

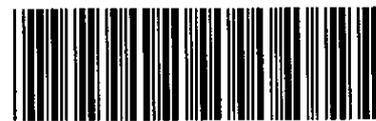
WU07

Notice of progress report in a winding-up by the court



Companies House

THURSDAY



A20 *A863ERT7* #210
23/05/2019
COMPANIES HOUSE

1 Company details

Company number	0	2	2	2	5	8	6	1
Company name in full	WOOD STREET INVESTMENTS LIMITED							

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

2 Liquidator's name

Full forename(s)	GILLIAN ELEANOR
Surname	BRUCE

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	

4 Liquidator's name

Full forename(s)	EDWARD
Surname	MACNAMARA

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

5 Liquidator's address

Building name/number	7
Street	MORE LONDON RIVERSIDE
Post town	LONDON
County/Region	
Postcode	S E 1 2 R T
Country	

② Other liquidator
Use this section to tell us about another liquidator.

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6 Period of progress report

From date	d 2	d 3	m 0	m 3	y 2	y 0	y 1	y 8
To date	d 2	d 2	m 0	m 3	y 2	y 0	y 1	y 9

7 Progress report

The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X 

X

Signature date

d 1	d 4	m 0	m 5	y 2	y 0	y 1	y 9
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WU07

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Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **SARA MYERS**

Company name **PRICEWATERHOUSECOOPERS**

LLP

Address **8TH FLOOR**

CENTRAL SQUARE

29 WELLINGTON STREET

Post town **LEEDS**

County/Region

Postcode

L	S	1			4	D	L
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Country

DX

Telephone **0113 289 4566**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- The company name and number match the information held on the public Register.
- You have attached the required documents.
- You have signed the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Joint Liquidators' progress report
from 23 March 2018 to 22 March
2019

***Wood Street Investments
Limited
(in liquidation)***

14 May 2019

In the Croydon County Court
Case no. 1557 of 2010

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Abbreviations and definitions

The following table shows the abbreviations and insolvency terms that may be used in this:

Abbreviation or definition	Meaning
the Company	Wood Street Investments Limited – in liquidation
the Joint Liquidators	Gillian Bruce and Edward Macnamara (from 16 July 2018) Ian Oakley-Smith until 24 December 2018 and Guy Parr until 16 July 2018
firm	PricewaterhouseCoopers LLP
IR16	Insolvency (England and Wales) Rules 2016
IA86	Insolvency Act 1986
LBHI	Lehman Brothers Holdings Inc
Helsinki	Lehman Brothers Helsinki Holdings sarl
Sch.B1 IA86	Schedule B1 to the Insolvency Act 1986
HMRC	HM Revenue & Customs
secured creditors	Creditors with security in respect of their debt, in accordance with section 248 IA86
preferential creditors	Claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
unsecured creditors	Creditors who are neither secured nor preferential
ISA	Insolvency Services Account

Key messages

Why we've sent you this report

We are writing to update you on the progress of the liquidation of the Company in the twelve months since our last report dated 8 May 2018.

Please get in touch with Sara Myers on 0113 289 4566 or at sara.myers@uk.pwc.com if you need to view any of our previous reports.

How much creditors may receive

The following table summarises the outcome for creditors, based on what we currently know.

Class of creditor	Current estimate (p in £)	Previous estimate (p in £)
Secured creditors	N/A	N/A
Preferential creditors	N/A	N/A
Unsecured creditors	100p in the £ (paid) Statutory interest (partly paid)	100p in the £ (paid) Statutory interest

Please note this guidance on dividend prospects is only an indication. You shouldn't use it as the main basis of any bad debt provision that you may need to make.

Unsecured creditors

As previously advised, we paid the unsecured creditors an interim dividend of 94.4p in the £ on 2 October 2017 and a final dividend of 5.6p in the £ on 30 January 2018, meaning that unsecured claims have been paid in full.

Statutory interest accrued on the unsecured claims at 8% simple per annum from the date of liquidation on the balance of the debt outstanding. Statutory interest entitlements total c.£36.6m.

Since the end of this reporting period, we've also paid unsecured creditors a part payment of £2.5m of statutory interest.

We are uncertain at this stage what, if any, other additional amount of statutory interest we will be able to pay in future to unsecured creditors, as this depends on the level of future asset realisations and costs.

What you need to do

This report is for your information and you do not need to do anything.

Overview of what we've done to date

We remain in office to collect any remaining assets of the Company and conclude the claims agreement process in order to distribute statutory interest which is payable on the debt owed to creditors.

When we last reported, the key outstanding matters in the liquidation included:

- Ongoing collection of book debts from LBHI.
- Interim payment of statutory interest to unsecured creditors.

Details of what we have done to advance these outstanding matters is disclosed on the next page.

Progress since we last reported

Asset realisations

The Company is a creditor of LBHI in the sum of \$276,825,598.24. This claim was agreed by the Official Receiver with LBHI prior to our appointment.

During the period of this report further distributions have been received, as follows, from LBHI:

Distribution	£ / Sterling	Date of receipt
0.402%	792,818.21	5 April 2018
0.621%	1,318,347.81	4 October 2018
	2,111,166.02	

This brings the total distributions received to £66,288,481.

Subsequent to the period covered by this report, a seventeenth distribution of 0.114% totalling £240,946 has also been paid by LBHI on 8 April 2019.

Further distributions are expected to be made by LBHI in October and April of each year. However we do not know at this stage how many further distributions will be made, and therefore the expected end date of the liquidation is currently not known.

