

Council 10 December 2009

22-26 Stannary Street Limited

Executive summary and recommendations

### **Introduction**

This paper is intended to update the Council on the latest status of the proposed winding-up of 22-26 Stannary Street Limited.

22-26 Stannary Street Limited is a wholly owned subsidiary of HPC, which was originally purchased in order for HPC to own the building. Having a separate limited company as a subsidiary causes an additional ongoing administrative burden on HPC who have to prepare separate audited annual accounts and consolidated annual group accounts.

Baker Tilly, HPC's tax advisors, sent a letter on 21 October 2009 requesting clarification of tax position to HM Revenue and Customs to ensure that there would not be any tax restrictions if 22-26 Stannary Street Limited was wound up and the assets transferred to HPC. This was done to verify that Revenue and Customs were satisfied that if Stannary Street Limited were wound up that there would not be a stamp duty liability on HPC.

A favourable response has been received back on 10 November from HM Revenue and Customs which allows for the assets to be transferred to HPC and 22-26 Stannary Street Limited to be wound-up without a stamp duty liability.

### **Decision**

The Council requested to note the document. No decision is required.

### **Background information**

The board of 22-26 Stannary Street Limited has discussed the proposed winding-up of the company, most recently at its board meeting on 10 September 2009.

The Audit Committee, the Finance and Resources Committee and the Council been consulted on this matter and have given approval subject to a favourable response from HM Revenue and Customs.

### **Resource implications**

None.

**Financial implications**

To be advised.

**Appendices**

None

**Date of paper**

30 November 2009.