

LIQ13

Notice of final account prior to dissolution in MVL



Companies House

SATURDAY



A18 *A7YXKMM9* 09/02/2019 #57
COMPANIES HOUSE

1 Company details

Company number 0 0 0 3 1 5 0 6

Company name in full ELECTRIC & GENERAL INVESTMENT TRUST PLC

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Laura Waters

Surname

3 Liquidator's address

Building name/number 7

Street More London Riverside

Post town London

County/Region

Postcode S E 1 2 R T

Country Englan

4 Liquidator's name ①

Full forename(s) Toby Underwood

Surname

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ①

Building name/number 7

Street More London Riverside

Post town London

County/Region England

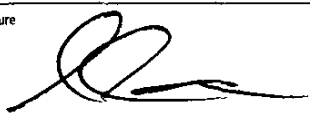
Postcode S E 1 2 R T

Country England

① Other liquidator
Use this section to tell us about
another liquidator.

LIQ13

Notice of final account prior to dissolution in MVL

5	Final account	
	<input checked="" type="checkbox"/> I have delivered the final account of the winding up to the members in accordance with Section 94(2) and attach a copy.	
7	Sign and date	
Liquidator's signature	<div>Signature</div> <div>X  X</div>	
Signature date	<div><div>d</div><div>4</div><div>m</div><div>2</div><div>y</div><div>2</div><div>y</div><div>1</div><div>9.</div></div>	



TO ALL SHAREHOLDERS

4 February 2019

Electric & General Investment Trust Plc – in members' voluntary liquidation (the "Company")

FINAL ACCOUNT TO MEMBERS AS REQUIRED BY S94 OF THE INSOLVENCY ACT 1986

INTRODUCTION

The Company was placed into members' voluntary liquidation on 12 August 2011 and Laura Waters and Toby Underwood have been appointed joint liquidators.

Now that the liquidation has concluded, we are required to provide you with a final account on the conduct and outcome of the liquidation. This account is for the period 12 August 2011 to 4 February 2019 and also serves as a Progress Report for the period 12 August 2018 to 4 February 2019.

We are also required to provide certain information concerning the Company and the Liquidators; this information is attached at Appendix A.

We set out an abstract of the Liquidators' receipts and payments for the Liquidation at Appendix B.

REPORT ON THE LIQUIDATION

1. Scheme of Reconstruction (the "Scheme") and distribution

As reported previously, the Company was placed into liquidation on 12 August 2011 by its shareholders when Laura Waters and Tim Walsh were appointed joint liquidators in order to implement the Scheme pursuant to s110 of the Insolvency Act 1986. The recommended proposals for the Scheme were detailed in the circular to shareholders dated 30 June 2011 (the "Circular").

Specific details of the distributions under the Scheme were set out in previous reports and are detailed in the receipts and payments account attached at Appendix B.

2. Realisation of assets and settlement of liabilities

Attached at Appendix B is a summary of the Liquidators' receipts and payments covering the period from 12 August 2011 to closure. This details of all the assets realised and liabilities settled. Any assets which have been abandoned (contingent or otherwise) have been detailed in the annual report in the period to which they relate (this includes the contingent VAT and withholding tax assets). All creditors' claims have been settled or otherwise dealt with.

Corporation Tax:

All pre and post liquidation tax computations have been submitted to HM Revenue & Customs (HMRC) and tax clearance has been received.



Contingent corporation tax asset

As detailed in previous reports, protective tax claims in respect of corporation tax liabilities for the periods to 31 May 2007, 30 June 2007, 30 June 2008 have been submitted to HMRC. The claims seek to remove all EU dividends the Company received in those periods from the charge to UK corporation tax on the grounds of a discrimination in light of EC Treaty principles. Similar claims have been made by many UK corporation tax payers and the legal arguments have been considered by the European Courts of Justice and are currently being considered by the UK High Court.

We have been awaiting the outcome of the legal process, however, now that the contingent VAT asset matter has been resolved, we have taken the decision that it is not in the best interests of shareholders to continue to keep the liquidation open pending the resolution of the matter.

