this request for information forms part of my normal investigation procedure.

#### **12. EC Regulation on Insolvency Proceedings**

I consider that the EC Regulation on Insolvency Proceedings applies and that these are "main" proceedings as defined in Article 3 of the EC Regulations as the centre of main interest of the company is in Scotland.

#### **13. Joint Administrators' Proposals**

In order to achieve the objective set out at Section 3 above, Kenneth Robert Craig and Thomas Campbell MacLennan of RSM Tenon Recovery, the Joint Administrators formally propose to creditors that:

- (a) they continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration. In particular that they:
  - (i) sell the Company's assets at such time(s) on such terms as they consider appropriate;
  - (ii) investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company which supplies or has supplied goods or services to the Company; and
  - (iii) do all such things and generally exercise all their powers as Administrators as they in their discretion consider desirable or expedient in order to achieve the purpose of the administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these proposals
- (b) If there are funds available to be distributed to the unsecured creditors, the company exits the Administration by way of a Creditors Voluntary Liquidation, and that Thomas Campbell MacLennan and Kenneth Robert Craig are appointed the Joint Liquidators of the Company, and that they will act jointly and severally in their duties. Creditors may nominate a different person(s) as the proposed liquidator(s), but must make the nomination(s) at any time after receipt of these proposals, but before they are approved. Information about the approval of the proposals is set out at Section 13.

- (c) If there are no funds available for distribution to the unsecured creditors, the company exits Administration by way of dissolution.
- (d) if the Administration ends by the Company moving into liquidation or being dissolved, the Joint Administrators shall be discharged from liability 14 days following either the Company entering into liquidation or filing the notice of moving from administration to dissolution.
- (e) the Administration of the Company will end by giving notice to the Court, creditors and Registrar of Companies that the objective of the Administration has been achieved.

#### **14. Further Information**

Should you require any further information relating to these proposals or the Administration of the Company please do not hesitate to contact Alistair Mitchell on the telephone number shown in the covering letter enclosing these proposals.

**T C MacLennan**  
Joint Administrator

*Licensed in the United Kingdom to act as an insolvency practitioner by the Insolvency Practitioners Association*

## Appendix I

### Company Information

Company Name: 116 WRS Limited  
Company Number: SC318203  
Date of Incorporation: 9 Mar 2007  
Current Registered Office: 160 Dundee Street, Edinburgh, EH11 1DQ  
Principal Trading Activity: Property investment

### Appointment details

Date of Appointment: 26 May 2011  
Appointment made by: Directors  
Court Name and Reference: Court of Session, Edinburgh  
Administrators Appointed: Thomas Campbell MacLennan IP Number: 8209  
Kenneth Robert Craig IP Number: 8584

### Officers of the company

	Name:	Resigned
Directors:	Donald William Borland	-
	Philip Hartley Miller	-
	David Thomas Milloy	
	Andrew Sutherland	
Company Secretary:	Pamela June Smyth	-

### Share Capital

#### Authorised

1 ordinary shares £1 each

#### Allotted, called up and fully paid

1 ordinary shares of £1 each

### Charges

Floating Charge dated 23 March 2007 in favour of Anglo Irish Bank Corporation plc and assigned to Calgacus Capital Ltd on 23 March 2011.

Standard Security dated 26 March 2007 in favour of Anglo Irish Bank Corporation plc and assigned to Calgacus Capital Ltd on 23 March 2011.

# **Estimated Statement of Affairs at 26 May 2011**

## **Appendix II**

	<b>Book Value</b>	<b>Estimated to realise</b>
	<b>£'000's</b>	<b>£'000's</b>
<b>Specifically secured assets</b>		
Property at 116 West Regent Street	4,700	u/k
Less – Due to Standard Security holder	(4,260)	(4,260)
		u/k
<b>Floating charge assets</b>		
Cash at Bank	17	17
Other assets	40	40
		57
<b>Preferential Creditors – Employees (est)</b>		-
		57
<b>Prescribed Part</b>		
50% of first £10,000	5	
20% of remaining balance	9	14
		43
<b>Floating Charge Holder</b>		
Shortfall from Standard Security		u/k
		u/k
<b>Ordinary Creditors</b>		
Trade Creditors	(100)	
Inland Revenue	(35)	
Employee claims (est)	-	
Provision for unknown claims	(15)	(150)
<b>Estimated Deficiency to creditors</b>		u/k

1. The estimated statement of affairs is subject to the costs of the administration. The figures contained in this statement reflect information obtained to date from company records and creditor representations.

