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***LB Holdings  
Intermediate 2 Limited  
– In Administration***

Joint Administrators' progress  
report for the period 14 January  
2015 to 13 July 2015

7 August 2015

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# **Section 1 Purpose of the Joint Administrators' progress report**

## **Introduction**

This is the 13th progress report by the Joint Administrators (the "Administrators") of LB Holdings Intermediate 2 Limited ("LBHI2" or the "Company").

This report provides an update on the work the Administrators have undertaken and the progress made since their appointment, with particular focus on the progress made in the six months to 13 July 2015 (the "reporting period").

## **Objectives of the Administration**

The Administrators are pursuing the objective of achieving a better result for LBHI2's creditors as a whole than would be likely if LBHI2 were wound up (without first being in Administration).

The Administrators will continue to manage the Administration in accordance with the proposals approved by creditors.

## **Outcome for creditors**

The Administrators expect a distribution to be made to unsecured, unsubordinated, non-preferential creditors in due course, however the quantum and timing of this distribution remains uncertain, principally due to two key issues which materially affect the extent of LBHI2's total assets and liabilities:

- Whether, and if so to what extent, LBHI2 may be required to contribute to the debts and liabilities of Lehman Brothers International (Europe) ("LBIE"), by virtue of LBHI2's position as shareholder of LBIE (an unlimited company); and
- In the event of there being a surplus in LBIE, whether LBHI2's right to prove in the estate of LBIE in respect of a subordinated debt claim has priority over any claims for statutory interest or non-provable claims otherwise arising.

These issues are discussed further in Section 2 of this report.

## **Creditor re-classification**

The Administrators have identified a material misstatement on the Directors' Statement of Affairs. The balance due to Lehman Brothers Holdings Scottish LP 3 of £4,312,408,034 was incorrectly classified as an unsecured, unsubordinated, non-preferential creditor on the Statement of Affairs, however its true nature is an unsecured, subordinated, non-preferential creditor. Accordingly, this creditor will rank behind any unsecured, unsubordinated, non-preferential creditor claims that are admitted in due course.

To date, LBHI2 has received unsecured, unsubordinated, non-preferential creditor claims with an aggregate total of £721,349,399.

## **Extension to the Administration**

The Administration is currently due to expire on 30 November 2015. The Administrators are considering whether to apply to Court to request a further extension of the Administration in order to continue to pursue the objectives of the Administration, or to place the Company into Liquidation.

## **Future reports**

The Administrators' next progress report to creditors will be sent in approximately six months or at the end of the Administration, whichever is sooner.

Signed:



DA Howell  
Joint Administrator  
LB Holdings Intermediate 2 Limited

*DA Howell, AV Lomas, SA Pearson, GE Bruce and JG Parr were appointed as Joint Administrators of LB Holdings Intermediate 2 Limited to manage its affairs, business and property as agents without personal liability. DA Howell, AV Lomas, SA Pearson, GE Bruce 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 Administrations.*

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## **Section 2 Joint Administrators' actions to date**

### **Overview of the Company's business**

LBHI2 holds an investment in LBIE.

As previously advised, LBHI2's investment in LBIE was principally financed by:

- The issue of \$6.1bn floating rate notes;
- The issue of \$730m of fixed rate notes; and
- A combination of long and short term loan facilities from Lehman Brothers Holdings plc of which some \$2.2bn remains due.

### **Administrators' actions**

#### **LBHI2 claims transaction**

In previous reports, the Administrators described the joint venture entered into with Elliot Management Corporation ("EM") and King Street Capital Management, L.P. ("KS") in connection with the claims of LBHI2 in the estate of LBIE ("the Joint Venture").

There is nothing further to report in relation to the Joint Venture during this reporting period given that the outcome largely depends on the result of the ongoing Waterfall appeal and Waterfall II court application, both of which are described further below.

The quantum and timing of any future contingent returns for LBHI2 via the Joint Venture remains uncertain.

