
Lehman Brothers Limited – In Administration

Joint Administrators' progress
report for the period 15 September
2013 to 14 March 2014

9 April 2014

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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 eleventh 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 September 2013 to 14 March 2014 (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 are to:

- 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; and
- Mitigate, as far as possible, any further liabilities against LBL by the transfer or termination of contracts.

Creditors' Committee

The Administrators regularly meet with the Creditors' Committee (the "Committee") and, to date, eighteen 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 the Committee on critical issues.

Outcome for unsecured creditors

The Administrators have now commenced payment of dividends to creditors with preferential unsecured claims (comprising claims for unpaid wages and holiday pay).

The Administrators are not in a position to give an estimate of the timing or quantum of any dividend to non-preferential unsecured creditors.

However, creditors should be aware that LBL is a shareholder of Lehman Brothers International (Europe) in Administration ("LBIE"), an unlimited company. LBL is therefore potentially liable for any shortfall to creditors of that estate (which may include interest, subordinated claims and certain other claims). Clearly, this could have a significant impact on funds available to other creditors of LBL. Further information regarding the "Waterfall" application is provided in Section 2.

Extension of the Administration

On the application of the Administrators, the High Court granted an Order on 25 November 2013 to further extend the period of the Administration to 30 November 2014.

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 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

Prior to the Administration and as previously reported, 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. LBL was also the lessee of the former European headquarters, located at 25 Bank Street, Canary Wharf.

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"). Over the period of the Administration, LBL sought to reduce the level of services provided by either discontinuing specific services, or novating or transferring services to end users. With effect from 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; to settle the final balances in respect of the costs of post-Administration service provision; and for LBIE to provide such services as LBL may require.

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

In the period of this report, the teams continued to be formed around the following activities:

- Human Resources & Pensions;
- Corporation Tax and VAT; and
- Intercompany.

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 September 2013 to 14 March 2014 includes:

- Participation in the "Waterfall" application, which is explained in more detail below;
- Recalculated recharges and intercompany balances with LBIE and Lehman Brothers Europe Limited ("LBEL"), following a full review of LBL's balance sheet and estimation of potential claims, reflecting LBL's position as a service company recharging all costs incurred in the provision of services;
- Payment of agreed preferential claims to 14 March 2014 accounting for 82% of expected preferential claims; and
- Continued to pursue and recover amounts due to LBL from other Lehman Group companies.

The receipts and payments account on page 11 shows cash held increasing by £18.1m to £188.2m in the six month period.

"Waterfall" application

As previously reported, the Administrators applied to the High Court jointly with the Administrators of LBIE and Lehman Brothers International 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 application was heard over eight days in November 2013.

In March 2014, the Waterfall judgment was handed down. The Court has been requested to hand down supplementary judgments on two issues. The parties are assessing the implications of the judgment and the timeframe for applications for leave to appeal has been extended.

LBIE has announced that it will shortly pay a further dividend to non-preferential unsecured creditors, which will bring the total paid to 100 pence in the £. However, in the Waterfall judgment it was held that the shareholders of LBIE may be subject to calls to provide funds to enable LBIE to pay additional sums, including statutory interest, "unprovable debts" such as foreign exchange losses, and subordinated debts.

The amount of such claims in LBIE is unclear, as is the surplus available in LBIE to pay such claims,

therefore the shortfall (if any) that shareholders may be called on to pay is also unclear.

It was also decided that LBIE may not make a call on its shareholders unless, and until, it goes into Liquidation, although LBIE may seek to submit a contingent claim.

The Administrators are considering what issues in the judgment might be appealed, and it is likely that other parties to the application will also seek to appeal some parts of the judgment. A further update will be provided in the Administrators' next progress report.

2.1 Human Resources and Pensions

Overview

Following the transfer of all remaining employees to LBIE on 31 May 2013, the focus of the Human Resources (“HR”) workstream for LBL has become the review and evaluation of claims from former employees and HMRC, and realising outstanding loans that LBL made to employees.

Progress

All former employees identified as actual or potential creditors have been requested to provide details of their claims by 14 March 2014. Claims received are being reviewed and (subject to the following) are broadly in line with expectations. Those who have submitted claims will be contacted individually in due course. Any former employees who consider they do have claims but who have not yet provided details of their claims are requested to do so as soon as possible.

Some former employees’ claims include 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 are expected to be rejected.

As previously reported, payment of former employees’ agreed preferential claims commenced in June 2013. As at 14 March 2014, 82% of expected claims by value have been agreed and paid and a further 3% have been paid after the reporting period.

In addition, LBL has continued progress with HMRC to resolve pre and post-Administration PAYE / NIC reconciliations and other complex tax issues, as described below.

Issues and Challenges

Following the transfer of all employees to LBIE, the challenges faced by the HR workstream have significantly diminished.

The challenges for the next six months are:

- Review, adjudicate and pay the preferential claims of former employees’ as they are received;
- Review and evaluate other employee claims received;
- Continued recovery of the remaining outstanding loans due to LBL from former

employees, either directly or in connection with expatriate tax loans;

- Working with HMRC to resolve pre and post-Administration PAYE / NIC reconciliations and agree the final balance between LBL and HMRC in this respect; and
- Continuing dialogue with HMRC in relation to certain Employee Benefit Trusts and potential tax liabilities arising from such arrangements.