## Information relating to Joint Administrators' Remuneration and Expenses

### 1. Explanation of office-holders charging and disbursement recovery policies

#### 1.1. Time recording

Work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. The current hourly charge out rates are:

	Rate since 01/01/11 £
Director and licensed Insolvency Practitioner	345
Associate Director	275
Senior Manager	255
Manager	210
Senior Administrator	170
Administrator	150
Secretarial and support staff	85
Cashier	. 85

#### 1.2. Disbursement recovery

Disbursements are categorised as either Category 1 or Category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the Company or RSM Tenon Recovery; in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the Company. These disbursements are recoverable in full from the Company without the prior approval of creditors either by a direct payment from the Company or, where RSM Tenon Recovery has made payment on behalf of the Company, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage, specific bond insurance and company search fees.

Category 2 expenses are incurred by RSM Tenon Recovery and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the Company, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, and internal storage.

**116 WRS Ltd (formerly Miller (Aspect Court) Ltd)**  
**(In Administration)**  
**Joint Administrators' Abstract of Receipts & Payments**

Statement of Affairs	From 26/05/2011 To 22/07/2011	From 26/05/2011 To 22/07/2011
ASSET REALISATIONS		
Book Debts	2,167.00	2,167.00
Rent	11,305.33	11,305.33
Bank Interest Gross	0.20	0.20
Trading Surplus/(Deficit)	<u>(5,874.72)</u>	<u>(5,874.72)</u>
	7,597.81	7,597.81
 COST OF REALISATIONS		
Registration Fee	15.00	15.00
Bank Charges	<u>25.00</u>	<u>25.00</u>
	(40.00)	(40.00)
	<u><b>7,557.81</b></u>	<u><b>7,557.81</b></u>
 REPRESENTED BY		
Vat Receivable		178.00
Interest Bearing Current Account		9,321.54
Vat Payable		(541.73)
Rent deposit		<u>(1,400.00)</u>
		<u><b>7,557.81</b></u>

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Thomas Campbell MacLennan  
Joint Administrator

**RSM Tenon Recovery**  
**116 WRS Ltd (formerly Miller (Aspect Court) Ltd)**  
**B - Company Creditors**

Key	Name	Address	£
CM00			0.00
CM03			0.00
CB01	British Gas Business		0.00
CB00	BT Plc	Department W, Durham TE, Providence Row, Durham, DH1 1RR	0.00
CB02	Business Stream		0.00
CC03	Calgacus Capital Ltd	c/o McGrigors LLP, Princes Exchange, 1 Earl Grey Street, Edinburgh, EH3 9AQ	2,434.95
CC01	Carander Construction Ltd	97 Portman Street, Glasgow, G41 1EJ	0.00
CC02	Clyde Valley Lifts Ltd	Unit 16, 120 Stepps Road, Glasgow, G33 3NQ	4,800.00
CC00	Contributions Agency	Insolvency Section, Room 106E Central Office, Longbenton, Newcastle upon Tyne NE98 1YX	1,245.05
			0.00
CE01	E.on	Business Customer Service, E.On Energy Solutions Ltd, PO Box 2010, NG1 9GQ	4,135.25
CE02	ECG Facilities Services	11 First Road, Blantyre Industrial Estate, Blantyre, G72 0ND	1,655.09
CE00	Eclipse Contract Cleaning Ltd	20 Hozier Street, Carlisle, ML8 5DW	2,471.81
CG00	Glasgow City Council	Customer & Business Services, Finance Service Centre, PO Box 26816, Glasgow, G2 9AF	208.26
CG01	Glasgow City Council		75,880.15
CI00	HM Revenue & Customs	Durrington Bridge House, Barrington Road, Worthing, West Sussex BN12 4SE	0.00
CK00	Kone plc	Worthdale House, Worth Bridge Road, Keighley, BD21 4YA	0.00
CM01	Martin Security Systems Ltd	Unit 2a, Victoria Business Centre, Rochsolloch Road, Airdrie, ML6 9BG	144.00
CM02	Miller Developments Ltd	Miller House, 2 Lochside View, Edinburgh Park, Edinburgh, EH12 9DH	5,418.40
EF00	Mr Gordon David Frame	38 Ladyhill Drive, Carrowhill, Glasgow, G69 7NQ	0.00
CS00	Shepherd & Wedderburn WS	1 Exchange Crescent Conference Square, Edinburgh, EH3 8UL	1,753.20
CW00	Westguard Security Ltd	the Atrium Business Centre, North Caldeen Road, Coatbridge, Lanarkshire, ML5 4EF	234.00
<b>21 Entries Totalling</b>			<b>100,380.16</b>

Signature \_\_\_\_\_