
***Lehman Brothers
Limited –
In Administration***

Joint Administrators' progress
report for the period 15 March 2015
to 14 September 2015

9 October 2015

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Section 1 Purpose of the Joint Administrators' progress report

Introduction

This progress report has been prepared by the Joint Administrators (the "Administrators") of Lehman Brothers Limited ("LBL" or the "Company") under Rule 2.47(3)(a) of the Insolvency Rules 1986 (the "Rules").

This is the fourteenth such progress report and provides an update on the work that the Administrators have undertaken, with particular focus on the progress made during the six months from 15 March 2015 to 14 September 2015 (the "reporting period").

Objectives of the Administration

The Administrators are pursuing the objective of achieving a better result for LBL's creditors as a whole than would be likely if LBL were wound up (without first being in Administration).

The specific aims of this Administration have included:

- Realise all assets of LBL, where value may exist;
- Provide ongoing employee and infrastructure support to the other Group companies that are in Administration in exchange for appropriate reimbursement;
- Mitigate, as far as possible, any further liabilities against LBL by the transfer or termination of contracts; and
- Adjudicate the claims of creditors and pay distributions to creditors with admitted claims.

Creditors' Committee

The Administrators regularly meet with the Creditors' Committee (the "Committee") and, to date, twenty-one meetings of the Committee have taken place.

The meetings with the Committee provide the Administrators with the opportunity to explain in detail how the Administrators are dealing with key aspects of the Administration and to consult with the Committee on critical issues.

Outcome for unsecured creditors

As reported previously, the Administrators have paid a dividend of 100p in the £ to former employees whose preferential unsecured claims (comprising

claims for unpaid wages and holiday pay) have been admitted and declared and paid a first interim dividend of 1.66p in the £ to ordinary unsecured creditors of LBL.

Creditors who have not yet submitted a claim, and wish to do so, are requested to submit their claims, as soon as possible. Further information is available at:

<http://www.pwc.co.uk/business-recovery/administrations/lehman/LBL-in-administration.jhtml>

The quantum of any future dividend is at present uncertain and materially dependent on LBL, in its capacity as shareholder of Lehman Brothers International (Europe) in Administration ("LBIE") which is an unlimited company, being potentially liable for any shortfall to creditors of that estate (which may include interest, subordinated claims and certain other claims). Further information regarding the "Waterfall" proceedings (which address this issue) is provided in Section 2.2.

Extension of the Administration

On the application of the Administrators, the High Court granted an Order on 20 June 2014 to further extend the period of the Administration to 30 November 2016.

Future reports

The Administrators anticipate that they will circulate their next report to creditors in approximately six months.

Signed:



MJA Jervis
Joint Administrator
Lehman Brothers Limited

MJA Jervis, AV Lomas, SA Pearson, DY Schwarzmann and JG Parr were appointed as Joint Administrators of Lehman Brothers Limited to manage its affairs, business and property as agents without personal liability. MJA Jervis, AV Lomas, SA Pearson, DY Schwarzmann and JG Parr are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. The Joint Administrators are bound by the Insolvency Code of Ethics which can be found at:

<https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

The Joint Administrators are Data Controllers of personal data as defined by the Data Protection Act 1998. PricewaterhouseCoopers LLP will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the Administration.

Section 2 Joint Administrators' actions to date

Creditors will be aware that prior to the Administration, LBL held most of the UK service and employee contracts on behalf of the Lehman Brothers Group of companies (the "Group"), and provided all HR, IT, property, accounting and other services for the Group in the UK and Europe.

From the commencement of the Administration, LBL continued to provide services to the other UK based Lehman Brothers Companies that are in Administration (the "Lehman Administration Companies"). On 31 May 2013, the Administrators agreed with LBIE and other Lehman Administration Companies to transfer to LBIE the then continuing services and the 400 retained employees.

Since their appointment, the Administrators have utilised specialist teams from within PricewaterhouseCoopers LLP ("PwC"), who have worked with retained LBL (and latterly LBIE) employees to ensure that the operations of LBL are properly coordinated and the objectives of the Administration are met.