Interest Received

We have received bank interest of £13,003 for the period of this report.

Our Strategy

You will be aware from details found in our previous reports, our strategy has been to maximise the return for creditors. As agreed with the creditors, we remain in office to receive future distributions from LBHI. We will continue to keep this strategy under review.

Statutory interest due to unsecured creditors

As previously advised, in situations where creditors are paid 100p in the £, they are entitled to be paid statutory interest on their claims from any surplus funds. Statutory interest accrues at 8% simple per annum on the outstanding balance of principal due to the creditor, from the date of liquidation until that principal was paid in full.

Based on the total unsecured creditor claims received of £63,559,679, creditors are entitled to statutory interest totalling some £36.6 million. We do not anticipate that realisations will be sufficient to enable creditors to be paid their statutory interest element in full. We will make distributions of partial payments of the statutory interest on account after receipt of significant realisations.

On 7 May 2019 we paid unsecured creditors statutory interest of £2,542,387. This was paid from the liquidation estate after the period covered by this report, therefore, it is not reflected in the receipts and payments account at Appendix A.

Statutory and compliance

Annual progress report for the period to 22 March 2018

The annual progress report for the year to 21 March 2018 was duly circulated to the Company's creditors, and a copy filed at Companies House.

Tax

The Company's tax year end is 19 November and the tax computation for the year ended 19 November 2017 was finalised in this period. This generated a tax repayment of £1,119 due to the Company that was received in the reporting period.

Connected party transactions

We are not aware of any connected party transactions that should be disclosed under the requirements of Statement of Insolvency Practice 13.

Change of liquidator

During the period Julian Guy Parr and Ian Oakley-Smith retired from the PwC. To ensure that outstanding issues in the liquidation continue to be pursued, in June 2018 an application was made to the Court to remove Julian Guy Parr and appoint Gillian Eleanor Bruce and Edward John Macnamara as liquidators. The application was granted and so Gillian Eleanor Bruce and Edward John Macnamara replaced Julian Guy Parr as Joint liquidators' with effect from 16 July 2018. In December 2018 following a separate application an Order was granted by the Court removing Ian Oakley-Smith as liquidator with effect from 24 December 2018. There being no applications by creditors to vary or discharge either Order the Secretary of State granted Mr Parr's release from all liability in respect of his conduct as liquidator with effect from 19 September 2018 and Mr Oakley-Smith's release from all liability in respect of his conduct as liquidator with effect from 27 February 2019.

Both Gillian Eleanor Bruce and Edward John Macnamara are licensed in the United Kingdom to act as an insolvency practitioners by the Institute of Chartered Accountants in England and Wales and continue to remain appointed Joint Liquidators of the Company.

Investigations and actions

Nothing has come to our attention during the period under review to suggest that we need to do any more work in line with our duties under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice No.2.

Our receipts and payments account

We set out in Appendix A an account of our receipts and payments in the liquidation from 23 March 2018 to 22 March 2019.

Our expenses

We set out in Appendix B a statement of the expenses we've incurred to the date covered by this report and an estimate of our future expenses.

Our fees

We set out in Appendix C an update on our remuneration which covers our fees, disbursements and other related matters in this case.

Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge fees and expenses within eight weeks of receiving this report as set out in Rule 18.34 IR16. This information can also be found in the guide to fees at:

<http://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2017/liquidations-creditors-fee-guide-6-april-2017.ashx?la=en>

You can also get a copy free of charge by telephoning Sara Myers on 0113 289 4566.

What we still need to do

The following matters remain outstanding:

- Ongoing collection of books debts from LBHI;
- Payment of statutory interest on creditors unsecured debt and;
- Undertaking statutory and compliance matters such as tax returns and creditor reports.

Next steps

We expect to send our next report to creditors at the end of the liquidation or in about twelve months, whichever is the sooner.

If you've got any questions, please get in touch with Sara Myers on 0113 289 4566.

Yours faithfully
For and on behalf of the Company



Gillian Bruce
Joint Liquidator

Gillian Bruce and Edward Menamara have been appointed as Joint Liquidators of the Company. 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 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 A: Receipts and payments

Wood Street Investments Limited - in compulsory liquidation			Appendix A
Summary of receipts and payments for the period			
23 March 2018 to 22 March 2019			
	20 November 2012 to 22 March 2018	23 March 2018 to 22 March 2019	TOTAL
	£	£	£
Receipts			
Book debts	64,177,315.07	2,111,166.02	66,288,481.09
Corporation tax refund	15,060.04	1,118.74	16,178.78
Bank interest	869,577.53	13,002.62	882,580.15
TOTAL RECEIPTS	65,061,952.64	2,125,287.38	67,187,240.02
Payments			
Office holder fees	198,120.27		198,120.27
Official Receiver's debit balance	1,235.00	-	1,235.00
Petition costs	1,515.00	-	1,515.00
Cover schedule costs	1,290.00	-	1,290.00
Statutory advertising	223.74	-	223.74
Legal fees	10,296.33	-	10,296.33
Postage, stationery & printing	15.50	-	15.50
Office holder's expenses	1,828.71	-	1,828.71
Bank charges	462.00	88.00	550.00
DTI cheque fees/ISA costs	14.30	-	14.30
Secretary of State fees (Ad Valorem)	80,000.00	-	80,000.00
Tax deducted from bank interest	174,704.63	2,600.53	177,305.16
First and final dividends paid to unsecured creditors-100p in the £	63,559,678.61		63,559,678.61
Irrecoverable VAT	42,305.47		42,305.47
TOTAL PAYMENTS	64,071,689.56	2,688.53	64,074,378.09
BALANCE AT INSOLVENCY SERVICES ACCOUNT, 22 MARCH 2019 *	990,263.08	2,122,598.85	3,112,861.93

* Balance held in an interest bearing account with the ISA

Appendix B: Expenses

The following table provides details of our expenses. Expenses are amounts properly payable by us as Joint Liquidators from the estate and includes our fees, but excludes distributions to creditors. The table also excludes any potential tax liabilities that we may need to pay as an liquidation expense because amounts becoming due will depend on the position at the end of the tax accounting period.

