

AM10

Notice of administrator's progress report



Companies House

WEDNESDAY



A20 *A8G6KSAX* 16/10/2019 #234
COMPANIES HOUSE

1 Company details

Company number 0 2 7 5 9 4 3 7

Company name in full SUK Oldco Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Richard Michael

Surname Hawes

3 Administrator's address

Building name/number 5 Callaghan Square

Street Cardiff

Post town CF10 5BT

County/Region

Postcode

Country

4 Administrator's name ①

Full forename(s) Daniel Francis

Surname Butters

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 1 New Street Square

Street London

Post town EC4A 3HQ

County/Region

Postcode

Country

② Other administrator
Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	^d 1	^d 8	^m 0	^m 3	^y 2	^y 0	^y 1	^y 9
To date	^d 1	^d 7	^m 0	^m 9	^y 2	^y 0	^y 1	^y 9

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X 

X

Signature date	^d 1	^d 5	^m 1	^m 0	^y 2	^y 0	^y 1	^y 9
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AM10

Notice of administrator's progress report



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Radha Kaur								
Company name	Deloitte LLP								
Address	5 Callaghan Square								
	Cardiff								
Post town	CF10 5BT								
County/Region									
Postcode	<table><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>								
Country									
DX									
Telephone	+44 121 632 6000								



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



**SUK Retail Limited t/a Office Outlet
(formerly Staples UK Retail Limited)
("SUK Retail") and SUK Oldco Limited
(formerly Staples UK Real Estate Limited)
("Oldco")(both in administration)
(together "the Companies")**

Court Case Numbers: 248 and 249 of 2019
High Court of Justice
Chancery Division
Birmingham District

Company Numbers: 02759437 and 02430955
Registered Office: c/o Deloitte LLP
Four Brindleyplace
Birmingham
B1 2HZ

Progress report to creditors for the period 18 March 2019 to 17 September 2019 pursuant to rules 18.2 to 18.6 inclusive of the Insolvency (England & Wales) Rules 2016 ("the Rules")

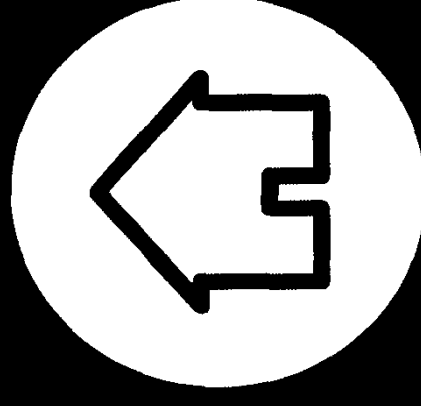
Richard Michael Hawes and Daniel Francis Butters ("the Joint Administrators") were appointed Joint Administrators of SUK Retail Limited and SUK Oldco Limited on 18 March 2019 by the directors of the Companies. The affairs, business and property of the Companies are managed by the Joint Administrators. The Joint Administrators act as agents of the Companies and contract without personal liability. All licensed Insolvency Practitioners of Deloitte LLP ("Deloitte") are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

For the purposes of paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 (as amended), ("the Act"), the Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally.

Council Regulation (EU) No 2015/848 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

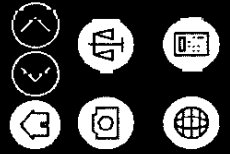
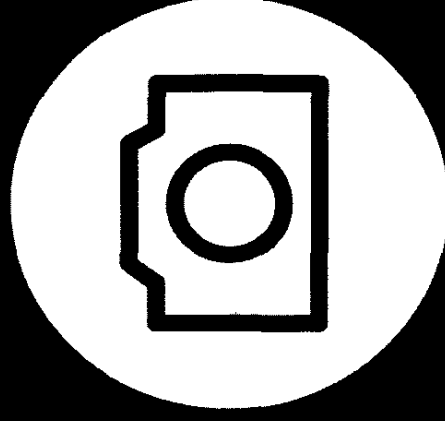
15 October 2019

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Key messages



Key messages

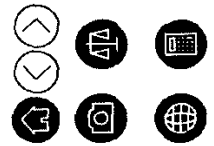
Joint Administrators of the Companies

Richard Michael Hawes
Deloitte LLP
5 Callaghan Square
Cardiff
CF10 5BT

Daniel Francis Butters
Deloitte LLP
1 New Street Square
London
EC4A 3HQ

Contact Details

Email: radkaur@deloitte.co.uk
Website: www.deloitte.com/uk/suk
Tel: +44 121 695 5049