Although the tax refund due to the company was expected to be in the region of £717k (excluding interest), the exact timing of the resolution of the matter is unknown as is the precise mechanism legally agreed to end the discrimination. Therefore, we instructed the company's tax advisors to liaise with HMRC to conclude the Company's tax affairs and settle any remaining amounts payable. A small amount of interest was paid to HMRC and tax clearance has been received.

VAT

All pre liquidation VAT returns have been submitted and the Company has been deregistered for VAT. HMRC has confirmed that it has no claim in the liquidation with regard to VAT. The final post liquidation VAT reclaim has been submitted and all refunds have been received.

3. Liquidators' Remuneration

At the Extraordinary General Meeting held on 12 August 2011, a resolution was passed to enable the Joint Liquidators to draw their remuneration on a time cost basis. Our current hourly charge out rates for 2018/2019 are set out overleaf:

Grade	Liquidation team	Tax department
Support Staff	£135	£160
Associate	£265	£270
Senior Associate	£425	£545
Manager	£510	£735
Senior Manager	£590	£1,020
Director	£780	£1,325
Partner	£890	£1,445

The time costs for the period 12 August 2017 to 30 September 2018 (being the latest practical date before issuing the draft version of this report) total £37,585.35 (excluding VAT) and represent 83.68 hours. A breakdown for this period by grade and work type is attached.

In total, we have incurred £386,216.73 (excluding VAT) representing 1,128.72 hours. Against this, we have invoiced £478,236.72 (including VAT) for liquidators' remuneration.

Included in the above amounts, we have invoiced time costs for the period 27 July 2018 to closure which amounts to £25,373.05 (including VAT). Please note that this includes time, which is yet to be incurred by us (such as finalising the distribution, issuing the final report, of which this is a draft, and filing it with the Registrar of Companies). Our final time costs will not be less than this amount.



In addition to the post liquidation invoices above, our tax department has invoiced £37,358.76 (including VAT) in respect of time costs incurred in assisting the joint liquidators.

During the liquidation, we have invoiced disbursements of £2,033.25 (including VAT). A breakdown of these disbursements is provided at Note 6 on the attached receipts and payments account.

Further information

If you have any queries regarding your shareholding, please telephone Computershare Investor Services Plc on +44 (0) 370 702 0000.

This concludes our report.

Enclosures

Appendix A: Information about the Company and Liquidators

Appendix B: Receipts & Payments Account

Appendix C: Further information on liquidators' remuneration

Laura Waters and Toby Underwood have been appointed as joint liquidators. Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. The joint liquidators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>.

The Joint Liquidators may act as controllers of personal data as defined by UK data protection law depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP may act as a processor on the instructions of the Joint Liquidators. Personal data will be kept secure and processed only for matters relating to the Joint Liquidators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the Joint Liquidators.



Appendix A

Company name:	Electric & General Investment Trust Plc
Registered office address:	7 More London Riverside London SE1 2RT
Registered number:	00095883
Names of liquidators:	Laura Waters & Toby Scott Underwood
Office holder numbers:	9477 & 9270
Address of liquidators:	PricewaterhouseCoopers LLP 7 More London Riverside London SE1 2RT
Date of appointment of liquidators:	12 August 2011
Changes of liquidator:	Toby Scott Underwood replaced Timothy Gerard Walsh on 3 July 2017
Basis of remuneration	by reference to the time properly given by the liquidators and their staff in attending to the matters arising in the winding up pursuant to a resolution passed by the members on 25 April 2002.
Liquidators' contact details:	The Joint Liquidators Electric & General Investment Trust Plc – in members' voluntary liquidation C/o PricewaterhouseCoopers LLP 7 More London Riverside London SE1 2RT Email: Payal.s@pwc.com

APPENDIX B

Electric & General Investment Trust Plc - in members' voluntary liquidation (the "Company")
Joint Liquidators' Summary Receipts and Payments Account (note 1)

Declaration of solvency
estimated realisable
values
15 July 2011
(note 2)