The table should be read in conjunction with the receipts and payments account at Appendix A, which shows expenses actually paid during the period and the total paid to date.

	Brought forward from preceding period	Paid in the period	Incurred but not paid	Cumulative	Estimated future	Anticipated total
	£	£	£	£	£	£
Office holders' fees	4,064.20	-	23,811.40	225,995.87	*73,000.00	298,995.87
Office holder's expenses	9.26	-	2.58	1,840.55	250.00	2,078.71
Bank charges	-	88.00	-	550.00	178.00	728.00
Tax deducted from bank interest	-	2,600.53	-	177,305.16	**15,000.00	192,305.16
Total	4,073.46	2,688.53	23,813.98	405,691.58	88,428.00	494,107.74

*Our strategy is to remain in office to collect the remaining LBHI debt, pay statutory interest to creditors on their unsecured debt and bring the liquidation to a close. On the assumption that we remain in office for another 2 years, we estimate further costs of £73,000.

** It is difficult to provide an estimation of the likely tax costs that will be incurred going forward, as this very much depends of the level of future LBHI book debt realisations.

Appendix C: Remuneration update

The Joint Liquidators fees were approved on a time cost basis at a general meeting of creditors on 19 July 2013. This approval allowed the Joint Liquidators to draw fees by reference to the time properly given by them and their staff in dealing with the liquidation.

We've drawn fees of £198,120 in line with the approval given, as shown on the enclosed receipts and payments account at Appendix B.

The time cost charges incurred in the period since our last report are £23,811. This time has not been billed, but will be in the current period.

We set out later in this Section details of our work to date, anticipated future work, disbursements, subcontracted work and payments to associates.

Analysis of time costs for the period from 23 March 2018 to 22 March 2019

Aspect of assignment	Partner (Hrs)	Director (Hrs)	Senior Manager (Hrs)	Manager (Hrs)	Senior Associate (Hrs)	Associate (Hrs)	Support (Hrs)	Total (Hrs)	Time cost £	Average hourly rate £
1 Accounting and treasury	-	-	-	1.55	15.20	0.85	-	17.60	4,003.95	227.50
2 Statutory and compliance	-	0.90	3.11	1.60	11.60	-	2.10	19.31	5,931.60	307.18
3 Tax	2.60	-	2.90	1.00	7.65	11.05	-	25.20	11,674.60	463.28
4 Strategy and planning	0.20	0.10	1.20	-	6.45	-	0.10	8.05	1,825.50	226.77
5 Assets	-	-	-	0.10	0.25	-	-	0.35	85.50	244.29
6 Distribution	-	0.30	-	0.10	0.35	-	-	0.75	290.25	387.00
Total for the period	2.80	1.30	7.21	4.35	41.50	11.90	2.20	71.26	23,811.40	334.15
Brought forward at 22 March 2018								594.53	202,184.47	
Total								665.79	225,995.87	

Our time charging policy and hourly rates

We and our team charge our time for the work we need to do in the liquidation. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed and we supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the liquidation (including our cashiers, support and secretarial staff) charge time directly to the case and are included in any analysis of time charged. Each grade of staff has an hourly charge out rate which is reviewed from time to time. Work carried out by our cashiers, support and secretarial staff is charged for separately and isn't included in the hourly rates charged by partners or other staff members. Time is charged in six minute units. The minimum time chargeable is three minutes (i.e. 0.05 units). We don't charge general or overhead costs.

We set out below the maximum charge-out rates per hour for the grades of our staff who already or who are likely to work on the liquidation.

We call on colleagues in our Tax, VAT, Real Estate and Pensions departments where we need their expert advice. Their specialist charge-out rates vary but the following are the maximum rates by grade per hour.

Grade	To 30 June 2018 £	From 1 July 2018 £	Specialist rates (maximum) from 1 July 2018 £
Partner	620	640	1,520
Director	525	540	1,390
Senior manager	450	465	1,230
Manager	355	365	770
Senior associate – qualified	268	275	570
Senior associate – unqualified	196	200	n/a
Associate	175	180	305
Support staff	92	95	250

In common with many professional firms, our scale rates may rise to cover annual inflationary cost increases.

Payments to associated parties

We have not made any payments to associates during the period covered by this report.