	Commentary
Purpose of administration	The purpose of the administrations is to achieve a better result for the Companies' creditors as a whole than a liquidation.
Progress of administration	- As set out in our proposals, we engaged retail agents to assist with continuation of trading post appointment, initially with a view to securing a sale of the business and or assets. - However, no expressions of interest were received and we began a wind down process to realise the SUK Retail's inventory whilst implementing a store closure program. - Trading ceased on 21 June 2019 and all stores have been closed. - As at the date of this report there is a trading surplus of £3,087,695. Whilst this is not our final position, we do anticipate a trading surplus.
Costs	- The basis of our remuneration for SUK Retail has been fixed as a set fee of £975,000 and 20% of any recoveries for the estate in respect of Ongoing Litigation. Please refer to page 15 for further details. - We have invited the Secured Creditor to fix the basis of our remuneration in Oldco as a set fee of £100k. Please note, on present information it is unlikely that any fee will be recovered. - We have incurred disbursements of £42,591 in SUK Retail and £7 in Oldco during the report period. Please see page 16 for further details. - Third party costs and expenses of £1,438,401 in SUK Retail and £1,049 in Oldco have been incurred in the report period. Please see 5 to 10 for further details.
Outstanding matters	- Settle all outstanding trading payments, including rent and utilities costs. - Continue to assist creditors and customers with queries regarding claims. - Progress matters in relation to the Ongoing Litigation and consider a possible extension of SUK Retail. - Adjudicate all preferential and unsecured claims in order to pay dividends.
Dividend prospects	On current information, we anticipate the following outcome for each category of creditor: - Secured creditor – OO Retail Limited ("Secured Creditor") will not be repaid in full from either administration. - Preferential creditors – There will be sufficient floating charge realisations to enable payment in full of preferential claims in SUK Retail. There are no preferential creditors in Oldco. - Unsecured creditors – There will be insufficient funds to allow a distribution for unsecured creditors of SUK Retail, other than by virtue of the Prescribed Part. We don't anticipate a dividend in Oldco.
Extension to administration period	- We intend to request an extension to the period of the administration for SUK Retail for a period of 12 months to enable sufficient time to conclude matters in respect of the Ongoing Litigation. - We do not anticipate that it will be necessary to extend the period of the administration for Oldco which is due to end on or before 17 March 2020.



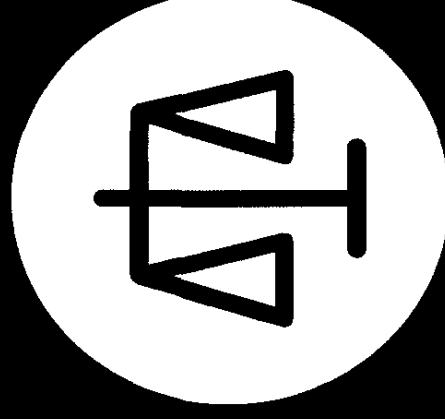
Progress of the administration

Summary

5

Receipts and payments

8



Progress of the administration

Summary

Work done during the report period

Asset Realisations – SUK Retail

Upon appointment, cash held in all stores totalled £200,298 and cash at bank totalled £2,215,566.

Funds totalling £361,914 have been realised in relation to fixtures, fittings, plant and machinery sold during the report period. This is higher than estimate in the directors' Statement of Affairs due increased interests in store fixtures and fittings.

Hilco Appraisal Ltd assisted with the marketing and sales on the business' intellectual property and assets. Funds of £50,000 have been realised in relation to this.

Trading

As previously reported, we continued to trade all stores, whilst seeking a purchaser for the business and assets of the Companies. As no viable offers were received, we conducted an orderly wind down of the stores and ceased trading on 21 June 2019.

We are now in the process of reconciling the trading account and continue to settle all outstanding trading costs, including a number of retention of title claims over SUK Retail's inventory. We have paid £2,458,922 in settlement of these claims and negotiations with suppliers are ongoing.

Trading receipts of £13,358,674 have been achieved during the period, whilst trade payments total £10,270,979. Currently this shows a trading surplus of £3,087,695. Whilst we are continuing to settle and finalise all trading costs, we anticipate a trading surplus of c.£1m.

