

Corporate Simplification Key Drivers

Entity Reduction



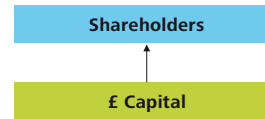
- Cost reduction:
 - Holding costs for dormant > £3,000.
 - iXBRL (avoid need to file on-line with extendable business reporting language).
 - Avoid any IFRS conversion issues.
 - Audit costs.
- Achieves a less complicated structure e.g. dividend flow, and financing arrangements.
- Simplifies inter-company transactions and any mitigated transfer pricing issues.
- Unlocks capital.
- Reduces risk of corporate governance failures/breaches.
- Prevents loss of legacy corporate memory.
- Frees up time/regulatory burden.

Managed Exit



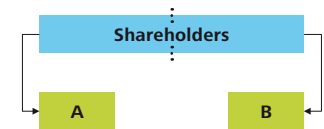
- Parent company wishes to close an operating business unit due to:
 - Relocation
 - Strategic change
 - Poor trading performance
 - Post-merger
 - Site consolidation
 - Regulatory optimisation
 - A sales value less than wind down value
- Avoids the transfer of activity and wind down becoming a major management disruption.
- Avoid the pitfalls and speed up the process by drawing on prior experience.

Return of Capital



- Economic purpose achieved/exhausted and surplus funds to be returned to shareholders.
- Entity no longer required.

s110 Demerger



- Reconstruction under the Insolvency Act to de-merge or partition a group of companies.

De-merger

- Target assets and business.
- Breaking out divisionalised trade.
- Splitting valuable property from a trading business.

Division/ Partition

- Different shareholder objectives.
- Wealth protection – succession/inheritance/divorce planning.

Our experience

We are a dedicated specialist corporate simplification team working across all sectors and alongside our Tax, Consulting and Audit colleagues.

We assist clients align their legal and operational structures and have an unrivalled international network of specialists that can help with projects across the globe.

We also help clients exit non-core businesses or sites where a solvent managed exit is the optimal solution and/or where the client wishes to repatriate cash.

We offer a holistic approach which can be tailored to meet the differing needs of our clients. A sample of our recent clients include: Barclays, HSBC, Kraft/Cadbury, Standard Chartered, Cameron, John Lewis, RSA, LOCOG and AIG.

In the last 12 months we have distributed over £1 billion to our clients.

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