Our work in the period

Earlier in this section we have included an analysis of the time spent by the various grades of staff. There remain a number of distinct work streams within the work we have done. It should be noted that individuals will have worked in more than one area. Whilst this is not an exhaustive list, in the following table we provide more detail on the key areas of work:-

Area of work	Work undertaken	Why the work was necessary and what, if any, financial benefit the work provided to creditors
Accounting and treasury	<ul style="list-style-type: none"> • Processing receipts and payments via the Insolvency Services Account; • Bank reconciliations; • Receipt of LBHI debt; • Reviewing case financials; and • Maintenance of internal accounting systems 	<ul style="list-style-type: none"> • To ensure manage of the bank account is up to date • Benefit of proper stewardship and accounting of case funds

Statutory and compliance	<ul style="list-style-type: none"> • Preparation of periodic case reviews; • Joint Liquidators' review of case (as required by licensing body) ; • Preparation and review of annual progress report; and • Dealing with general incoming correspondence 	<ul style="list-style-type: none"> • To comply with our obligations under insolvency legislation to prepare and circulate progress reports to creditors and Companies House • Required by statute or regulation • To provide creditors with an update of the administration
Tax	<ul style="list-style-type: none"> • Liaising with HM Revenue & Customs regarding verification of bank details to enable statutory interest to be paid; • Preparing tax calculation and return for y/e November 2017; and • Chasing receipt of tax refund 	<ul style="list-style-type: none"> • To ensure that the strategy for the liquidation was beneficial for HMRC as key stakeholder in the liquidation • To comply with statutory obligations • To minimise tax liabilities and obtain any tax refunds for the benefit of creditors
Strategy and planning	<ul style="list-style-type: none"> • Team briefings on case progression and resolution of outstanding matters; • Joint Liquidators oversight and review of case progression and strategy options; • Managing case diary/events; and • Case filing 	<ul style="list-style-type: none"> • Ensures matters are progressed efficiently and cost effectively • Financial benefit for the creditors
Assets	<ul style="list-style-type: none"> • Collection of LBHI distributions 	<ul style="list-style-type: none"> • To protect and maximise the value of the Company's assets
Distribution	<ul style="list-style-type: none"> • Internal discussions regarding LBHI distributions • Internal discussions regarding proposed statutory interest payment expected to be paid to unsecured creditors 	<ul style="list-style-type: none"> • To ensure all creditors receive the information they are entitled to during the liquidation

Our future work

We still need to do the following work in the liquidation. We have assumed that the liquidation will remain open for a further two years and that there are no new claims, unusual tax matters or disputes which arise in this time.

Area of work	Work undertaken	Estimated cost (£ subject to VAT)	Why the work was necessary and what, if any, financial benefit the work provided to creditors
Accounting and treasury	<ul style="list-style-type: none"> • Reviewing, authorising and processing receipts and payments via the Insolvency Service Account; • Carrying out periodic reconciliations of bank accounts; • Preparation of bills on account of fees ; • Payment of any professional fees; • Maintenance of internal accounting systems; and • Closure of accounts 	<ul style="list-style-type: none"> • £8,000 	<ul style="list-style-type: none"> • Statutory duty to keep proper books and records to evidence transactions
Statutory and compliance	<ul style="list-style-type: none"> • Dealing with various statutory, other regulatory and internal compliance procedures in the liquidation; • Preparation, review and circulation of annual progress reports to creditors ; • Managing case diary events; and • Preparation and distribution of the final account to creditors 	<ul style="list-style-type: none"> • £22,000 	<ul style="list-style-type: none"> • Required by statute or regulation
Assets	<ul style="list-style-type: none"> • Collecting future book debts from LBHI; and • Concluding exit strategy for LBHI debt 	<ul style="list-style-type: none"> • £3,000 	<ul style="list-style-type: none"> • Protects and realises the assets for best value. • To return funds to the secured creditors
Tax	<ul style="list-style-type: none"> • Drafting and submitting tax returns; • Dealing with any tax issues arising from the payment of statutory interest; • Payment of tax liabilities; and • Seeking tax clearance prior to closure 	<ul style="list-style-type: none"> • £20,000 	<ul style="list-style-type: none"> • Required by statute or regulation

Strategy and planning	<ul style="list-style-type: none"> • Six monthly reviews of progress of case; • Team meetings; and • Appointee reviews of strategy for best outcome for creditors 	• £8,000	<ul style="list-style-type: none"> • The Joint Liquidators have a duty to act in the best interests of creditors as a whole, maintain proper records and manage costs.
Creditors	<ul style="list-style-type: none"> • Dealing with any ad hoc creditor enquiries; • Preparation and approval of statutory interest calculation due to creditors on their unsecured debt; and • Raising payment to unsecured creditors of statutory interest 	• £4,000	<ul style="list-style-type: none"> • To ensure all creditors receive the information they are entitled to during the Liquidation • Distribution of statutory interest to creditors
Closure	<ul style="list-style-type: none"> • Preparation of final report; and • Dealing with remaining compliance and take steps to close liquidation matters (i.e internal system, release bond etc) 	• £8,000	<ul style="list-style-type: none"> • Required by statute to bring the liquidation to a close

Disbursements

We don't need to get approval to draw expenses or disbursements unless they are for shared or allocated services provided by our own firm, including room hire, document storage, photocopying, communication facilities. These types of expenses are called "Category 2" disbursements and they must be directly incurred on the case, subject to a reasonable method of calculation and allocation and approved by the same party who approves our fees.

Our expenses policy allows for all properly incurred expenses to be recharged to the liquidation together with VAT. We set out below, the disbursements (excluding VAT) incurred in the period of this report.

Category	Policy	Costs incurred £
2	Photocopying - at 5 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	-
2	Mileage - At a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	-
1	All other disbursements reimbursed at cost	2.58
Total to 22 March 2019		2.58

Our relationships

We have no business or personal relationships with the parties who approve our fees or who provide services to the administration where the relationship could give rise to a conflict of interest.

Details of subcontracted work

No work has been subcontracted in the period.