Cumulative
12 August 2011
to
Closure

£		£
24,919,094	Receipts	
285,616,787	Balance at Bank	195,951,595.38
1,846,512	Marketable securities (note 3)	82,494,424.35
3,912,746	Trade debtors	
-	Investments other than marketable securities	
-	Distributions received (Herald Ventures)	331,179.68
-	Dividends received in GBP	180,285.88
-	Less tax deducted at source	16,028.58
-	Dividend proceeds from BNP USD account	86,511.29
-	Withholding tax refunds received from BNP Euro account	75,801.77
-	Withholding tax refunds received from BNP CHF account	226,587.20
-	Post appointment VAT refund	179,057.30
-	Pre appointment VAT refund	22,796.89
-	Transfer balance at bank from BNP NOK account	19,176.34
-	Pre appointment interest received gross	7,223.69
-	Dividend proceeds from BNP Euro account	7,219.95
-	Dividend proceeds from BNP KRW account	1,216.13
-	German withholding tax refund (note 9)	48,788.80
-	Norwegian withholding tax refund (note 9)	58,256.07
-	Distributions from legal settlements (note 10)	43,965.58
-	Interest received gross	22,836.70
-	Unclaimed dividends older than 12 years (note 14)	34,890.97
-	Balance transferred from JPY account held at BNP	1,103.74
-	Refund from AIC fighting fund	369.90
-	USD balance transferred from the Delaware Division of Revenue (note 11)	12,389.01
-	Belgium withholding tax refund received from BNP (note 9)	94,475.44
-	French withholding tax refund	501,313.97
-	Interest on French withholding tax refund	69,790.43
-	Swedish withholding tax refund	21,647.47
-	Interest on Swedish tax refund	226.93
-	Swiss withholding tax refund (note 9)	6,157.94
-	Distribution received from Education & Media Publishing Group Ltd	189.97
316,385,136	Total	280,484,220.09
	Payments	
7,000,000	Liabilities secured by floating charge (note 2)	
1,655,215	Estimated costs of liquidation and other expenses	
941,528	Accrued expenses	
-	Fund administration fees - BNP Paribas	428,602.99
-	Investment management fees	395,401.69
-	Corporation Tax	143,366.42
-	Legal fees	102,987.89
-	PwC Pre liquidation advice fees	82,915.18
-	Taxation advice fees - Ernst & Young (note 13)	129,000.00
-	Transfer to BNP Euro account to settle withholding tax liability	68,458.24
-	PwC liquidators' remuneration (note 4)	478,236.72
-	OEIC set up fees	39,690.38
-	Printing	35,750.49
-	Alliance Trust	30,000.00
-	D&O insurance	23,327.26
-	TAV review - Ernst & Young	18,000.00
-	Registrars' fees (note 5)	92,758.07
-	Company website maintenance fees	8,946.91
-	PwC taxation advice fees (note 4)	37,358.76
-	Liquidators' Category 1 disbursements (note 6)	2,033.25
-	Registered office costs	1,200.00
-	Directors' fees & expenses	288.10
-	Pre liquidation interest payable	678.38
-	PwC India - taxation advice fees (note 8)	11,030.97
-	Bank charges	57.06
-	Notary fees (note 12)	1,704.72
-	FX loss on payment to the Indian Tax authority (see section 2 of the report)	590.65
9,596,743	Total	2,100,552.13

Distributions paid on 12 August 2011 to holders of Ordinary Shares of 1 pence each:

First and main cash distribution to shareholders electing for the Cash Option @ 429.4189 pence per share	182,165,846.48
First and main in specie distribution to shareholders electing for shares in Electric & General Investment Fund (the E&G Option) @ 411.4105 per share. The assets transferred as part of the Scheme are set out below:	
Transfer of cash to Electric & General Investment Fund	11,704,169.60
Transfer of securities to Electric & General Investment Fund	82,494,424.35
Transfer of cash to Electric & General Investment Fund equal to Stamp Duty payable	73,331.79
Total transferred to Electric & General Investment Fund	94,271,925.74
Second and final cash distribution paid on 11 October 2016 to shareholders @ 2.9485 pence per share	1,925,854.90
Second and final cash distribution de minimis payment to NSPCC (payments less than £5.00)	240.85
Total distributed to Ordinary shareholders	276,363,867.95

Closing balance

0.00

Note 1: All payments are shown gross of VAT where they relate to taxable services/supplies

Note 2: Estimated realisable value of assets and liabilities as at 15 July 2011 as per declaration of solvency sworn on 21 July 2011 by the directors of the Company. The liabilities secured by floating charge were settled prior to the liquidation.