Rates & Sundry Refunds

Total refunds of £142,286 have been realised during the report period. These relate to insurance claims, rebates in respect of overpayments made by SUK Retail prior to our appointment and sundry refunds.

Books Debts

As at the date of our appointment, the directors' Statement of Affairs shows book debts of £2.19m in SUK Retail. Since our appointment, we have collected £353,433 and continue to liaise with the debtors regarding repayment of outstanding balances.

Leasehold property

SUK Retail operated from 94 leasehold retail properties, a leasehold distribution centre in Daventry and a leasehold head office in High Wycombe. All the sites have now been vacated and we have returned the keys to the respective landlords.

Legal advice has been sought from Shoosmiths LLP ("Shoosmiths"), where required, in relation to the various properties and leases.

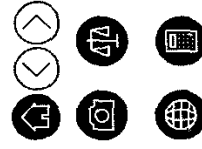
Funds totalling £20,750 have been realised in relation to lease premiums and landlord contributions.

Property funds held on account total £68,718.

Ongoing Litigation

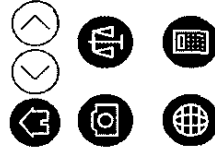
As set out in our proposals, SUK is a claimant in a class legal action commenced prior to our appointment. The matter is being progressed by third parties under a conditional fee agreement such that costs will only be recovered out of any award if the action is successful.

Our involvement as Joint Administrators in relation to the pursuance of the claim is primarily limited to assistance with matters such as document discovery/production and monitoring progress.



Progress of the administration

Summary



Work done during the report period continued

Asset Realisations – Oldco

Leasehold Property

SUK Retail operated from five leasehold retail properties where the leases were held by Oldco. As SUK Retail continued to trade from these properties, Oldco has received rent invoices. SUK Retail has paid £300,000 to Oldco to settle the rent payments incurred in relation to these properties. During the period, £255,293 of rent and service charge has been paid to landlords.

Chattel Assets

The directors' statement of affairs in respect of Oldco included £18k (book value: £142k) of fixtures and fittings which relates to store fit outs which have minimal value unless transferred with the associated leases. Little interest was received with regards to purchasing any of the stores fixtures and fittings.

As all premises have now been handed back to the landlords, no realisations will be made from this source.

SUK Retail an Oldco

Investigations

We have engaged with Forensics specialists within Deloitte, to assist with the following in contemplation of any requirements under the Ongoing Litigation:

- Forensic data capture exercise to obtain electronic copies of the Companies' records;
- Forensic analysis of electronic records, including various key word searches.

VAT Return

Following the end of the trading period, we submitted the first VAT return to HM Revenues & Customs ("HMRC"), which resulted in a payable amount of £2,298,831.

Receipts and payment account

Receipts and payments accounts and a trading account for SUK Retail, detailing asset realisations achieved and costs paid up to 17 September 2019, are provided on pages 8 to 10.

Director Conduct Report

We have complied with our statutory duty to report on the conduct of the Companies' directors and submitted our confidential reports to the Insolvency Service on 6 June 2019.

Statutory tasks

During the period we have carried out the following tasks which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature:

- Case set-up and management actions including updating the Insolvency website for the case, filing and regular diary reviews to ensure compliance matters are dealt with accordingly;
- Appointment notifications;
- Statutory reporting including the preparation of the Joint Administrators' proposals and progress report;
- Responding to creditor correspondence;
- Cashiering functions including the preparation of monthly bank account reconciliations and various payments; and
- Interaction with HMRC in respect of VAT and Corporation Tax matters.

These tasks are a necessary part of the engagement but do not generate any direct financial benefit for creditors.

Progress of the administration

Summary

Investigations

We have reviewed the information available to assess whether there are any matters that might lead to a recovery for the benefit of creditors, such as potential claims that may be brought against parties either connected to or who have had past dealings with the Companies.

Having completed this review, no further avenues of recovery have been identified, other than the Ongoing Litigation.

If you have any information that you feel should be brought to our attention, please contact us in writing using the contact details on the cover page.