Legal and other professional firms

We've instructed the following professionals on this case:

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Legal services	<ul style="list-style-type: none">• Linklaters LLP	<ul style="list-style-type: none">• Expertise	<ul style="list-style-type: none">• Time costs
Statutory advertising	<ul style="list-style-type: none">• TMP UK Ltd	<ul style="list-style-type: none">• Insolvency knowledge/insolvency expertise	<ul style="list-style-type: none">• Fixed fee

Appendix D: Other information

Court details for the liquidation:	In the Croydon County Court
	Case number: 1557 of 2010
Company's registered name:	Wood Street Investments Limited
Registered number:	02225861
Registered address:	Central Square, 8 th Floor, 29 Wellington Street, Leeds, LS1 4DL
Date of presentation of petition:	28 July 2010
Date of the winding up order:	22 September 2010
Joint Liquidators' names, addresses and contact details:	Mrs Gillian Eleanor Bruce, PricewaterhouseCoopers LLP, 7 More London Riverside, London SE1 2RT (from 16 July 2018) Mr Edward John Macnamara, PricewaterhouseCoopers LLP, 7 More London Riverside, London SE1 2RT (from 16 July 2018) Mr Ian Oakley-Smith, PricewaterhouseCoopers LLP, 7 More London Riverside, London SE1 2RT (from 20 November 2012 to 24 December 2018) Mr Julian Guy Parr, PricewaterhouseCoopers LLP, 7 More London Riverside, London SE1 2RT (from 22 March 2013 to 16 July 2018) Mr Derek Howell, PricewaterhouseCoopers LLP, Benson House, 33 Wellington Street, LS1 4JP (from 20 November 2012 to 22 March 2013)
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

Joint Liquidators' progress report
from 23 March 2018 to 22 March
2019

***Wood Street Investments
Limited
(in liquidation)***

14 May 2019

In the Croydon County Court
Case no. 1557 of 2010



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Key messages

Why we've sent you this report

We are writing to update you on the progress of the liquidation of the Company in the twelve months since our last report dated 8 May 2018.

Please get in touch with Sara Myers on 0113 289 4566 or at sara.myers@uk.pwc.com if you need to view any of our previous reports.

How much creditors may receive

The following table summarises the outcome for creditors, based on what we currently know.

Class of creditor	Current estimate (p in £)	Previous estimate (p in £)
Secured creditors	N/A	N/A
Preferential creditors	N/A	N/A
Unsecured creditors	100p in the £ (paid) Statutory interest (partly paid)	100p in the £ (paid) Statutory interest

Please note this guidance on dividend prospects is only an indication. You shouldn't use it as the main basis of any bad debt provision that you may need to make.

Unsecured creditors

As previously advised, we paid the unsecured creditors an interim dividend of 94.4p in the £ on 2 October 2017 and a final dividend of 5.6p in the £ on 30 January 2018, meaning that unsecured claims have been paid in full.

Statutory interest accrued on the unsecured claims at 8% simple per annum from the date of liquidation on the balance of the debt outstanding. Statutory interest entitlements total c.£36.6m.

Since the end of this reporting period, we've also paid unsecured creditors a part payment of £2.5m of statutory interest.

We are uncertain at this stage what, if any, other additional amount of statutory interest we will be able to pay in future to unsecured creditors, as this depends on the level of future asset realisations and costs.

What you need to do

This report is for your information and you do not need to do anything.

Overview of what we've done to date

We remain in office to collect any remaining assets of the Company and conclude the claims agreement process in order to distribute statutory interest which is payable on the debt owed to creditors.

When we last reported, the key outstanding matters in the liquidation included:

- Ongoing collection of book debts from LBHI.
- Interim payment of statutory interest to unsecured creditors.

Details of what we have done to advance these outstanding matters is disclosed on the next page.

Progress since we last reported

Asset realisations

The Company is a creditor of LBHI in the sum of \$276,825,598.24. This claim was agreed by the Official Receiver with LBHI prior to our appointment.

During the period of this report further distributions have been received, as follows, from LBHI:

Distribution	£ / Sterling	Date of receipt
0.402%	792,818.21	5 April 2018
0.621%	1,318,347.81	4 October 2018
	2,111,166.02	

This brings the total distributions received to £66,288,481.

Subsequent to the period covered by this report, a seventeenth distribution of 0.114% totalling £240,946 has also been paid by LBHI on 8 April 2019.

Further distributions are expected to be made by LBHI in October and April of each year. However we do not know at this stage how many further distributions will be made, and therefore the expected end date of the liquidation is currently not known.

Interest Received

We have received bank interest of £13,003 for the period of this report.

Our Strategy

You will be aware from details found in our previous reports, our strategy has been to maximise the return for creditors. As agreed with the creditors, we remain in office to receive future distributions from LBHI. We will continue to keep this strategy under review.

Statutory interest due to unsecured creditors

As previously advised, in situations where creditors are paid 100p in the £, they are entitled to be paid statutory interest on their claims from any surplus funds. Statutory interest accrues at 8% simple per annum on the outstanding balance of principal due to the creditor, from the date of liquidation until that principal was paid in full.

Based on the total unsecured creditor claims received of £63,559,679, creditors are entitled to statutory interest totalling some £36.6 million. We do not anticipate that realisations will be sufficient to enable creditors to be paid their statutory interest element in full. We will make distributions of partial payments of the statutory interest on account after receipt of significant realisations.

On 7 May 2019 we paid unsecured creditors statutory interest of £2,542,387. This was paid from the liquidation estate after the period covered by this report, therefore, it is not reflected in the receipts and payments account at Appendix A.

Statutory and compliance

Annual progress report for the period to 22 March 2018

The annual progress report for the year to 21 March 2018 was duly circulated to the Company's creditors, and a copy filed at Companies House.

