

2225861



Progress report
Wood Street Investments Limited – in compulsory liquidation (“Wood Street”)
In the Croydon County Court No: 1557 of 2010

1. Introduction

A Winding Up Order was made on 22 September 2010 based on a creditor's petition

Derek Howell and I were originally appointed as Joint Liquidators on 20 November 2012 by the Secretary of State. Following Mr Howell's retirement, and by an order of the Court dated 22 March 2013, Julian Guy Parr was appointed as Joint Liquidator to ensure continuity in the administration of the estate.

Mr Howell is released from all liability pursuant to the relevant acts of the Insolvency Act 1986 56 days after this report. Creditors also have a right to apply to Court to vary or discharge the order within 28 days of receipt of this report.

In accordance with Rule 4.49B of the Insolvency Rules 1986 (“IR86”), this is the Joint Liquidators' progress report to members and all known creditors following the removal of Derek Howell.

2. Statement of Affairs

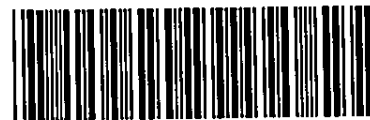
The following assets and liabilities were disclosed to the Official Receiver -

	£
Assets	Nil
Liabilities	
Crown Departments	<u>(63,281,355)</u>
ESTIMATED DEFICIENCY AS REGARDS CREDITORS	(63,281,355)
Issued and called up share capital	<u>(145,706,592)</u>
ESTIMATED DEFICIENCY AS REGARDS MEMBERS	<u>(208,987,947)</u>

3. Receipts and payments

A receipts and payments account, as reconciled with that which is held by the Secretary of State in respect of the winding up is enclosed at Appendix A. Please note that this account covers the period to 22 March 2013 only. A more up to date account was provided with my previous report to creditors dated 28 June 2013.

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4. Assets

The Joint Liquidators have dealt with the following assets to date:-

Book debts

Wood Street is a creditor of Lehman Brothers Holdings Inc ("LBHI") in the sum of \$276,825,598.24. This claim was agreed by the Official Receiver with the administrators of LBHI prior to my appointment

In April 2012, and again prior to my appointment, a first distribution was made from LBHI at the rate of 0.0462p in the £. This payment was not however received by the Official Receiver as Liquidator of Wood Street. Investigations were therefore made regarding this payment in order that it be recovered for the benefit of creditors. Whilst this dividend has now been received it was not during the period of this report.

Second and third distributions have also been made by LBHI at the rates of 0.0311p in the £ and 0.0393p in the £. Only the second distribution was received during the period of this report which appears on the attached receipts and payments account

We currently await confirmation of any further distributions to be made by LBHI.

5. Liabilities

We have received unsecured claims totalling £63,559,678.61 and do not expect to receive any further claims.

A dividend will be paid to unsecured creditors in due course.

6. General

As there are a number of on-going matters the Joint Liquidators are not yet in a position to determine when the administration of the case will be concluded.

7. Liquidators' remuneration and disbursements

During the period of this report time costs of £11,505 have been incurred. This represents 38.20 hours at an average hourly rate of £301. Appendix B gives details of all costs incurred to 22 March 2013 by work category and details of hourly rates which have been applied to this case. Details of all disbursements incurred are also provided. A remuneration resolution was not passed during this period and therefore no fees were drawn or expenses reimbursed.

It is the Joint Liquidators' policy to delegate the routine administration of the liquidation to junior staff in order to maximise the cost effectiveness of the work performed. These staff have been supervised by senior staff and the liquidators. Any matter of particular complexity or significance that has required responsibility of an exceptional kind has also been dealt with by senior staff and the Liquidators.



All staff who work on this assignment (including cashiers, support and secretarial staff) charge time directly to the assignment and are included within any analysis of time charged. Each grade of staff is allocated an hourly charge out rate which is reviewed from time to time. Work undertaken by cashiers, support and secretarial staff is charged for separately and is not included in the hourly rates charged by partners or other members of staff. Time is charged by reference to actual work carried out on the assignment in 6 minute units. The minimum time chargeable is 3 minutes (i.e. 0.5 units).

In common with all professional firms, scale rates increase from time to time over the period of the administration of each insolvency case. PricewaterhouseCoopers LLP, or any successor firm, reserves the right to change the rates and grade structure. Specialist departments within PricewaterhouseCoopers LLP, such as tax, VAT, property and pensions, sometimes charge a small number of hours should the Joint Liquidators require their expert advice. Their rates vary, however the figures given provide an indication of the maximum rate per hour.