Third party costs incurred during the report period

The following third party expenses have been incurred during the report period:

SUK Retail

- Trading costs of £10,270,979 were incurred in the period. Please see page 9 for further details.
- Blake Morgan LLP were instructed to provide advice upon the validity of our appointment as administrators. Legal fees totalling £898 plus VAT have been paid to them during the administration.
- Agents' costs of £6,625 and £10,100 have been incurred and paid to BREAL Business Certainty Limited and Hilco Appraisal Limited respectively. Both companies have been instructed to assist the Joint Administrators during the trading period for SUK Retail.
- Retail Agents 210 Limited were instructed to assist with the trading of stores and conducting an orderly wind down of the business and close all stores. Following an internal restructuring, the contract has been assigned to HUK 72 Limited. Retail agent's costs of £1,400,000 were incurred and have been paid in the period.
- Storage costs totalling £20,480 have been paid during the period in relation to retaining the Companies' books and records.

- Property agents, Rating Solutions Limited, have been instructed to assist with rent and business rates management. They have been paid £46,403 during the period.

- Costs of £9,000 have been paid to Workman LLP in relation to the preparation and completion of the property agreements and the deed of surrender.

Oldco

- Legal fees totalling £1,049 have been paid to Blake Morgan LLP in relation to considering the validity of our appointment as administrators.

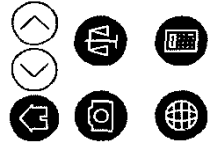
All costs have been paid, as shown in the receipts and payments account on pages 8 to 10.

All professional costs are reviewed and analysed in detail before payment was approved.

Future third party costs

The following third party expenses have been incurred during the report period, but not yet been paid:

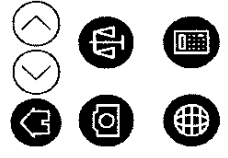
- Shoosmiths have been instructed regarding the preparation for the administration appointments and ongoing matters arising from the administration. We estimate their fee will be £120,000, plus VAT.
- Harvey Spack Field Limited have been appointed to market the Companies' interest in the Companies leasehold premiums. We estimate that their fee for doing so will be £10,000, plus VAT.
- Hilco Valuation Services Limited have assisted with securing and valuing and realising the Companies' chattel assets. We estimate their fee for doing so will be £10,000, plus VAT.



Progress of the administration

Receipts and payments

SUK Retail



SUK Retail Limited Joint Administrators' Receipts & Payments Account 18 March 2019 to 17 September 2019

£	SoA values	Notes	Period	To date
Receipts				
Trading surplus		1	3,087,695	3,087,695
Cash held in stores on appointment	208,708		200,298	200,298
Insurance claims			16,304	16,304
Refund			569	569
Lease premium & landlord contributions			20,750	20,750
Sale of IP			50,000	50,000
Property funds held on account			68,718	68,718
Sundry Debtor			89,062	89,062
Rebates			141,536	141,536
Rates Refund			181	181
Plant & Machinery	279,000		361,914	361,914
Book Debts	248,000		353,433	353,433
Cash at Bank	2,105,637		2,215,566	2,215,566
Bank Interest Gross		2	9,715	9,715
Total receipts	2,841,345		6,615,741	6,615,741

Payments				
Duty deferment deposit account			8,825	8,825
Property Agents			46,403	46,403
Goods not for resale			2,145	2,145
Administrators' Fees			750,000	750,000
Agent fees			16,725	16,725
Legal fees			898	898
Store clearance costs			2,944	2,944
Storage Costs			20,661	20,661
Postage & Redirection			211	211
Statutory Advertising			87	87
Surrender Deed and agreement			9,000	9,000
Pre-Appointment Pension Cost			76,439	76,439
Arrears of wages			1,426,114	1,426,114
Funds paid to Oldco		3	300,000	300,000
Total payments			2,660,454	2,660,454

Balance **3,955,287**

Made up of:				
VAT Receivable/Payable		4	307,468	307,468
IB Current A/C		2	2,286,062	2,286,062
Store Collections A/C			1,288,294	1,288,294
Court Order/AoE		5	639	639
Other Payroll Deductions		5	401,072	401,072
Trade Creditors		6	(327,139)	(327,139)
Funds Received in Error		7	(1,110)	(1,110)
Balance in hand			3,955,287	3,955,287

A receipts and payments account together with a separate trading account is provided opposite and on the next page, detailing the transactions during the report period.

Notes to receipts and payments account

1 - A trading surplus of £3,087,695 was achieved during the period. This is not the final position and we will confirm the final trading position once all trading cost have been settled.