Tax

The Company's tax year end is 19 November and the tax computation for the year ended 19 November 2017 was finalised in this period. This generated a tax repayment of £1,119 due to the Company that was received in the reporting period.

Connected party transactions

We are not aware of any connected party transactions that should be disclosed under the requirements of Statement of Insolvency Practice 13.

Change of liquidator

During the period Julian Guy Parr and Ian Oakley-Smith retired from the PwC. To ensure that outstanding issues in the liquidation continue to be pursued, in June 2018 an application was made to the Court to remove Julian Guy Parr and appoint Gillian Eleanor Bruce and Edward John Macnamara as liquidators. The application was granted and so Gillian Eleanor Bruce and Edward John Macnamara replaced Julian Guy Parr as Joint liquidators' with effect from 16 July 2018. In December 2018 following a separate application an Order was granted by the Court removing Ian Oakley-Smith as liquidator with effect from 24 December 2018. There being no applications by creditors to vary or discharge either Order the Secretary of State granted Mr Parr's release from all liability in respect of his conduct as liquidator with effect from 19 September 2018 and Mr Oakley-Smith's release from all liability in respect of his conduct as liquidator with effect from 27 February 2019.

Both Gillian Eleanor Bruce and Edward John Macnamara are licensed in the United Kingdom to act as an insolvency practitioners by the Institute of Chartered Accountants in England and Wales and continue to remain appointed Joint Liquidators of the Company.

Investigations and actions

Nothing has come to our attention during the period under review to suggest that we need to do any more work in line with our duties under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice No.2.

Our receipts and payments account

We set out in Appendix A an account of our receipts and payments in the liquidation from 23 March 2018 to 22 March 2019.

Our expenses

We set out in Appendix B a statement of the expenses we've incurred to the date covered by this report and an estimate of our future expenses.

Our fees

We set out in Appendix C an update on our remuneration which covers our fees, disbursements and other related matters in this case.

Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge fees and expenses within eight weeks of receiving this report as set out in Rule 18.34 IR16. This information can also be found in the guide to fees at:

<http://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2017/liquidations-creditors-fee-guide-6-april-2017.ashx?la=en>

You can also get a copy free of charge by telephoning Sara Myers on 0113 289 4566.

What we still need to do

The following matters remain outstanding:

- Ongoing collection of books debts from LBHI;
- Payment of statutory interest on creditors unsecured debt and;
- Undertaking statutory and compliance matters such as tax returns and creditor reports.

Next steps

We expect to send our next report to creditors at the end of the liquidation or in about twelve months, whichever is the sooner.

If you've got any questions, please get in touch with Sara Myers on 0113 289 4566.

Yours faithfully
For and on behalf of the Company



Gillian Bruce
Joint Liquidator

Gillian Bruce and Edward McNamara have been appointed as Joint Liquidators of the Company. 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 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 A: Receipts and payments

Wood Street Investments Limited - in compulsory liquidation			Appendix A
Summary of receipts and payments for the period			
23 March 2018 to 22 March 2019			
	20 November 2012 to 22 March 2018	23 March 2018 to 22 March 2019	TOTAL
	£	£	£
Receipts			
Book debts	64,177,315.07	2,111,166.02	66,288,481.09
Corporation tax refund	15,060.04	1,118.74	16,178.78
Bank interest	869,577.53	13,002.62	882,580.15
TOTAL RECEIPTS	65,061,952.64	2,125,287.38	67,187,240.02
Payments			
Office holder fees	198,120.27		198,120.27
Official Receiver's debit balance	1,235.00	-	1,235.00
Petition costs	1,515.00	-	1,515.00
Cover schedule costs	1,290.00	-	1,290.00
Statutory advertising	223.74	-	223.74
Legal fees	10,296.33	-	10,296.33
Postage, stationary & printing	15.50	-	15.50
Office holder's expenses	1,828.71	-	1,828.71
Bank charges	462.00	88.00	550.00
DTI cheque fees/ISA costs	14.30	-	14.30
Secretary of State fees (Ad Valorem)	80,000.00	-	80,000.00
Tax deducted from bank interest	174,704.63	2,600.53	177,305.16
First and final dividends paid to unsecured creditors-100p in the £	63,559,678.61	-	63,559,678.61
Irrecoverable VAT	42,305.47	-	42,305.47
TOTAL PAYMENTS	64,071,689.56	2,688.53	64,074,378.09
BALANCE AT INSOLVENCY SERVICES ACCOUNT, 22 MARCH 2019 *	990,263.08	2,122,598.85	3,112,861.93

* Balance held in an interest bearing account with the ISA

Appendix B: Expenses

The following table provides details of our expenses. Expenses are amounts properly payable by us as Joint Liquidators from the estate and includes our fees, but excludes distributions to creditors. The table also excludes any potential tax liabilities that we may need to pay as an liquidation expense because amounts becoming due will depend on the position at the end of the tax accounting period.

The table should be read in conjunction with the receipts and payments account at Appendix A, which shows expenses actually paid during the period and the total paid to date.

	Brought forward from preceding period	Paid in the period	Incurred but not paid	Cumulative	Estimated future	Anticipated total
	£	£	£	£	£	£
Office holders' fees	4,064.20	-	23,811.40	225,995.87	*73,000.00	298,995.87
Office holder's expenses	9.26	-	2.58	1,840.55	250.00	2,078.71
Bank charges	-	88.00	-	550.00	178.00	728.00
Tax deducted from bank interest	-	2,600.53	-	177,305.16	**15,000.00	192,305.16
Total	4,073.46	2,688.53	23,813.98	405,691.58	88,428.00	494,107.74

*Our strategy is to remain in office to collect the remaining LBHI debt, pay statutory interest to creditors on their unsecured debt and bring the liquidation to a close. On the assumption that we remain in office for another 2 years, we estimate further costs of £73,000.