Further detail on the activities of the current teams is provided in the following pages of this report.

As at the date of the Administration, LBL's primary assets included inter-company receivables, tax refunds, IT assets and fixtures & fittings. The management and realisation of these assets have been the responsibility of the teams in order to maximise the outcome to the creditors of LBL as a whole.

Key progress from 15 March 2015 to 14 September includes:

- Continued adjudication of the claims of unsecured creditors including former employees, and payment of catch up dividends in relation to the first interim dividend of 1.66p in the £ to unsecured creditors;
- Participation in the "Waterfall" appeal, which is explained in more detail below;
- Continued discussions with LBIE and Lehman Brothers Europe Limited ("LBEL"), in respect of the inter-company balances; and
- Continued to pursue and recover amounts due to LBL from other Lehman Group companies.

The receipts and payments account on page 12 shows cash held increasing by £7.1m to £269m in the six month period. Key movements include:

- Recoveries of c.£10m in relation to inter-company receivables; and
- Payment of catch up distributions to creditors of £0.2m.

2.1 Intercompany balances

Overview

The global nature of the Lehman business, with highly integrated trading and non-trading relationships across the Group, led to a complex series of intercompany positions being outstanding at the date of Administration. These included 289 debtor and creditor balances between LBL and the rest of the Group, representing at book value, £1.2bn of receivables and £0.7bn of payables as at 15 September 2008. Of these, c. £1.1bn (>90%) of receivables relate to five relationships. In addition, LBL held guarantees from Lehman Brothers Holdings Inc (“LBHI”) in respect of claims against some other group companies.

Progress

The Intercompany team has continued to make progress in the agreement and recovery of a number of significant receivable balances, including seeking to agree its intercompany balances with LBIE and LBEL.

As a service company, LBL recharged to other group companies the costs it incurred in the provision of services. In excess of 95% of such costs were charged to either LBIE or LBEL.

The Administrators have reviewed LBL’s balance sheet as at the date of Administration, to identify the adjustments that should be made to the balance sheet to reflect the estimated actual outcome and consequential recharge adjustments to the inter-company accounts with LBIE, LBEL and other entities. Following the adjudication of creditor claims and payment of a first interim dividend, the Administrators have sought to finalise, where possible, adjustments to the balance sheet. Discussions with the Administrators of LBIE and LBEL, in respect of the inter-company balances are ongoing.

As described in Section 2.2 below, the “Waterfall” proceedings are still ongoing so the outcome is currently uncertain. As a consequence, it is not possible at this stage to indicate what recovery may be made in relation to LBL’s claim against LBIE or whether ultimately LBIE will be found to be a debtor or a creditor of LBL.

For similar reasons, the final balance with LBEL is also uncertain but LBEL may be a net creditor of LBL.

To date, LBEL has paid dividends totalling 100p in the £ to its unsecured creditors, whose claims have been admitted.

LBEL may pay a surplus to its shareholder, Lehman Brothers Holdings Plc (“LBH Plc”). The amount of the surplus in LBEL to be paid to LBH Plc is currently uncertain (if any) as it depends on a number of factors including the inter-company balance with LBL.

LBL’s largest claim of £710m is against LBH Plc, which is also in Administration. To date, LBL has received a first interim distribution of £28.9m from LBH Plc. Further distributions are expected but the timing and quantum of future distributions is subject to a number of uncertainties.

Other material developments include:

- As creditors are aware, a Plan of Reorganisation of LBHI and the other Affiliates in US Chapter 11 proceedings became effective on 6 March 2012. To date, LBL has received distributions totalling £57.4m (\$101m). Distributions of \$10.1m have been received in the reporting period. The total recovery from these claims remains uncertain. Further distributions are anticipated on a six monthly basis;
- LBL continues to monitor the position with Lehman Brothers Luxemburg Investment S.A.R.L (“LBLIS”) in relation to LBL’s claim of \$225m, of which \$72m has been repaid to date. Distributions of \$0.9m have been received in the reporting period. It is anticipated that further realisations will be received, however the timing and quantum is currently uncertain; and
- A number of smaller recoveries have been received from group companies in a variety of jurisdictions, and further recoveries are anticipated.