2 - All funds are held in an interest bearing account. The associated corporation tax on interest received will be accounted for to HMRC.

3 - Funds totalling £300,000 have been transferred to Oldco in order to settle rent payments.

4 - All sums shown opposite are shown net of VAT, which is recoverable and has been accounted for to HMRC.

5 - Deductions from employee wages (including attachment of earnings) for ongoing payment to the relevant authorities.

6 - Invoices received are logged, recorded and posted to the cash book on an accruals basis, the balance noted represents invoices received and posted to the cash book but not yet paid from the bank accounts.

7 - Funds of £1,110 were paid into the Company's bank account in error by Royal Mail Group Limited. As these funds do not form part of the SUK Retail administration, they will be refunded

Rounding note

In preparing this report, figures have been rounded (for presentational purposes only). There may therefore appear to be rounding errors.

Progress of the administration

Receipts and payments

SUK Retail

SUK Retail Limited
Joint Administrators' Trading Account
18 March 2019 to 17 September 2019

£	To date
Receipts	
Sales	13,281,825
Rent	76,849
Total receipts	13,358,674
Payments	
Direct Labour	3,114,199
Direct Expenses	66,591
Childcare Vouchers	3,830
Indirect Labour	2,935
Rents	596,932
Rates	808,927
Cash collection costs	22,474
Telephone	22,071
Water suppliers	630
Insurance	107,325
Bank Charges	97,706
Confidential waste disposal	14,948
Lease/HP Payments	99,363
Hire of Equipment	24,482
Repairs & Maintenance	15,169
Sundry Expenses	225
Returns, chargebacks & other cash costs	42,998
Advertising	263,262
Waste disposal	55,601
IT Systems	531,004
Delivery/Courier Costs	321,988
Security costs	56,197
ROT settlements	2,458,922
Service Charge	85,092
Other costs	36,441
Utilities Deposit	21,669
Retail agent's cost	1,400,000
Total payments	10,270,979
Trading surplus/(deficit)	3,087,695

Notes to trading account

Once outstanding sales receipts have been collected and trading costs settled, we anticipate that there will be a trading surplus of c.£1m.



Progress of the administration

Receipts and payments

Oldco



Joint Administrators' Receipts & Payments account 18 March 2019 to 17 September 2019

£	SoA values	Notes	Period	To date
Receipts				
Fixtures and Fittings	18,000		-	-
Bank Interest Gross	-	1	66	66
Funds received from SUK Retail	-	2	300,000	300,000
Total receipts	-		300,066	300,066
Payments				
Rents			254,229	254,229
Service Charge			1,064	1,064
Rates			56,489	56,489
Legal Fees			1,049	1,049
Bank Charges			13	13
Total payments			312,843	312,843
Balance				(12,777)
Made up of:				
Floating Chge Deposit A/c		1	18,376	18,376
Trade Creditors		3	(82,421)	(82,421)
Vat Control Account		4	51,268	51,268
Balance in hand		5		(12,777)

Notes to receipts and payments account

- 1 - All funds are held in an interest bearing account. The associated corporation tax on interest received will be accounted for to HMRC.
- 2 - Funds totalling £300,000 have been received from SUK Retail in order to settle rent payments. During the period, £255,293 of rent and service charge has been paid to landlords.
- 3 - Invoices received are logged, recorded and posted to the cash book on an accruals basis, the balance noted represents invoices received and posted to the cash book but not yet paid from the bank accounts.
- 4 - All sums shown opposite are shown net of VAT, which is recoverable and has been accounted for to HMRC.
- 5 - Following the report period a further £150,000 was paid to Oldco to settle rent payments. This will be reported in the next period.

Rounding note

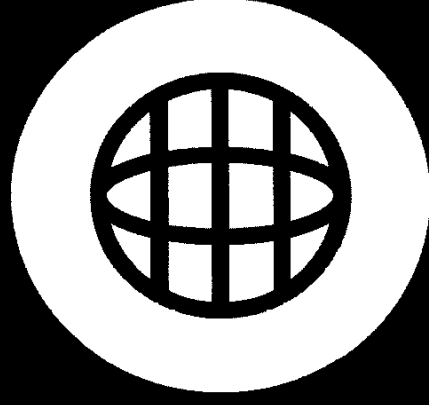
In preparing this report, figures have been rounded (for presentational purposes only). There may therefore appear to be rounding errors.