** It is difficult to provide an estimation of the likely tax costs that will be incurred going forward, as this very much depends of the level of future LBHI book debt realisations.

Appendix C: Remuneration update

The Joint Liquidators fees were approved on a time cost basis at a general meeting of creditors on 19 July 2013. This approval allowed the Joint Liquidators to draw fees by reference to the time properly given by them and their staff in dealing with the liquidation.

We've drawn fees of £198,120 in line with the approval given, as shown on the enclosed receipts and payments account at Appendix B.

The time cost charges incurred in the period since our last report are £23,811. This time has not been billed, but will be in the current period.

We set out later in this Section details of our work to date, anticipated future work, disbursements, subcontracted work and payments to associates.

Analysis of time costs for the period from 23 March 2018 to 22 March 2019

Aspect of assignment	Partner (Hrs)	Director (Hrs)	Senior Manager (Hrs)	Manager (Hrs)	Senior Associate (Hrs)	Associate (Hrs)	Support (Hrs)	Total (Hrs)	Time cost £	Average hourly rate £
1 Accounting and treasury	-	-	-	1.55	15.20	0.85	-	17.60	4,003.95	227.50
2 Statutory and compliance	-	0.90	3.11	1.60	11.60	-	2.10	19.31	5,931.60	307.18
3 Tax	2.60	-	2.90	1.00	7.65	11.05	-	25.20	11,674.60	463.28
4 Strategy and planning	0.20	0.10	1.20	-	6.45	-	0.10	8.05	1,825.50	226.77
5 Assets	-	-	-	0.10	0.25	-	-	0.35	85.50	244.29
6 Distribution	-	0.30	-	0.10	0.35	-	-	0.75	290.25	387.00
Total for the period	2.80	1.30	7.21	4.35	41.50	11.90	2.20	71.26	23,811.40	334.15
Brought forward at 22 March 2018								594.53	202,184.47	
Total								665.79	225,995.87	

Our time charging policy and hourly rates

We and our team charge our time for the work we need to do in the liquidation. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed and we supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the liquidation (including our cashiers, support and secretarial staff) charge time directly to the case and are included in any analysis of time charged. Each grade of staff has an hourly charge out rate which is reviewed from time to time. Work carried out by our cashiers, support and secretarial staff is charged for separately and isn't included in the hourly rates charged by partners or other staff members. Time is charged in six minute units. The minimum time chargeable is three minutes (i.e. 0.05 units). We don't charge general or overhead costs.

We set out below the maximum charge-out rates per hour for the grades of our staff who already or who are likely to work on the liquidation.

We call on colleagues in our Tax, VAT, Real Estate and Pensions departments where we need their expert advice. Their specialist charge-out rates vary but the following are the maximum rates by grade per hour.

Grade	To 30 June 2018 £	From 1 July 2018 £	Specialist rates (maximum) from 1 July 2018 £
Partner	620	640	1,520
Director	525	540	1,390
Senior manager	450	465	1,230
Manager	355	365	770
Senior associate – qualified	268	275	570
Senior associate – unqualified	196	200	n/a
Associate	175	180	305
Support staff	92	95	250

In common with many professional firms, our scale rates may rise to cover annual inflationary cost increases.

Payments to associated parties

We have not made any payments to associates during the period covered by this report.

Our work in the period

Earlier in this section we have included an analysis of the time spent by the various grades of staff. There remain a number of distinct work streams within the work we have done. It should be noted that individuals will have worked in more than one area. Whilst this is not an exhaustive list, in the following table we provide more detail on the key areas of work:-

Area of work	Work undertaken	Why the work was necessary and what, if any, financial benefit the work provided to creditors
Accounting and treasury	<ul style="list-style-type: none"> • Processing receipts and payments via the Insolvency Services Account; • Bank reconciliations; • Receipt of LBHI debt; • Reviewing case financials; and • Maintenance of internal accounting systems 	<ul style="list-style-type: none"> • To ensure manage of the bank account is up to date • Benefit of proper stewardship and accounting of case funds

Statutory and compliance	<ul style="list-style-type: none"> • Preparation of periodic case reviews; • Joint Liquidators' review of case (as required by licensing body) ; • Preparation and review of annual progress report; and • Dealing with general incoming correspondence 	<ul style="list-style-type: none"> • To comply with our obligations under insolvency legislation to prepare and circulate progress reports to creditors and Companies House • Required by statute or regulation • To provide creditors with an update of the administration
Tax	<ul style="list-style-type: none"> • Liaising with HM Revenue & Customs regarding verification of bank details to enable statutory interest to be paid; • Preparing tax calculation and return for y/e November 2017; and • Chasing receipt of tax refund 	<ul style="list-style-type: none"> • To ensure that the strategy for the liquidation was beneficial for HMRC as key stakeholder in the liquidation • To comply with statutory obligations • To minimise tax liabilities and obtain any tax refunds for the benefit of creditors
Strategy and planning	<ul style="list-style-type: none"> • Team briefings on case progression and resolution of outstanding matters; • Joint Liquidators oversight and review of case progression and strategy options; • Managing case diary/events; and • Case filing 	<ul style="list-style-type: none"> • Ensures matters are progressed efficiently and cost effectively • Financial benefit for the creditors
Assets	<ul style="list-style-type: none"> • Collection of LBHI distributions 	<ul style="list-style-type: none"> • To protect and maximise the value of the Company's assets
Distribution	<ul style="list-style-type: none"> • Internal discussions regarding LBHI distributions • Internal discussions regarding proposed statutory interest payment expected to be paid to unsecured creditors 	<ul style="list-style-type: none"> • To ensure all creditors receive the information they are entitled to during the liquidation

Our future work

We still need to do the following work in the liquidation. We have assumed that the liquidation will remain open for a further two years and that there are no new claims, unusual tax matters or disputes which arise in this time.