The Intercompany team continues to proactively progress approximately 46 other LBL Affiliate balances where there remains a reasonable prospect of future realisations.

2.2 Waterfall proceedings

“Waterfall I” application

As previously reported, the Administrators applied to the High Court jointly with the Administrators of LBIE and Lehman Brothers Intermediate Holdings 2 Ltd (“LBHI2”) for directions in relation to the potential liability of LBL and LBHI2 in respect of shares held in LBIE, an unlimited company, and in relation to subordinated debt owed by LBIE to LBHI2 (the “Waterfall I” application).

In March 2014, the Waterfall I judgment was handed down. The judgment addressed a number of questions. In particular, it was held that when LBIE has gone into Liquidation, but not before, the shareholders of LBIE may be subject to calls to provide funds to enable LBIE to pay additional sums, including statutory interest, “non provable debts” such as foreign exchange losses, and subordinated debts. LBIE remains in Administration and has not gone into Liquidation.

However, it was further decided that even though it is not in Liquidation, LBIE may make a contingent claim against its shareholders in respect of amounts that it would (if in Liquidation) call on its shareholders to pay.

The Administrators of LBL, LBIE and LBHI2, and LBHI, were given leave to appeal some parts of the judgment. The appeal was heard over five days at the end of March 2015 and judgment was handed down on 14 May 2015. The appeal judgment upheld key elements of the judgment at first instance. LBL, LBIE and LBHI2 have applied to the Supreme Court for leave to appeal. At the date of this report, the Supreme Court had not decided whether to hear the appeal. A decision is anticipated later this year.

As previously reported, LBIE has submitted a claim for £10.4bn in the estate of LBL. This is formed of three components as follows:

1. Pension debt of £119m (see Section 2.3 of this report);
2. Inter-company claim of £254m (see Section 2.1 of this report); and
3. A contingent contribution claim of £10bn, for the estimated deficiency in LBIE’s estate including statutory interest, “non provable debts” such as foreign exchange losses, and subordinated debts.

The Administrators of LBL continue to review the basis on which LBL held one share in LBIE, any consequential impact on the liability of LBL for any deficiency in LBIE, and its treatment. Further information regarding LBIE’s estate and any deficiency that might arise should be available shortly following the publication of the LBIE Joint Administrators’ 14th progress report to creditors, following which, LBL will have a better indication of whether and to what extent the contribution claim from LBIE may change.

Pending final adjudication of the LBIE contribution claim, a substantial reserve has been made in LBL’s estate.

A further update will be provided in the Joint Administrators’ next report.

“Waterfall II” application

As previously reported, the Administrators of LBIE have made another application to the Court (the “Waterfall II” application) for directions in relation to a number of questions relating principally to the nature and quantum of LBIE’s liabilities.

Given the scope of the Waterfall II Application, the issues have been separated into three parts and a separate procedural timetable and trial for each part has been agreed. Part A and B were heard in February and May 2015. The judgement for Parts A and B was received on 31 July 2015. A copy of the judgment is available at:

<http://www.pwc.co.uk/business-recovery/administrations/lehman/waterfall-ii-application.jhtml>

Part C is listed to be heard in November 2015.

LBL is not party to the Waterfall II application, but its outcome may materially impact the potential liabilities of LBL. The Administrators therefore continue to closely monitor this application and have reserved the right to apply to the Court to be joined, should it appear necessary to do so to ensure that all credible arguments that would operate so as to reduce any contribution claim by LBIE are put to the Court.

2.3 Creditor claims and dividend prospects

Progress

Preferential creditors

A dividend of 100p in the £ has been paid to preferential creditors where their claims have been admitted. Since June 2013, the Administrators have made payments in respect of former employees' agreed preferential claims and as at 14 September 2015, 94% of expected claims by value have been agreed and paid.

Unsecured creditors

Payment of first interim dividend

As previously reported, in December 2014 LBL paid a first interim dividend of 1.66 pence in the £. Two further catch up dividends have been paid to creditors in March and June 2015 as further claims have been agreed.

