



Cherry Tree Mortgages Limited – in Administration (“Cherry Tree”)

Notice accompanying the first dividend to creditors

The Joint Administrators’ receipts and payments account from the commencement of the administration on 13 October 2008 to 5 September 2013 is attached at Appendix A

Further information pursuant to Rule 2.98 of the Insolvency Rules 1986

A first dividend to unsecured creditors of 9p in the pound has been declared.

A total of £2,375,042.22 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:

- A potential pension claim of £119 million
- Future administration costs

Payment will be made by a bank transfer on 20 September 2013. The Joint Administrators are unable to estimate the likely timing or quantum of any future dividends.

Appendix A

Cherry Tree Mortgages Limited - in Administration Receipts and Payments to 5 September 2013

	As at 5 September 2013 GBP (£)	As at 12 April 2013 GBP (£)	Movements GBP (£)
Receipts			
Sale of mortgage portfolio	14,201,068	14,201,068	
Sale of tax losses	1,154,184	1,061,900	92,284
Tax function costs recharged	29,710	29,710	
Interest received gross	190,822	173,144	17,678
Total Receipts	15,575,784	15,465,822	109,962
Payments			
Legal fees	59,267	45,197	14,069
Employee costs	1,763	1,763	
IT costs	5,741	5,741	
Joint Administrators' remuneration	592,558	559,974	32,584
Joint Administrators' Category 1 disbursements	2,370	2,370	
Statutory advertising	10,824	1,374	9,450
VAT Paid	108,464	99,372	9,091
Total Payments	780,985	715,791	65,194
Net Position	14,794,799	14,750,031	44,768
Cash Balances			
HSBC (non-interest bearing)	84,596	1,061,706	(977,110)
Money Market	14,710,203	13,688,325	1,021,878
Total Cash	14,794,799	14,750,031	44,768