

CASE STUDY - One of the UK'S largest co-operatives

Company Overview

12 dormant subsidiaries of one of the UK's largest societies

All subsidiary companies have traded in the past

All companies have been dormant for a number of years

There was a possibility of unrecorded assets or liabilities

The Challenge

Shareholder was concerned about unrecorded assets reverting to government control

Shareholder wanted to make sure that the intercompany balances were satisfied

Shareholder wanted the companies wound up or dissolved

Moorfields Action

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Prior to the liquidation, land registry searches were undertaken to identify properties

Discovered a Freehold property was owned by one of the dormant companies

Distributed over £50,000 of intercompany debt

Agreed Corporation Tax Liability with HMRC

Removed, where appropriate the companies from the main VAT group

The Result

Returned cash to shareholders in accordance with agreed timetable

By identifying unknown assets the shareholder was able to adapt its strategy accordingly

Reduced the amount of time management spent dealing with annual returns and accounts of dormant companies

Successfully wound up 11 of the 12 companies, the 12th being withdrawn as a result of the assets identified by Moorfields.