#### **"Waterfall" application**

As previously reported, the Administrators applied to the High Court jointly with the Joint Administrators of Lehman Brothers International Europe ("LBIE") and Lehman Brothers Limited ("LBL") for directions in relation to the potential liability of LBHI2 and LBL in respect of shares held in LBIE, an unlimited company, and in relation to subordinated debt owed by LBIE to LBHI2 (the "Waterfall" application).

Full details of the original Waterfall application judgment and the subsequent appeal application have been summarised in our earlier reports and can be reviewed at:

[www.pwc.co.uk/business-recovery/administrations/lehman/lbhi2-limited-in-administration.jhtml](http://www.pwc.co.uk/business-recovery/administrations/lehman/lbhi2-limited-in-administration.jhtml)

The Court of Appeal heard the case over five days at the end of March 2015.

On 14 May 2015 the Court of Appeal handed down its judgment. In summary, the Court of Appeal's decision was as follows:

(1) LBHI2's claims under certain subordinated debt agreements are provable but rank to be paid, on the proper construction of those agreements, after the payment in full of all non-provable liabilities;

(2) Currency conversion claims, i.e. claims for any shortfall suffered by a foreign currency creditor who receives less in sterling on its proved debt than it would have received in the foreign currency in which its claim was originally denominated (as a result of an adverse foreign currency movement between the date of conversion to sterling and the dates of payments of the proved debt), do exist and rank as non-provable claims;

(3) Where a company moves from administration into liquidation in circumstances where all debts proved in the administration have already been paid and there is a surplus in the hands of the administrator, the liquidator must apply that surplus (once received) first in satisfaction of any accrued but unpaid entitlement to statutory interest under rule 2.88(7) of the Insolvency Rules 1986 in respect of the relevant period;

(4) The liability of a company's members to contribute to the company's assets under section 74(1) of the Insolvency Act 1986 extends to statutory interest and non-provable liabilities;

(5) A company in administration can prove in the insolvencies of its contributories for the amount of the contingent liability to contribute under section 74(1) of the 1986 Act; and

(6) The contributory rule, which prevents a contributory from recovering in a liquidation until it has fully discharged its liability, does not apply in administration.

The judgment of the Court of Appeal can also be found at:

[www.pwc.co.uk/business-recovery/administrations/lehman/update-waterfall-i-application-the-application-appeal-judgment-15-may-2015.jhtml](http://www.pwc.co.uk/business-recovery/administrations/lehman/update-waterfall-i-application-the-application-appeal-judgment-15-may-2015.jhtml)

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The Court of Appeal refused the requests made by LBHI2, LBL and LBHI for permission to appeal the judgment in the Supreme Court so a direct application was filed in June 2015. At the date of this report, the decision of the Supreme Court to hear the appeal has not been given.

### **“Waterfall II” application**

As previously reported, the Joint Administrators of LBIE have made another application to the Court (the “Waterfall II” application) for directions as to, among other things, how they should calculate certain claims such as statutory interest and foreign currency conversion claims.

Given the scope and complexity of the Waterfall II Application, the Court has ordered that it be tried in three parts.

#### **Part A**

The first hearing took place over 7 days commencing on 8 February 2015 and dealt principally with issues pertaining to the calculation of statutory interest claims and foreign currency conversion claims.

Judgement was handed down shortly after the period covered by this report, on 31 July 2015. The following is a summary of the Judge’s decision:

(1) The rule in *Bower v Marris* (which would require post-administration interest to be calculated on the basis of a notional attribution of dividend payments first to interest and only then to principal) does not apply to the calculation of post-administration interest under rule 2.88(7)-(9) of the Insolvency Rules 1986 (the “Rules”);

(2) Rule 2.88 of the Rules represents a complete code for the payment of post-administration interest on proved debts, leaving no scope for any non-provable claim for further interest;

(3) Interest is not payable on statutory interest in respect of the period between the payment in full of proved debts and the date or dates on which statutory interest is paid;

(4) The words “the rate applicable to the debt apart from the administration” in rule 2.88(9) of the Rules does not include:

a. A judgement rate of interest on a judgement obtained after the commencement of the administration; or

b. A judgement rate which would apply to a debt if the creditor had obtained judgement for it but did not in fact do so;

(5) Statutory interest is payable on future debts and on the amount admitted to proof in respect of contingent debts from the date of the commencement of the administration; and

(6) The calculation of a currency conversion claim should not take into account the statutory interest paid to the relevant creditor.