Information for creditors

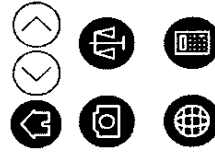
Outcome

12



Information for creditors

Outcome



Outcome for creditors

Secured Creditor

The Companies' records show that OO Retail Limited in its capacity as Secured Creditor was owed £12,326,748 by SUK Retail as at the date of appointment and this was cross-guaranteed by Oldco.

This amount is secured by way of fixed and floating charges granted by the Companies on 24 November 2016. Based on currently available information, we do not expect there will be sufficient asset realisations to repay the Secured Creditor in full from either of the Companies.

Preferential Creditors

Preferential claims in SUK Retail consist of amounts owed to employees for arrears of holiday pay up to the date of the Company Voluntary Arrangement on 6 September 2018. There are no other preferential claims.

To date we have received preferential claims totalling £24,442 which is line with expectations. On present information it is likely that these claims will be paid in full.

The Redundancy Payments Service are yet to agree employee claims due to system errors. The timing on solving this matter is not yet clear.

There are no known preferential creditors in Oldco.

Prescribed Part

As detailed in the Proposals, we anticipate that there will be a prescribed part fund available for distribution to unsecured creditors of SUK Retail, of c.£300k.

Please note that in accordance with Rule 3.50 the costs associated with the prescribed part (which would chiefly comprise our costs incurred in adjudicating and processing claims) must be paid out of the prescribed part fund.

Unsecured creditors

Based on present information, insufficient funds will be realised to enable a dividend to be paid to unsecured creditors, other than the prescribed part distribution referred to above.

On current information, we do not anticipate that there will be sufficient realisations in Oldco to make a distribution to either the Secured Creditor or to unsecured creditors via the Prescribed Part.

Claims process

SUK Retail

Creditors with debts of £1,000 or less

You do not need to prove your debt for dividend purposes if the amount you are owed is £1,000 or less per the Directors' Statement of Affairs.

We will notify you if funds become available for dividend purposes. Your claim will be admitted in the amount shown in the records/statement of affairs of SUK Retail. If you disagree with that amount you will be provided with an opportunity to notify us of the correct amount.

Please note that should you wish to vote in a decision procedure, you will then need to submit a proof of claim to us.

Creditors with debts of more than £1,000

Unsecured creditors with claims of more than £1,000 are invited to submit their claims to us by downloading and completing a proof of debt form from the case website and return to the address on the cover page. Alternatively, a hard copy proof of debt form will be provided free of charge on request.

Oldco

As there is little prospect of a distribution for unsecured creditors of Oldco, we do not intend to undertake any work to agree any creditor claims received and this work will be performed only once the dividend prospects are certain.

Information for creditors

Outcome

Extensions to the administration

SUK Retail

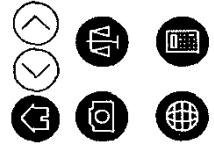
We intend to request an extension to the period of the administration for a period of 12 months to enable sufficient time to conclude all matters.

Oldco

We do not anticipate that it will be necessary to extend the period of the administration, which is due to end on or before 17 March 2020.

Exit

As detailed in our Proposals, we consider that dissolution is the most appropriate exit route from administration upon completion of all matters.

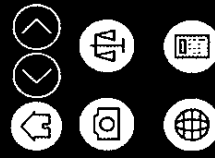
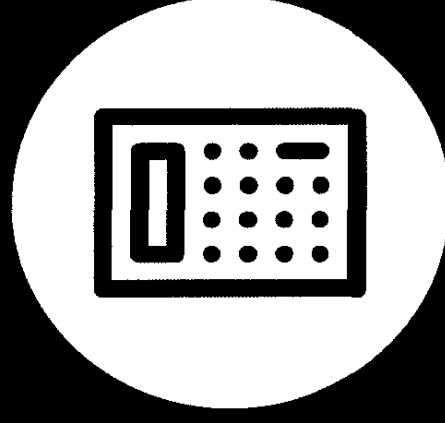


Remuneration and expenses



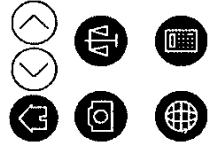
Joint Administrators' remuneration

15



Remuneration and expenses

Joint Administrators' remuneration



Joint Administrators' remuneration

"A Creditors' Guide to Remuneration" is available for download at www.deloitte.com/uk/suk.