To help you understand the way in which our remuneration is arrived at, a creditors' guide to fees issued by my professional body is available at:

<http://www.icaew.com/~media/Files/Technical/Insolvency/creditors-guides/creditors-guide-liquidators-fees-final.pdf>

This includes details on the rights of creditors and members to request further information, pursuant to Rule 4.49E of the Insolvency Rules 1986 ("IR86"), and also the rights of creditors in respect of any claim that the Liquidators' remuneration and disbursements are excessive, pursuant to Rule 4.131 IR86.

If you require any further information please contact James Butcher of this office.

Ian C Oakley-Smith
Joint Liquidator

Ian C Oakley-Smith and Julian G Parr 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 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 liquidation.



APPENDIX B CONTD

Wood Street Investments Limited – in compulsory liquidation Hourly rates applicable from 20 November 2012 to 22 March 2013

	£/hr
Partner	540
Director	450
Senior manager	395
Manager	310
Senior Associate (qualified)	233
Senior Associate (non-qualified)	172
Associate	146
Support Staff	80

Note.

Advice from specialist departments within PricewaterhouseCoopers LLP, such as tax and pensions, has been required in this case. The relevant rates for that team are detailed below:

Grade	Hourly Rate £
Manager	570
Senior associate/consultant	420
Associate/Assistant consultant	180

Any time charged by these departments is included within the summary of my costs

Schedule of disbursements and expenses incurred to 22 March 2013

	£
Joint Liquidators' bonds	1,280 00
Postage	15.50

Professional Advisers

On this assignment the Joint Liquidators have used the professional advisers listed below.

Name of Professional Adviser	Nature of Work	Basis of Fee Arrangement
Davis Polk	Legal advice	Time costs

The Liquidators' choice was based upon their perception of the advisers' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them. The joint liquidators have reviewed the fees charged and are satisfied that they are reasonable in the circumstances of the case.

APPENDIX A

Wood Street Investments Limited - in compulsory liquidation

Summary of receipts and payments for the period 20 November 2012 to 22 March 2013

	£	£
Receipts		
Book debts	<u>5,429,819.60</u>	
		5,429,819 60
Payments		
Official Receiver's debit balance	1,235.00	
Petitioning costs	1,515 00	
Bank charges	22.00	
DTI cheque fees/ISA costs	1.10	
Secretary of State fees (Ad Valorem)	<u>80,000.00</u>	
		(82,773 10)
Balance at bank		<u><u>5,347,046.50</u></u>

APPENDIX B

Details of costs incurred from 20 November 2012 to 22 March 2013
Wood Street Investments Limited - In compulsory liquidation

Resource Value																	
	Partner		Director		Senior Manager		Manager		Senior Associate		Associate		Support Staff		Total Hours	Total Cost	Average Hourly Rate
	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost			
Administration & Planning																	
Administration and planning	0.60	324.00	0.00	0.00	0.00	0.00	0.00	0.00	0.35	93.10	0.20	29.20	0.00	0.00	1.15	446.30	388.09
Accounting & Treasury	0.00	0.00	0.00	0.00	0.00	0.00	0.30	93.00	1.80	361.30	4.05	615.00	0.00	0.00	6.15	1,059.30	173.87
Strategy & Planning	0.00	0.00	0.50	330.00	3.50	1,704.50	7.50	2,335.00	1.40	240.80	0.00	0.00	1.00	86.00	13.90	4,680.30	336.71
Appointment	0.00	0.00	0.30	198.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	198.00	660.00
Compliance	0.00	0.00	0.00	0.00	0.60	237.00	4.60	1,426.00	0.60	103.20	1.60	360.00	0.10	8.00	7.50	2,134.20	284.56
Realisation of Assets																	
Other Assets	0.00	0.00	0.00	0.00	1.90	750.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.90	750.50	395.00
Bank Debts	0.00	0.00	0.00	0.00	0.00	0.00	6.70	2,077.00	0.00	0.00	0.00	0.00	0.00	0.00	6.70	2,077.00	310.00
Creditors																	
Tax & VAT	0.00	0.00	0.00	0.00	0.00	0.00	0.40	124.00	0.00	0.00	0.20	25.00	0.00	0.00	0.60	149.00	248.33
TOTAL	0.60	324.00	0.80	528.00	6.00	2,642.00	19.50	6,045.00	4.15	798.40	6.05	1,029.20	1.10	88.00	38.20	11,504.60	301.17



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