Pensions

Following the Supreme Court judgment in July 2013, to which we referred in the previous Progress Report, the stay which had been in force for the Upper Tribunal proceedings against various Lehman companies (but not LBL) came to an end. The Upper Tribunal has the role of deciding whether a Financial Support Direction (“FSD”) should be made, and against which entities, in respect of the Lehman Brothers Pension Scheme (the “Scheme”). The Upper Tribunal process is now under way and a substantive hearing is listed for February 2015.

LBL has received a claim of £119m from the Scheme. There have not been any further developments in relation to this claim. LBL is not party to the FSD proceedings in the Upper Tribunal but has been subject to a number of notices from the Pensions Regulator requiring information to be produced for the purpose of the proceedings, and the Administrators continue to monitor the proceedings closely to ensure any issues that may impact LBL are identified and properly addressed.

2.2 Corporation Tax and VAT

Overview

LBL was the Group Paying Agent 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 primary objective of the tax team was the recovery of up to £466m (excluding interest but subject to Crown set-off) of corporation tax. This has largely been achieved, so the ongoing key objectives for the tax team, in addition to agreement of set off issues and recovery of the final repayments of corporation tax, have included:

Compliance

- Ensuring tax compliance and statutory filing obligations are met.

Planning

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

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

- To date, corporation tax repayments of £484m (including interest) have been received by LBL on behalf of the Group. No tax repayment was received in the six months ended 14 March 2014;
- Only one corporation tax repayment remains outstanding and may be subject to Crown set-off, i.e. reduced by PAYE and other employment tax liabilities due to HMRC;
- The group relief position for the year ended 14 September 2011 has been finalised. LBL incurred a tax loss of £1.3m, all of which was carried forward to the next accounting period;
- The corporation tax return for the year ended 14 September 2012 has been submitted to HMRC. LBL incurred a tax loss of £3.8m for the period. It is uncertain whether this loss can be sold for value at this stage; and

- LBL ceased to trade on 31 May 2013, bringing to an end an accounting period for tax purposes. The corporation tax return for this period is currently being prepared and it will be submitted to HMRC shortly.

VAT

- All group VAT returns have been submitted up to and including the quarter ended November 2013;
- LBL received a VAT repayment from HMRC of £1.3m for the November 2012, February, May and August 2013 VAT quarters; and
- The November 2013 VAT return was submitted to HMRC and included a repayment due to LBL of £150k. This amount was received after the end of the reporting period.

PAYE and other employment taxes

- As advised previously, negotiations with HMRC have progressed to the point where HMRC's claim has been agreed, however, HMRC has referred certain points to their internal counsel to consider whether certain transactions rank as an expense or an unsecured claim in the Administration. Discussions are ongoing; and
- Employment Benefit Trusts ("EBTs") – a full response to issues raised by HMRC is currently being considered and a meeting may be required to discuss issues with a view to obtaining clearance and closure.

Over the next six months, the tax team will:

- Finalise and submit the 2012 Group loss position to HMRC, ensuring tax leakage from the Group is minimised;
- Continue to review, on a quarterly basis, the tax position of the Group and make corporation tax payments to HMRC, as required;
- Prepare the tax return to 31 May 2013, being the date LBL ceased to trade;
- Progress the outstanding PAYE and other employment tax matters to facilitate the final corporation tax repayment, after set off; and
- Meet HMRC to discuss issues in relation to EBTs with a view to obtaining clearance and closure.

2.3 Intercompany

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 some claims against other group companies.

Progress

The Intercompany team has continued to make progress on a number of significant receivable balances.

As set out in the Administrators’ previous report, LBL has been 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 LBIE and LBEL.

The Administrators have reviewed LBL’s balance sheet as at the date of Administration, including reviewing all known or potential claims, to identify the adjustments that should be made to the balance sheet to reflect the estimated actual outcome and the consequential recharge adjustments to the inter-company accounts with LBIE, LBEL and other entities.

Discussions with the Administrators of LBIE and LBEL, in respect of the inter-company balances are ongoing.

As described in Section 2 above, the Administrators have made the “Waterfall” application to the UK High Court, jointly with LBIE and LBHI², for determination of various issues. At this stage it is not possible to indicate what recovery may be made in relation to LBL’s claim against LBIE.

LBEL has to date paid dividends totalling 50p in the £ to its unsecured creditors. As noted, the final balance with LBEL is uncertain but LBEL may be a net creditor of LBL.

The outcome of LBEL’s Administration is uncertain but it may be able to pay a surplus to its

shareholder, Lehman Brothers Holdings Plc (“LBH Plc”) which may in turn benefit LBL as LBL’s largest claim, for £710m, is against LBH Plc, which is also in Administration.

LBL’s overall recovery from LBH Plc remains difficult to assess. However, the judgment of the Supreme Court in the Nortel / Lehman case has clarified the ranking of any potential pension liability in both LBH Plc and other Lehman Administration companies and in doing so, has cleared a significant obstacle to those companies making payments to their creditors including (where applicable) LBL.