Should you require a paper copy, please send your request in writing to us at the address on the cover page and this will be provided to you at no cost.

Basis of remuneration

The basis of our remuneration for SUK Retail was fixed on 8 July 2019 by the Secured and preferential creditors as a set fee of £975,000 and 20% of any recoveries from the Ongoing Litigation, plus VAT.

We have request the Secured Creditor to fix the basis of remuneration on Oldco as a set fee of £100,000, however no response has been received.

Fees drawn to date

SUK Retail

Set Fee

We have drawn fees of £750,000, plus VAT against the agreed set fee of £975,000 as shown in the receipts and payments account on page 7.

Remuneration as a percentage

No fees have been drawn to date as the litigation matters are still ongoing.

Oldco

No fees have been drawn as the basis of remuneration has not yet been fixed.

Remuneration and expenses

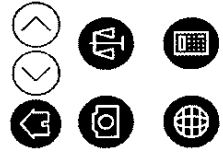
Detailed information

Category 1 Disbursements

These are payments made by us direct to third parties and for which no approval is required.

Category 2 Disbursements

These are costs and expenses initially paid by us and which are not generally made to a third party, for example, reimbursement to staff engaged on the case for their mileage costs. These may also include shared or allocated costs.



Joint Administrators' Disbursements

Details of all disbursements are given below and from which it can be seen that we have recovered our disbursements in full.

Category 2 Disbursements

Specific approval is required before these costs and expenses can be drawn from the administration estate and was given by the Secured and preferential creditors on 8 July 2019 for SUK Retail.

We have not received approval for Oldco.

Mileage is calculated at the prevailing standard mileage rate of up to 45p used by Deloitte at the time when the mileage is incurred.

Deloitte charges a fixed cost of £500 for each statutory website set up to cover the costs of setting up and maintaining the website, along with the uploading of statutory notifications, reports and other documents to the website for the duration of the appointments. There is only one charge for the entire Group and this cost has been assigned SUK Retail.

SUK Retail

Category 1 disbursements

£ (net)	Estimated per Proposals	Incurred in report period	Paid	Unpaid
Travel - Train	2,017	2,440	-	2,440
Statutory Advertising	-	87	-	87
Accommodation	24,730	24,515	-	24,515
Telephone	162	2,855	-	2,855
Postage/Couriers	3,462	2,298	-	2,298
Meals	-	7,062	-	7,062
Subsistence	5,624	3,333	-	3,333
Specific Penalty Bond	230	-	-	-
Total disbursements	36,225	42,591	-	32,196

Category 2 disbursements

£ (net)	Estimated per Proposals	Incurred in report period	Paid	Unpaid
Mileage	3,709	4,405	-	4,405
Website set up	500	500	-	500
Total disbursements	4,209	4,905	-	4,905

SUK Oldco

Category 1 disbursements

£ (net)	Estimated per Proposals	Incurred in report period	Paid	Unpaid
Postage/Couriers	217	7	-	7
Specific Penalty Bond	230	-	-	-
Total disbursements	447	7	-	7

Category 2 disbursements

£ (net)	Estimated per Proposals	Incurred in report period	Paid	Unpaid
Total disbursements	-	-	-	-

Creditors' right to request information

Any secured creditor or unsecured creditor (with the support of at least 5% in value of the unsecured creditors or with leave of the Court) may, in writing, request us to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 18.9 of the Rules.

Creditors' right to challenge remuneration and/or expenses

Any secured creditor or unsecured creditor (with the support of at least 10% in value of the unsecured creditors or with leave of the Court) may apply to the Court for one or more orders (in accordance with Rule 18.34 of the Rules), reducing the amount or the basis of remuneration which we are entitled to charge or otherwise challenge some or all of the expenses incurred.

Such applications must be made within eight weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 18.34(3) of the Rules.

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.

Deloitte.

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 1 New Street Square, London EC4A 3HQ United Kingdom.