Note 3: The basis of the valuation of the Company's assets for the purposes of the Scheme is set out in Part III section 4 of the Circular dated 30 June 2011. In summary, all money market instruments and other short-term securities were valued at par, and quoted investments by reference to the bid price on the principal stock exchange where the relevant investment was listed; cash and receivables were valued at the amount thereof; investments in any collective investment scheme were valued at the price as quoted by the manager, operator or authorised corporate director.

Note 4: Office holders' fees are based on time costs of the Joint Liquidators and their staff as approved by the special resolution passed on 12 August 2011.

Note 5: Fees have been paid to Computershare Investor Services Plc and BNP Paribas Security Services in respect of custody and ongoing registrars' fees. Both parties held an existing contract with the Company prior to liquidation. A provision was made in the Company's TAV to cover ongoing costs in the liquidation.

Note 6: Liquidators' Category One disbursements of £2,033.25 were incurred as follows:

Category One Disbursements	£
Travel	752.02
Company searches	19.00
Local courier	26.50
Statutory advertising	220.86
Statutory bonding	640.00
HM Land Registry	36.00
Sub total	1,694.38
VAT	338.87
Total	2,033.25

Note 7: In order to manage the investment trust tax status of the company, funds were held non interest bearing for the first year of liquidation. All funds were then put on to an interest bearing bank account at Barclays Bank Plc. The funds were taken off interest bearing so that the final tax computation could be submitted.

Note 8: Pursuant to an engagement letter signed pre liquidation.

Note 9: To enable the currency accounts at BNP to be closed, VAT receipts were paid by BNP Paribas directly to the Company's Barclays GBP account.

Note 10: Receipts were received in USD relating to the Company's share of various 'class action litigations' in the United States which related to investments the Company previously held. The distributions were received by cheque in USD and were converted into GBP by Barclays Bank.

Note 11: The company previously held USD in a brokerage account with Deutsche Bank and in 2011 the funds were transferred to an unclaimed property account at the Delaware Division of Revenue. An application was made for the funds to be transferred to the liquidation bank account and the funds were received in April 2014.

Note 12: In order to realise the Company's claim for the unclaimed funds held in Delaware and the Company's claim for French withholding tax documents were required to be notarised.

Note 13: Ernst & Young was engaged by the Company pre liquidation in order to make claims for withholding tax suffered in various overseas jurisdictions.

Note 14: In accordance with the Company's Articles of Association, dividends remaining unclaimed after twelve years revert to the Company.

APPENDIX B

Electric & General Investment Trust Plc - in members' voluntary liquidation (the "Company")
Joint Liquidators' Summary Receipts and Payments Account (note 1)
US Dollar (USD)

	Cumulative 12 August 2011 to closure
Receipts	USD
Dividends received	163,503.15
less withholding tax deducted at source	(23,581.98)
Total	139,921.17
Payments	
Transfer to GBP account	139,921.17
Total	139,921.17
Closing balance	

Note 1 All payments are shown gross of VAT where they relate to taxable services/supplies

Electric & General Investment Trust Plc - in members' voluntary liquidation (the "Company")
Joint Liquidators' Summary Receipts and Payments Account (note 1)
Euros (EUR)

	Cumulative 12 August 2011 to closure
Receipts	EUR
Balance at bank	(0.01)
Withholding tax refunds	79,526.18
Transfer from GBP account to settle withholding tax liability	82,521.33
Dividends received	57,326.04
Less withholding tax deducted at source	(780.31)
Total	218,593.23
Payments	
Transfer to GBP account	136,071.91
Withholding tax payable in September 2011 in respect of Carrefour shares held pre appointment	82,441.50
Charges incurred in respect of DIA shares held pre appointment	79.82
Total	218,593.23
Closing balance	