The Administrators have received c.1,100 unsecured claims, the majority from former employees. Claims received to date total c.£12bn, of which claims from LBIE, LBEL and LBHI2 total £11.1bn. These three claims have yet to be adjudicated and are impacted by the following;

- LBIE (£10.4bn) – Waterfall I and II, pension debt, recharges of LBL costs and adjustments between estates (the “inter-se” issues);
- LBHI2 (£257m) – Waterfall I and II, and “inter se” questions; and
- LBEL (£447m) – recharge of LBL costs, discussed above in this report.

The Administrators have continued to review and adjudicate the small number of unadjudicated claims remaining. To date, claims totalling c.£110m have been admitted. Less than 10 claims remain to be finally adjudicated. Three appeals to the Court to review rejections of claims are in progress at the date of this report. The Administrators are currently reserving for claims totalling c.£11.8bn, including the claims of LBIE, LBHI2 and LBEL referred to above, and a claim in respect of LBL's leasehold interest in 25 Bank Street (now forfeited) for £635m.

As previously reported, some former employees' claims included elements in respect of “Conditional Stock Awards” (“CSAs”) and Stock Options. The Administrators have been advised that LBL is not liable in respect of either CSAs or Stock Options and therefore these elements of claims have been rejected.

The Administrators and their staff continue to liaise with creditors whose claims have yet to be finally adjudicated. It is anticipated that further catch up dividends will be paid in due course, when further claims have been agreed.

Creditors who have not yet submitted a claim and wish to do so are requested to submit their claims, as soon as possible. Further information is available at:

<http://www.pwc.co.uk/business-recovery/administrations/lehman/LBL-in-administration.jhtml>

Pensions

LBL was the principle employer in relation to the Lehman Brothers Pension Scheme (“the Scheme”) and, as previously reported, had received from the Trustees of the Scheme a claim under s. 75 of the Pensions Act 2004 for £119m (the “pension debt”).

The Administrators were informed that an agreement to settle the Upper Tribunal proceedings was completed on 18 August 2014. The settlement provided for the deficiency in the Scheme to be fully funded, principally by LBIE and with contributions from other Lehman group companies.

As previously reported, LBIE has submitted a claim against LBL totalling £10.4bn of which £119m is attributable to the pension debt. The settlement included agreement by the Trustees and PPF to assign the pension debt to LBIE.

The Administrators have sought advice upon the validity of the assignment and the enforceability of the pension debt, and continue to reserve their position.

Dividend Prospects

The quantum and timing of any future dividends remains uncertain and is materially dependent upon LBL, in its capacity as shareholder of LBIE, being potentially liable for any shortfall to creditors of that estate as discussed above.

Issues and Priorities

The priorities for the next six months are:

- Review, adjudicate and pay the preferential claims of former employees as they are received;
- Review and adjudicate ordinary unsecured creditor claims that have not yet been finally

adjudicated and pay 'catch up' dividends on any claims that are agreed;

- Continue to investigate the basis on which LBL held one share in LBIE; and
- Continue discussions with LBIE and LBEL, in respect of the inter-company balances.

2.4 Corporation Tax, VAT and other tax Compliance

Overview

LBL was the Group Paying Agent (“GPA”) of the Lehman UK tax Group and continues to be the representative member of the Lehman VAT Group. LBL, therefore, plays a key role in the tax affairs of Lehman UK.

The ongoing key objectives for the tax team include:

Compliance

- Ensuring tax compliance and statutory filing obligations are met.

Planning

- Effective projection and planning to minimise tax leakage from the UK Group.

PAYE and other employment taxes

- Finalise agreement of amounts due to HMRC in respect of pre-Administration employment related taxes.

HMRC Relationship

- Maintaining a good working relationship with HMRC to facilitate the pragmatic and timely resolution of issues.

Progress

Specific progress in the reporting period includes:

Corporation Tax

- The 2014 corporation tax return was drafted but submission is pending the resolution of the intercompany claims position; and
- Finalised and submitted the 2013 Group loss position to HMRC.