#### **Part B**

The second hearing took place between 18 and 21 May 2015 and, among other things, sought to determine, in principle, the effect on claims of creditors entering into certain agreements with the LBIE Administrators, including Claims Determination Deeds (the “CDDs”).

Judgement was also handed down in respect of the second hearing on 31 July 2015 and the following summarises the Judge’s decision:

(1) Neither the Claims Resolution Agreement (the “CRA”) nor any of the CDDs have, as a matter of construction, the effect of releasing currency conversion claims (paragraph 34 of the application notice);

(2) Neither the CRA nor any of the CDDs have, as a matter of construction, the effect of releasing in whole or in part claims to statutory interest under rule 2.88. In all cases, creditors are entitled to the payment of statutory interest at the higher of the judgement rate or the rate otherwise applicable apart from the administration (which can include the original contractual rate) (paragraph 35 of the application notice);

(3) The CRA does not, as a matter of construction, itself create or give rise to any currency conversion claims (paragraph 38 of the application notice); and

(4) If, as a matter of construction, the CRA or any of the CDDs had the effect of releasing currency conversion claims, the administrators would have been directed, under the principle in *Ex Parte James* and under paragraph 74 of schedule B1 to the Insolvency Act not to enforce such releases (paragraph 36A of the application notice).

The Administrators are working with the other Joint Venture partners and their Counsel to consider an application for permission to make an appeal to the Court of Appeal against parts of the Part A and Part B judgements.

The full Court judgement for Parts A & B may also be found here:

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

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## **Part C**

The third hearing is set to take place between 9 and 20 November 2015. This hearing will deal with the specific question arising on the interpretation of documents such as the ISDA Master Agreement and other similar agreements governed by German, French or New York law.

The Joint Venture is participating in the hearing as a respondent, therefore the Administrators are working alongside the other Joint Venture partners and their Counsel to prepare for these hearings.

Until the Waterfall litigation is completed, or a consensual settlement is reached, the outcome for the Joint Venture, and thus the LBHI2 creditors remains uncertain.

### ***Tax***

LBHI2 has made no further realisations through the sale of tax losses in the period.

### ***Debtors***

The Administrators entered into a settlement agreement with LBHI on 11 October 2011. Pursuant to this agreement LBHI2 had its claim against LBHI agreed at \$2.7m in respect of direct claims and \$302m in respect of guarantee claims.

Since the Administrators' previous report, a further dividend of c.\$7.7m has been received from LBHI. To date, dividends received total \$82.8m.

## Section 3 Statutory and other Information

<i>Court details for the Administration:</i>	High Court of Justice, Chancery Division, Companies Court - Court Case 429 of 2009
<i>Full name:</i>	LB Holdings Intermediate 2 Limited
<i>Trading name:</i>	LB Holdings Intermediate 2 Limited
<i>Registered number:</i>	05957878
<i>Registered address:</i>	Level 23, 25 Canada Square, London E14 5LQ, United Kingdom
<i>Company directors:</i>	D Gibb (resigned 17/07/09), IM Jameson (resigned 17/07/09) and AJ Rush (resigned 17/07/09)
<i>Company secretary:</i>	P Dave (resigned 25/01/10) and ESE Upton (resigned 25/01/10)
<i>Shareholdings held by the directors and secretary:</i>	None of the directors own shares in the Company
<i>Date of the Administration appointment:</i>	14 January 2009
<i>Administrators' names and addresses:</i>	DA Howell, AV Lomas, JG Parr, SA Pearson and GE Bruce of PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT. DY Schwarzmann and MJA Jarvis ceased to act as Administrators on 22 March 2013.
<i>Appointer's name and address:</i>	The directors, 25 Bank Street, London E14 5LE
<i>Objective being pursued by the Administrators:</i>	Achieving a better result for LBHI2's creditors as a whole than would be likely if LBHI2 were wound up (without first being in Administration)
<i>Division of the Administrators' responsibilities:</i>	The current Joint Administrators of LBHI2 are AV Lomas, SA Pearson, DA Howell, GE Bruce and JG Parr of PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT. 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 High Court of Justice has granted four successive extensions to the Administration period to: 30 November 2010; 30 November 2011, 30 November 2013 and most recently to 30 November 2015.
<i>Proposed end of the Administration:</i>	The Administrators are not yet in a position to determine the most likely exit route from the Administration and wish to retain the options available to them.
<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 LBHI2's net property:</i>	Not applicable as there is no qualifying floating charge.
<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 does apply to this Administration and these are the main proceedings.