Area of work	Work undertaken	Estimated cost (£ subject to VAT)	Why the work was necessary and what, if any, financial benefit the work provided to creditors
Accounting and treasury	<ul style="list-style-type: none"> • Reviewing, authorising and processing receipts and payments via the Insolvency Service Account; • Carrying out periodic reconciliations of bank accounts; • Preparation of bills on account of fees ; • Payment of any professional fees; • Maintenance of internal accounting systems; and • Closure of accounts 	• £8,000	• Statutory duty to keep proper books and records to evidence transactions
Statutory and compliance	<ul style="list-style-type: none"> • Dealing with various statutory, other regulatory and internal compliance procedures in the liquidation; • Preparation, review and circulation of annual progress reports to creditors ; • Managing case diary events; and • Preparation and distribution of the final account to creditors 	• £22,000	• Required by statute or regulation
Assets	<ul style="list-style-type: none"> • Collecting future book debts from LBHI; and • Concluding exit strategy for LBHI debt 	• £3,000	<ul style="list-style-type: none"> • Protects and realises the assets for best value. • To return funds to the secured creditors
Tax	<ul style="list-style-type: none"> • Drafting and submitting tax returns; • Dealing with any tax issues arising from the payment of statutory interest; • Payment of tax liabilities; and • Seeking tax clearance prior to closure 	• £20,000	• Required by statute or regulation

Strategy and planning	<ul style="list-style-type: none"> • Six monthly reviews of progress of case; • Team meetings; and • Appointee reviews of strategy for best outcome for creditors 	• £8,000	<ul style="list-style-type: none"> • The Joint Liquidators have a duty to act in the best interests of creditors as a whole, maintain proper records and manage costs.
Creditors	<ul style="list-style-type: none"> • Dealing with any ad hoc creditor enquiries; • Preparation and approval of statutory interest calculation due to creditors on their unsecured debt; and • Raising payment to unsecured creditors of statutory interest 	• £4,000	<ul style="list-style-type: none"> • To ensure all creditors receive the information they are entitled to during the Liquidation • Distribution of statutory interest to creditors
Closure	<ul style="list-style-type: none"> • Preparation of final report; and • Dealing with remaining compliance and take steps to close liquidation matters (i.e internal system, release bond etc) 	• £8,000	<ul style="list-style-type: none"> • Required by statute to bring the liquidation to a close

Disbursements

We don't need to get approval to draw expenses or disbursements unless they are for shared or allocated services provided by our own firm, including room hire, document storage, photocopying, communication facilities. These types of expenses are called "Category 2" disbursements and they must be directly incurred on the case, subject to a reasonable method of calculation and allocation and approved by the same party who approves our fees.

Our expenses policy allows for all properly incurred expenses to be recharged to the liquidation together with VAT. We set out below, the disbursements (excluding VAT) incurred in the period of this report.

Category	Policy	Costs incurred £
2	Photocopying - at 5 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	-
2	Mileage - At a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	-
1	All other disbursements reimbursed at cost	2.58
Total to 22 March 2019		2.58

Our relationships

We have no business or personal relationships with the parties who approve our fees or who provide services to the administration where the relationship could give rise to a conflict of interest.

Details of subcontracted work

No work has been subcontracted in the period.

Legal and other professional firms

We've instructed the following professionals on this case:

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Legal services	<ul style="list-style-type: none">• Linklaters LLP	<ul style="list-style-type: none">• Expertise	<ul style="list-style-type: none">• Time costs
Statutory advertising	<ul style="list-style-type: none">• TMP UK Ltd	<ul style="list-style-type: none">• Insolvency knowledge/insolvency expertise	<ul style="list-style-type: none">• Fixed fee

Appendix D: Other information

Court details for the liquidation:	In the Croydon County Court
	Case number: 1557 of 2010
Company's registered name:	Wood Street Investments Limited
Registered number:	02225861
Registered address:	Central Square, 8 th Floor, 29 Wellington Street, Leeds, LS1 4DL
Date of presentation of petition:	28 July 2010
Date of the winding up order:	22 September 2010
Joint Liquidators' names, addresses and contact details:	Mrs Gillian Eleanor Bruce, PricewaterhouseCoopers LLP, 7 More London Riverside, London SE1 2RT (from 16 July 2018) Mr Edward John Macnamara, PricewaterhouseCoopers LLP, 7 More London Riverside, London SE1 2RT (from 16 July 2018) Mr Ian Oakley-Smith, PricewaterhouseCoopers LLP, 7 More London Riverside, London SE1 2RT (from 20 November 2012 to 24 December 2018) Mr Julian Guy Parr, PricewaterhouseCoopers LLP, 7 More London Riverside, London SE1 2RT (from 22 March 2013 to 16 July 2018) Mr Derek Howell, PricewaterhouseCoopers LLP, Benson House, 33 Wellington Street, LS1 4JP (from 20 November 2012 to 22 March 2013)
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