VAT

All group VAT returns have been submitted up to, and including, the quarter ended May 2015;

- Since the last report to creditors, LBL has received the repayment from HMRC for the February 2015 VAT quarter totalling £171k and is currently awaiting the repayment in relation

to the May 2015 VAT quarter totalling £227k; and

- The VAT return for quarter ended August 2015 is currently being prepared and will shortly be submitted to HMRC.

PAYE and other employment taxes

- As reported previously, meetings with HMRC and the Trustees of the Lehman Brothers Employment Benefit Trust (“EBT”) were being held to further explore the scope and potential terms of a settlement in respect of tax liabilities arising in relation to the EBTs.
- In July 2015, a settlement was reached with HMRC regarding some particular tax aspects in respect of options granted to certain remaining beneficiaries of the EBT. The settlement was reached in relation to 36 beneficiaries and ensures that HMRC will not have an unsecured claim into the administration in respect of Employers NICs on these options which totals c.£3m. A claim will arise in the administration in respect of options relating to the 5 beneficiaries who did not wish to take up the settlement.

Over the next six months, the tax team will:

- Finalise and submit the tax return to 31 May 2014;
- Draft the group relief agreement for 2014;
- Finalise the intercompany reconciliation process; and
- Deal with some residual employer tax issues.

Section 3 Statutory and other Information

<i>Court details for the Administration:</i>	High Court of Justice, Chancery Division, Companies Court - Case 7945 of 2008
<i>Full name:</i>	Lehman Brothers Limited
<i>Trading name:</i>	Lehman Brothers Limited
<i>Registered number:</i>	846922
<i>Registered address:</i>	Level 23, 25 Canada Square, London E14 5LQ, United Kingdom
<i>Company directors:</i>	D Gibb (resigned 17/07/2009), CL Heiss (resigned 31/10/2008), IM Jameson (resigned 17/07/2009), AJ Rush (resigned 28/10/2008), PR Sherratt (resigned 06/10/2008)
<i>Company secretary:</i>	M Smith, P Dave, ESE Upton (all resigned 25/01/2010)
<i>Shareholdings held by the directors and secretary:</i>	None of the directors own shares in LBL
<i>Date of the Administration appointment:</i>	15 September 2008
<i>Administrators' names and addresses:</i>	AV Lomas, SA Pearson, DY Schwarzmann, MJA Jervis and JG Parr, of PricewaterhouseCoopers LLP, 7 More London Riverside, SE1 2RT
<i>Appointer's name and address:</i>	High Court of Justice, Chancery Division, Companies Court
<i>Objective being pursued by the Administrators:</i>	Achieving a better result for LBL's creditors as a whole than would be likely if LBL were wound up (without first being in Administration).
<i>Division of the Administrators' responsibilities:</i>	In relation to paragraph 100(2) Sch.B1 IA86, during the period for which the Administration is in force, any act required or authorised under any enactment to be done by either or all of the Joint Administrators may be done by any or one or more of the persons for the time being holding that office.
<i>Details of any extensions of the initial period of appointment:</i>	The Court has granted an extension of the Administration to 30 November 2016.
<i>Estimated dividend for unsecured creditors:</i>	<p>An Order was granted giving the Joint Administrators leave to pay distributions to (non-preferential) unsecured creditors of LBL.</p> <p>The Joint Administrators declared and paid a first interim dividend of 1.66p in the £ to the unsecured creditors on 15 December 2014. The timing and quantum of any future dividends is currently uncertain.</p>
<i>Estimated values of the prescribed part and LBL's net property:</i>	There is no qualifying floating charge holder, so there will be no prescribed part.
<i>Whether and why the Administrators intend to apply to court under Section 176A(5) IA86:</i>	Not applicable as there is no prescribed part.
<i>The European Regulation on Insolvency Proceedings (Council Regulation(EC) No. 1346/2000 of 29 May 2000):</i>	The European Regulation on Insolvency Proceedings applies to this Administration and the proceedings are the main proceedings.

Section 4 Joint Administrators' Remuneration

Background

This section sets out the process for setting and monitoring the Administrators' remuneration.