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## ***Section 4 Financial Information***

### ***Receipts and payments account***

An account of the receipts and payments in the Administration, showing movements for the six months to 13 July 2015, is set out overleaf.

As part of the LBHI2 claims transaction, LBHI2 provided a share of funding to meet the expenses of the Joint Venture, including costs of the Waterfall appeal and other associated litigation. Legal costs have been split to distinguish between those relating to the Waterfall application and the wider Administration. Under the Joint Venture, LBHI2 will recover all of its legal costs incurred in respect of the Waterfall appeal from 30 September 2013 onwards.

### ***Administrators' remuneration***

At the meeting of creditors which was held by correspondence on 24 March 2009, creditors resolved that the Administrators' remuneration be fixed by reference to the time properly given by them and the various grades of their staff. The Administrators were also authorised to draw their remuneration from time to time.

Details of the Administrators' time costs for the period between 14 January 2009 and 30 November 2014 have been provided in previous reports. Attached at Section 6 of this report, is a summary of the Administrators' time costs incurred from 1 December 2014 to 30 May 2015, presented in accordance with the Statement of Insolvency Practice 9 ("SIP9"), together with a narrative of the work performed.

The SIP9 summary shows that time costs for the period 1 December 2014 to 30 May 2015 are £785,715 representing 1,463.01, hours at an average hourly rate of £537.

To date, the Administrators have drawn remuneration of £3,536,969 plus VAT in respect of timecosts incurred in the period 14 January 2009 to 30 May 2015.



## Section 5 Receipts and Payments Account

	GBP			USD		
	As at 13-Jul-15	Movements In Period	As at 13-Jan-15	As at 13-Jul-15	Movements In Period	As at 13-Jan-15
<b>Receipts</b>						
Dividends received	-	-	-	82,797,770	7,728,855	75,068,915
Sale of subordinated debt and senior claims in LBIE	649,992,000	-	649,992,000	-	-	-
Joint Venture contribution to Waterfall costs	2,728,892	8,181	2,720,711	-	-	-
Sale of tax losses	9,032,513	-	9,032,513	-	-	-
Gross interest received	3,604,647	1,356,434	2,248,213	-	-	-
<b>Total Receipts</b>	<b>665,358,052</b>	<b>1,364,615</b>	<b>663,993,437</b>	<b>82,797,770</b>	<b>7,728,855</b>	<b>75,068,915</b>
<b>Payments</b>						
Net Tax function costs	100,907	-	100,907	-	-	-
Legal Fees and disbursements	5,030,498	440,556	4,589,942	-	-	-
Legal Fees and disbursement relating to Waterfall applications	2,499,147	1,060,085	1,439,062	-	-	-
Recharge of pension related legal costs to LBUKF	56,485	56,485	-	-	-	-
Loans and advances to Joint Venture	4,957,036	1,623,703	3,333,333	-	-	-
Gross wages & salaries	1,763	-	1,763	-	-	-
Statutory costs	384	-	384	-	-	-
IT Costs	5,741	-	5,741	-	-	-
Bank charges	-	-	-	277	75	202
Office holders' fees	3,536,969	785,715	2,751,254	-	-	-
Office holders' disbursements	34,223	-	34,223	-	-	-
Irrecoverable VAT	2,106,912	454,768	1,652,144	-	-	-
<b>Total Payments</b>	<b>18,330,065</b>	<b>4,421,312</b>	<b>13,908,753</b>	<b>277</b>	<b>75</b>	<b>202</b>
<b>Intracompany transfers</b>						
Receipts	51,922,776	5,168,194	46,754,582	-	-	-
Payments	-	-	-	82,795,713	7,728,000	75,067,713
<b>Net Position</b>	<b>698,950,763</b>	<b>2,111,497</b>	<b>696,839,266</b>	<b>1,780</b>	<b>780</b>	<b>1,000</b>
<b>Cash Balances</b>						
HSBC	4,806,992	(193,485)	5,000,477	1,780	780	1,000
Money markets	694,143,771	2,304,982	691,838,789	-	-	-
<b>Total Cash</b>	<b>698,950,763</b>	<b>2,111,497</b>	<b>696,839,266</b>	<b>1,780</b>	<b>780</b>	<b>1,000</b>

