



**Cherry Tree Mortgages Limited - in Administration**

**Notice accompanying the second dividend to creditors**

**The Joint Administrators' receipts and payments account from the commencement of the Administration on 13 October 2008 to 31 August 2014 is attached at Appendix A**

**Further information pursuant to Rule 2.98 of the Insolvency Rules 1986**

A second dividend to unsecured creditors of 40 pence in the pound has been declared.

A total of £10,555,743.23 is being paid by way of dividend. There is no prescribed part, as there is no floating charge.

Funds have been retained in order to provide for further costs and potential claims in the estate, including:

- Future Administration costs.

Payment will be made by a bank transfer on 12 September 2014. The Joint Administrators are unable to estimate the likely timing or quantum of any future dividends.

Cherry Tree Mortgages Limited - in Adminstration  
Joint Adminstrators' receipts and payments account

Appendix A

	As at 31-Aug-14 GBP (£)	Movements GBP (£)	As at 12-Apr-14 GBP (£)
<b>Receipts</b>			
Sale of mortgage portfolio	14,201,068	-	14,201,068
Sale of tax losses	1,154,184	-	1,154,184
Tax function costs recharged	29,710	-	29,710
Interest received gross	230,731	15,645	215,086
<b>Total</b>	<b>15,615,693</b>	<b>15,645</b>	<b>15,600,048</b>
<b>Payments</b>			
Legal fees	65,040	5,773	59,267
Employee costs	1,763	-	1,763
IT costs	5,741	-	5,741
Joint Administrators' remuneration	701,141	56,575	644,566
Joint Administrators' Category 1 disbursements	2,370	-	2,370
Statutory advertising	10,824	-	10,824
Pension costs	25,570	25,570	-
Irrecoverable VAT (see note 1)	130,181	11,315	118,866
<b>Total</b>	<b>942,630</b>	<b>99,233</b>	<b>843,397</b>
<b>Distributions</b>			
1st dividend to unsecured creditors of 9p in the £, declared in September 2013	2,375,042	-	2,375,042
<b>Total</b>	<b>2,375,042</b>	<b>-</b>	<b>2,375,042</b>
<b>Cash in hand/ (movement in year)</b>	<b>12,298,021</b>	<b>(83,588)</b>	<b>12,381,609</b>
<b>Cash in hand is represented by</b>			
HSBC (non-interest bearing)	99,493	(1,233)	100,726
Money Market (see note 2)	12,198,528	(82,355)	12,280,883
<b>Total Cash</b>	<b>12,298,021</b>	<b>(83,588)</b>	<b>12,381,609</b>

**Notes:**

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- (1) Due to the nature of the Company's former business, it is not entitled to recover input VAT on its costs.
- (2) Funds are invested on the money markets in order to accrue interest and to manage risk.