In this case, the Creditors' Committee is responsible for agreeing the basis and quantum of the Administrators' remuneration.

Insolvency Rules 1986

By way of context, the manner in which the Administrators' remuneration is determined and approved is set out in the Insolvency Rules 1986 (2.106-2.109).

There are two alternative bases under the Insolvency Rules 1986, either:

- A percentage of the value of the property with which the Administrator has to deal; or
- By reference to the time properly given by the Insolvency Practitioner and his staff in attending to matters arising in the Administration.

The Insolvency Rules also provide that in arriving at its decision on remuneration the Committee is required to consider the following matters:

- The complexity (or otherwise) of the case;
- Any responsibility of an exceptional kind or degree which falls on the Administrators;
- The effectiveness with which the Administrators appear to be carrying out, or to have carried out, their duties; and
- The value and nature of the property which the Administrators have to deal with.

Statement of Insolvency Practice No. 9 ("SIP9")

In addition to the Insolvency Rules, SIP9 provides guidance to insolvency practitioners and creditors' committees in relation to the remuneration of, inter alia, Administrators. The purpose of SIP9 is to:

- Ensure that Administrators are familiar with the statutory provisions relating to office holders' remuneration;

- Set out best practice with regard to the observance of the statutory provisions;
- Set out best practice with regard to the provision of information to those responsible for the approval of fees to enable them to exercise their rights under the insolvency legislation; and
- Set out best practice with regard to the disclosure and drawing of disbursements.

The Committee members have each been provided with a copy of SIP9.

When seeking agreement for remuneration, the Administrators are required to provide sufficient supporting information to enable those responsible for approving their remuneration ('the approving body') to form a judgement as to whether the proposed remuneration is reasonable having regard to all the circumstances of the case. The nature and extent of the supporting information which should be provided will depend upon:

- The nature of the approval being sought;
- The stage during the Administration of the case at which it is being sought; and
- The size and complexity of the case.

Remuneration review and approval process

As the remuneration is based on time costs, the Committee has been provided with the time spent and the charge-out value, together with additional information setting out the approach to the project.

SIP9 guidance suggests the following areas of activity as a basis for the analysis of time spent:

- Administration and planning;
- Investigations;
- Realisation of assets;
- Trading;
- Creditors; and
- Any other case-specific matters.

The following categories are suggested by SIP9 as a basis for analysis by grade of staff:

- Partner;
- Manager;
- Other senior professionals; and
- Assistants and support staff.

In both cases the level of analysis and disclosure to the Committee has met or exceeded these standards.

SIP9 also suggests that an explanation of what has been done should include an outline of the nature of the assignment and the Administrator's own initial assessment, including the anticipated return to creditors. To the extent applicable it should also explain:

- Any significant aspects of the case, particularly those that affect the amount of time spent;
- The reasons for subsequent changes in strategy;
- Any comments on any figures in the summary of time being spent accompanying the request the Administrator wishes to make;
- The steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, time recording, fee drawing or fee agreement;
- Any existing agreement about fees; and
- Details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees.

Each of these matters has been covered in some length in the sessions the Administrators have held with your Committee.

Members of the Committee are bound by a confidentiality undertaking as some of the matters the Administrators have covered with them are commercially sensitive and could impact the level of recoveries by creditors if disclosed.

Resolution of the Creditors' Committee

To pay costs on a 'time properly given' basis

Given the fundamental uncertainties about the value of the property with which the Administrators have to deal, the Committee resolved to use the 'time properly given' basis – i.e. an hourly billing basis.

Hourly rates

In accordance with SIP9, details of the hourly rates have been provided to the Committee.

Cost approvals to date

During the period covered by this progress report, the Committee has approved remuneration of £1,517,925 (exclusive of VAT) which comprises the Administrators' time costs for 3,783 hours at an average hourly rate of £401 in respect of the period 1 November 2014 to 30 April 2015.

In the period, no work has been performed for or recharged to Affiliate companies.