### Notes:

- 1) An adjustment has been made to the previous period totals in order to correct the split between general legal costs and legal costs associated with the Waterfall application. A previous period adjustment has also been applied to reflect irrecoverable VAT incorrectly identified as legal costs.
- 2) Funds are invested on the money markets to generate interest and reduce risk.
- 3) Due to the nature of the Company's former business, it is not able to recover input VAT on its costs.

## Section 6 Joint Administrators' time costs for the period 1 December 2014 to 30 May 2015

Classification of work	Partner / Director		Senior Manager / Manager		Senior Associate		Associate / Support Staff		Total hours	
	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£
Accounting and Treasury	4.70	3,125	57.80	25,697	194.35	51,701	108.50	24,847	365.35	105,370
Strategy and Planning	444.70	369,213	446.15	226,758	17.20	5,125	7.40	1,695	915.45	602,791
Statutory and Compliance	-	-	5.90	2,600	42.05	11,141	22.70	5,198	70.65	18,939
Creditors	-	-	14.15	7,176	0.60	216	-	-	14.75	7,392
Tax and VAT	26.60	25,972	3.60	2,479	40.80	15,488	2.25	435	73.25	44,374
LBIE recharges	1.89	1,255	5.27	1,673	5.70	1,508	10.70	2,413	23.56	6,849
<b>Grand Total</b>	<b>477.89</b>	<b>399,565</b>	<b>532.87</b>	<b>266,383</b>	<b>300.70</b>	<b>85,179</b>	<b>151.55</b>	<b>34,588</b>	<b>1,463.01</b>	<b>785,715</b>
<b>Average Hourly Rate</b>	<b>836</b>		<b>500</b>		<b>283</b>		<b>228</b>		<b>537</b>	

Current charge out rates	Business Recovery Services		Specialist		The Administrators' remuneration has been fixed by reference to the time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration. The minimum unit for time charged by the Joint Administrators and their staff is 0.05 of an hour.
	Max £/hr		Max £/hr		
Grade	To 31 December 2014	From 1 January 2015	To 31 December 2014	From 1 January 2015	* Specialist departments within PricewaterhouseCoopers LLP, such as Tax, VAT and Pensions, do sometimes charge a small number of hours, should we require their expert advice. Their rates do vary, however, the figures shown given an indication of the maximum rate per hour. In common with all professional firms, the scale rates used by the Joint Administrators from PricewaterhouseCoopers LLP may periodically rise (for example to cover annual inflation cost increase) over the period of the Administration. Any material amendments to these rates will be advised to the creditors in the next statutory report.
Partner	873	873	1,225	1,225	
Director	665	765	1,076	1,076	
Senior manager	512	512	905	905	
Manager	431	431	660	660	
Senior Associate	360	360	490	490	
Associate/Support Staff	229	229	229	229	

## ***Tax Function Costs***

Certain group tax matters are managed through Lehman Brothers Limited (“LBL”) as Group Paying Agent. When recoveries of Corporation Tax paid pre-appointment are paid to relevant estates, the associated PwC costs incurred by the relevant estates are re-apportioned by reference to quantum of refunds to each estate.

The final refund of pre-appointment Corporation Tax has now been received by LBL and redistributed to certain group companies, and the final re-apportionment of costs is now known. LBHI2 has benefited from tax refunds and therefore has contributed to the costs. Time costs attributable to LBHI2 in relation to tax function costs are £69,587. No cash movements are required however time adjustments to the report are set out below.