Note 1 All payments are shown gross of VAT where they relate to taxable services/supplies

APPENDIX B

Electric & General Investment Trust Plc - in members' voluntary liquidation (the "Company")
Joint Liquidators' Summary Receipts and Payments Account (note 1)
Swiss Franc (CHF)

	Cumulative 12 August 2011 to closure	
Receipts	CHF	
Withholding tax receipts	335,764.68	
Total	<u>335,764.68</u>	
Payments		
Transfer to GBP account	335,764.68	
Total	<u>335,764.68</u>	
Bank account closed as at 11 August 2015		<u>-</u>

Note 1: All payments are shown gross of VAT where they relate to taxable services/supplies

Electric & General Investment Trust Plc - in members' voluntary liquidation (the "Company")
Joint Liquidators' Summary Receipts and Payments Account (note 1)
Norwegian Krone (NOK)

	Cumulative 12 August 2011 to closure	
Receipts	NOK	
Balance at bank (Note 2)	178,781.04	
Total	<u>178,781.04</u>	
Payments		
Transfer to GBP account	178,781.04	
Total	<u>178,781.04</u>	
Closing balance		<u>-</u>

Note 1: All payments are shown gross of VAT where they relate to taxable services/supplies

Electric & General Investment Trust Plc - in members' voluntary liquidation (the "Company")
Joint Liquidators' Summary Receipts and Payments Account (note 1)
Korean Won (KRW)

	Cumulative 12 August 2011 to closure	
Receipts	KRW	
Dividends received	2,525,000.00	
Less withholding tax deducted at source	(378,750.00)	
Total	<u>2,146,250.00</u>	
Payments		
Transfer to GBP account	2,146,250.00	
Total	<u>2,146,250.00</u>	
Closing balance		<u>-</u>

Note 1: All payments are shown gross of VAT where they relate to taxable services/supplies.

Electric & General Investment Trust plc - in members' voluntary liquidation
Liquidators' time costs for the period 12 August 2018 to Closure (Note 1)

Work Type	Hours										Total
	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Time costs Incurred			
	H	H	H	H	H	H	H	H	GBP	GBP	
Accounting and treasury	-	-	0.10	-	0.80	2.60	-	-	661.30	188.94	
Administration & filing	-	-	0.05	2.00	6.10	-	-	-	2,869.15	352.04	
Closure procedures	-	-	-	7.00	2.05	0.10	-	-	4,308.00	470.82	
Compliance	-	1.12	0.15	5.20	1.55	-	-	-	3,967.65	494.72	
Corporation Tax and VAT	-	10.46	-	16.35	1.85	-	-	-	16,499.75	575.71	
Creditors / liabilities	-	-	-	0.10	-	-	-	-	49.50	495.00	
Job plan	-	-	-	-	2.60	-	-	-	790.40	304.00	
Other assets	-	-	-	0.50	-	-	-	-	247.50	495.00	
Periodic reviews	-	0.25	0.55	0.70	2.20	-	-	-	1,477.55	399.34	
Progress reporting	-	-	-	1.20	5.15	-	-	-	2,401.60	378.20	
Registrar / shareholder liaison	-	0.10	0.45	0.70	11.70	-	-	-	4,312.95	333.05	
Time costs for the period 12 August 2017 to 30 September 2018	-	11.93	1.30	33.75	34.00	2.70	-	-	37,585.35	449.16	
Time costs brought forward to 11 August 2018	0.50	117.13	243.30	36.40	390.05	247.00	10.66	-	348,631.38	333.61	
Total time costs for the liquidation	0.50	129.06	244.60	70.15	424.05	249.70	10.66	-	386,216.73	342.17	

Note 1: In order to remain consistent with the draft final account (issued to shareholders on 11 October 2018), these timecosts are for the period to 30 September 2018 (the latest practicable date before issuing the draft final report). Since issuing the draft report, we have incurred £11,313 (exclusive of VAT) representing 24.81 hours. The time relates to the closure of the liquidation and was included in our final fee. Please note that there will be additional timecosts to be incurred to finalise the project which was also included in our final fee.