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 £37.9m (\$60.1m). The total recovery from these claims remains uncertain but creditors should note that total realisations, to date, are higher than the \$55m estimated when the Plan was proposed. A further distribution totalling in excess of \$18m has been received after the end of the reporting period;
- LBL has received a further \$7.5m in respect of its \$225m intercompany claim against Lehman Brothers Luxemburg Investment S.A.R.L (“LBLIS”). Recoveries to date total \$51.5m. It is understood that the Liquidations of LBLIS’s subsidiaries in South Korea are substantially complete and indicate that LBLIS may make further payments from this source to LBL of around \$12m. The quantum and timing of further payments remain contingent on the recovery by LBLIS of intercompany receivables and other balances, but material further recoveries are expected.
- LBL has received confirmation from the Liquidators of Lehman Brothers Luxembourg S.A. (“LB Lux”) that they have applied to the Luxembourg District Court to pay a first interim distribution to unsecured creditors. LBL’s admitted claim against LB Lux is €751k. LB Lux intends to pay a distribution of 42.5% once approval from the Luxembourg District Court has been obtained;

-
- 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 95 smaller LBL Affiliate balances where there remains a reasonable prospect of future realisations.

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 2014.
<i>Estimated dividend for unsecured creditors:</i>	It is too early to estimate the likely dividend for unsecured creditors.
<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 £1,205,205 which comprises 3,266 hours at an average hourly rate of £369 in respect of the period 1 May 2013 to 31 October 2013.

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	107	92,511
Director	247	142,633
Senior Manager	634	327,901
Manager	606	235,457
Senior Associate	1,329	336,727
Associate	343	69,976
Total	3,266	1,205,205

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 six-month period from 15 September 2013 to 14 March 2014 the Administrators drew remuneration of £1,222,089.

Part of the net charge to LBL reported in previous periods relates to work on corporation tax and VAT issues on behalf of the Group and has been partially recovered from other Group companies in this and earlier periods. In addition, no disbursements were drawn in the six month period from 15 September 2013 to 14 March 2014.

Section 5 Receipts and Payments to 14 March 2014

As at 14 Mar 2014 As at 14 Sept 2013

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	130.1	-	-	-	130.1	129.8	0.3
Payroll recharge receipts	501.9	0.1	57.1	-	538.3	538.3	-
Other (including realisations and payments for other companies)	112.2	2.3	130.0	0.2	197.3	177.3	20.0
Tax related receipts	621.6	-	-	-	621.6	592.4	29.2
VAT received on invoices	7.2	-	-	-	7.2	7.1	0.1
Total receipts for period	1,514.9	3.0	198.4	0.2	1,644.1	1,594.5	49.6
Payments							
Building and occupancy cost	(179.2)	(0.3)	(62.8)	-	(219.5)	(219.1)	(0.4)
Payroll and employee costs	(519.5)	(2.8)	(45.2)	-	(550.6)	(550.4)	(0.2)
Return of recharge surplus	(1.4)	-	-	-	(1.4)	(1.4)	-
Other costs and payments	(65.1)	(0.2)	(1.2)	-	(66.0)	(65.8)	(0.2)
Other advisors' costs	(1.3)	-	-	-	(1.3)	(1.3)	-
Legal fees	(12.1)	-	-	-	(12.1)	(11.2)	(0.9)
Administrators' fees	(18.8)	-	-	-	(18.8)	(17.6)	(1.2)
Estate distributions	(1.6)	-	-	-	(1.6)	(1.3)	(0.3)
Return of Corporation Tax to group companies	(445.1)	-	-	-	(445.1)	(445.1)	-
VAT related payments	(129.2)	-	-	-	(129.2)	(101.0)	(28.2)
VAT paid on invoices	(8.8)	-	(1.4)	-	(9.6)	(9.5)	(0.1)
Intercompany transfer	(1.5)	-	-	-	(1.5)	(1.5)	-
Total payments for period	(1,383.6)	(3.3)	(110.6)	-	(1,456.7)	(1,425.2)	(31.5)
Inter-currency transfers							
Receipts from inter-currency transfers	87.9	2.7	57.8	-	127.0	106.7	20.3
Payments from inter-currency transfers	(31.1)	(2.4)	(145.5)	(0.2)	(126.2)	(105.9)	(20.3)
Net inter-currency transfers	56.8	0.3	(87.7)	(0.2)	0.8	0.8	-
Net cash position	188.1	-	0.1	-	188.2	170.1	18.1
Bank balances							
Bank of England	-	-	-	-	-	-	-
HSBC	1.1	-	0.1	-	1.2	6.2	(5.0)
Money Market Funds	187.0	-	-	-	187.0	163.9	23.1
Net bank balance	188.1	-	0.1	-	188.2	170.1	18.1

*Includes elements of building & occupancy and payroll related recharges

~Includes £0.3m of payroll costs attributable to Lehman Brothers Limited

GBP £ equivalent is for information purposes only.

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