The table below provides an analysis of the total hours and cost by grade of staff for remuneration approved by the Committee:

Global Grade	Total hours	Total (£)
Partner	204	181,698
Director	104	94,279
Senior Manager	785	403,385
Manager	593	257,903
Senior Associate	1,487	444,525
Associate	609	136,135
Total	3,783	1,517,925

The Committee has also resolved that the Administrators may draw 75% of their time costs on account to assist with the smoothing of working capital. All such costs are subject to detailed reporting to the Committee and are ultimately subject to their approval. In the reporting period, the Joint Administrators have drawn remuneration of £1,261,172 in respect of time costs incurred to 31 July 2015.

No disbursements were drawn in the six month period from 15 March 2015 to 14 September 2015.

Section 5 Receipts and Payments to 14 September 2015

As at 14 Sept 2015 As at 14 Mar 2015

Amount in millions	GBP	EUR	USD	CHF	Total in GBP	Total in GBP	Movement
Receipts							
Contribution from third parties *	141.9	0.6	11.3	-	149.6	149.6	-
Building recharge receipts	130.3	-	-	-	130.3	130.3	-
Payroll recharge receipts	502.0	0.1	57.1	-	538.4	538.4	-
Other (including realisations and payments for other companies)	169.5	3.0	178.5	0.2	285.7	272.2	13.4
Tax related receipts	685.1	-	-	-	685.1	678.6	6.5
VAT received on invoices	7.2	-	-	-	7.2	7.2	-
Total receipts for period	1,636.0	3.7	246.9	0.2	1,796.3	1,776.3	19.9
Payments							
Building and occupancy cost	(179.4)	(0.3)	(62.9)	-	(219.8)	(219.7)	-
Payroll and employee costs	(520.2)	(2.8)	(45.2)	-	(551.2)	(551.2)	(0.1)
Return of recharge surplus	(2.4)	-	-	-	(2.4)	(2.4)	-
Other costs and payments	(69.4)	(0.3)	(1.2)	-	(70.4)	(66.4)	(3.9)
Other advisors' costs	(1.3)	-	-	-	(1.3)	(1.3)	-
Legal fees	(15.2)	-	-	-	(15.2)	(13.7)	(1.5)
Administrators' fees	(22.7)	-	-	-	(22.7)	(21.4)	(1.3)
Return of Corporation Tax to group companies	(466.7)	-	-	-	(466.7)	(466.7)	-
VAT related payments	(162.4)	-	-	-	(162.4)	(157.1)	(5.3)
VAT paid on invoices	(10.1)	-	(1.4)	-	(11.0)	(10.4)	(0.5)
Intercompany transfer	(1.5)	-	-	-	(1.5)	(1.5)	-
Total payments for period	(1,451.3)	(3.4)	(110.7)	-	(1,524.6)	(1,511.8)	(12.6)
Inter-currency transfers							
Receipts from inter-currency transfers	118.9	2.7	57.8	-	158.0	150.5	7.4
Payments from inter-currency transfers	(31.1)	(2.9)	(194.2)	(0.2)	(157.1)	(149.7)	(7.4)
Net inter-currency transfers	87.8	(0.2)	(136.4)	(0.2)	0.9	0.8	-
Distributions							
Distribution to preferential creditors	(1.8)	-	-	-	(1.8)	(1.8)	-
Distribution to unsecured creditors	(1.7)	-	-	-	(1.7)	(1.6)	(0.1)
Total distributions	(3.5)	-	-	-	(3.5)	(3.4)	(0.1)
Net cash position	269.0	0.1	(0.2)	-	269.1	261.9	7.2
Bank balances							
Bank of England	-	-	-	-	-	-	-
HSBC	7.8	0.1	-	-	7.9	1.3	6.6
Money Market Funds	261.2	-	-	-	261.2	260.6	0.6
Net bank balance	269.0	0.1	-	-	269.1	261.9	7.2

Includes elements of building & occupancy and payroll related recharges
 Payroll costs attributable to Lehman Brothers Limited

GBP £ equivalent is for information purposes only.
 1 USD = 0.6366 GBP
 1 EUR = 0.8322 GBP
 1 CHF = 0.6874 GBP

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