<b>Classification of Work</b>	<b>Partner/Director</b>		<b>Senior Manager/Manager</b>		<b>Senior Associate</b>		<b>Associate/Support Staff</b>		<b>Total</b>	
	£		£		£		£		£	
Tax function costs previously reported in Administration	-		-		-		-		-	
Allocated tax function costs	23,722		24,815		20,222		828		69,587	
<b>Total tax function costs attributable</b>	<b>26hrs</b>	<b>23,722</b>	<b>59hrs</b>	<b>24,815</b>	<b>84hrs</b>	<b>20,222</b>	<b>5hrs</b>	<b>828</b>	<b>174hrs</b>	<b>69,587</b>

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# ***Narrative of the Joint Administrators' time costs for the period 1 December 2014 to 30 May 2015***

## **Accounting and Treasury - £105,370**

A review of fund management costs has revealed that LBHI2 has been charged a reduced rate for these services in previous periods. No adjustments will be made to the recover costs incurred prior to 1 December 2014 from the estate. The correct charges have been applied to the period covered by this report, and will also be applied going forward.

- Implementation of a new credit policy which extended the deposit duration of some of our counterparties (and therefore returns);
- System set up and preparation of documentation to institute new dealing counterparties;
- Completion of additional documentation for LBHI2's counterparties as a result of new banking regulations;
- Actively managing investments on the money market;
- Mitigating risk on investments;
- Due consideration of best strategy for dealing with investments;
- Reconciling bank accounts for the purposes of statutory reporting;
- Arranging receipts and payments of funds and coding of movements; and
- Monitoring flow of funds into the bank accounts.

## **Strategy and Planning - £602,791**

As well as discussions regarding strategy for the wider Administration and updating of strategy documentation, a significant amount of time was incurred dealing both with various matters arising in connection with the Wentworth Joint Venture and with the Waterfall court proceedings. This included:

- Meetings and correspondence with tax and legal advisors, Elliott and KS, in respect of the Joint Venture;
- Extensive correspondence with relevant parties regarding negotiations and finalisation of the Future Claims Agreement ("FCA") plus additional FCAs;
- Preparation for the Waterfall appeal, review of judgment and preparation of the Supreme Court application;
- Development of strategy, arguments, position papers and skeletons for the Waterfall II application and attendance of Part A and Part B hearings;
- Assisting with identification of possible Experts for use in the Waterfall II application and reviewing Expert reports;
- Setting, reviewing and discussing strategy for the Joint Venture with the Joint Venture Partners and LBHI;
- Meeting with LBIE for updates and discussing strategy with the Joint Venture partners;
- Liaison with our nominated director for the Luxembourg Special Purpose Vehicles and their appointed counsel;
- Attendance at board meetings to represent LBHI2 as corporate director of a number of companies in the Joint Venture;
- Dealing with administrative issues supporting the Joint Venture structure;
- Reviewing financial information from the Joint Venture; and
- Preparing financial models to consider possible outcomes and assist with strategy.

## **Statutory and Compliance - £18,939**

- Preparation of Administrators' 12th progress report;
- Preparation of detailed remuneration summary;
- Preparation of receipts and payments account for reports to creditors;

- 
- Circulation of progress report to creditors;
  - Statutory filings at Companies House and Court;
  - Liaising with Administrators on statutory issues;
  - Preparation of the Administrators' six monthly review summary;
  - Managing information available on website; and
  - Maintaining case files and the LBHI2 database.

#### **Creditors - £7,392**

- Review and analysis of 4B claims;
- Reviewing claims submitted; and
- Dealing with creditor queries.

#### **Tax and VAT- £44,374**

- Preparation of tax memo in relation to LBHI2's ability to surrender and receive tax losses from other Lehman entities;
- Reviewing and providing input for correspondence with HMRC; and
- Corporation tax and VAT compliance.

#### **LBIE Recharges – £6,849**

- This is an apportionment of the costs incurred by Lehman Brothers International (Europe) associated with the administration companies.