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**SUK Retail Limited t/a Office Outlet
(formerly Staples UK Retail Limited)
("SUK Retail") and SUK Oldco Limited
(formerly Staples UK Real Estate Limited)
("Oldco")(both in administration)
(together "the Companies")**

Court Case Numbers: 248 and 249 of 2019
High Court of Justice
Chancery Division
Birmingham District

Company Numbers: 02759437 and 02430955
Registered Office: c/o Deloitte LLP
Four Brindleyplace
Birmingham
B1 2HZ

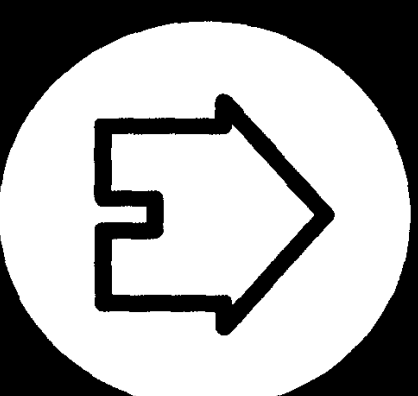
Progress report to creditors for the period 18 March 2019 to 17 September 2019 pursuant to rules 18.2 to 18.6 inclusive of the Insolvency (England & Wales) Rules 2016 ("the Rules")

Richard Michael Hawes and Daniel Francis Butters ("the Joint Administrators") were appointed Joint Administrators of SUK Retail Limited and SUK Oldco Limited on 18 March 2019 by the directors of the Companies. The affairs, business and property of the Companies are managed by the Joint Administrators. The Joint Administrators act as agents of the Companies and contract without personal liability. All licensed Insolvency Practitioners of Deloitte LLP ("Deloitte") are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

For the purposes of paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 (as amended), ("the Act"), the Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally.

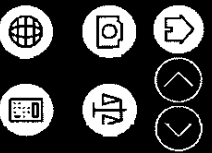
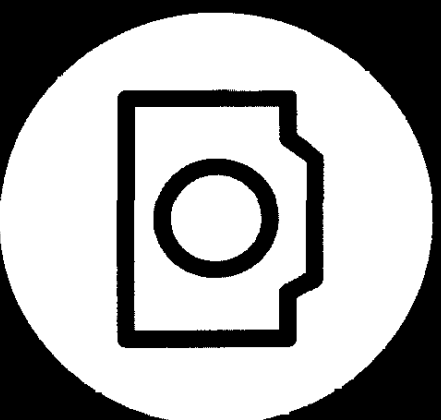
Council Regulation (EU) No 2015/848 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

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Key messages



Key messages

Joint Administrators of the Companies

Richard Michael Hawes

Deloitte LLP

5 Callaghan Square

Cardiff

CF10 5BT

Daniel Francis Butters

Deloitte LLP

1 New Street Square

London

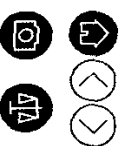
EC4A 3HQ

Contact Details

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Tel: +44 121 695 5049



	Commentary
Purpose of administration	The purpose of the administrations is to achieve a better result for the Companies' creditors as a whole than a liquidation.
Progress of administration	- As set out in our proposals, we engaged retail agents to assist with continuation of trading post appointment, initially with a view to securing a sale of the business and or assets. - However, no expressions of interest were received and we began a wind down process to realise the SUK Retail's' inventory whilst implementing a store closure program. - Trading ceased on 21 June 2019 and all stores have been closed. - As at the date of this report there is a trading surplus of £3,087,695. Whilst this is not our final position, we do anticipate a trading surplus.
Costs	- The basis of our remuneration for SUK Retail has been fixed as a set fee of £975,000 and 20% of any recoveries for the estate in respect of Ongoing Litigation. Please refer to page 15 for further details. - We have invited the Secured Creditor to fix the basis of our remuneration in Oldco as a set fee of £100k. Please note, on present information it is unlikely that any fee will be recovered. - We have incurred disbursements of £42,591 in SUK Retail and £7 in Oldco during the report period. Please see page 16 for further details. - Third party costs and expenses of £1,438,401 in SUK Retail and £1,049 in Oldco have been incurred in the report period. Please see 5 to 10 for further details.
Outstanding matters	- Settle all outstanding trading payments, including rent and utilities costs. - Continue to assist creditors and customers with queries regarding claims. - Progress matters in relation to the Ongoing Litigation and consider a possible extension of SUK Retail. - Adjudicate all preferential and unsecured claims in order to pay dividends.
Dividend prospects	On current information, we anticipate the following outcome for each category of creditor: - Secured creditor – OO Retail Limited ("Secured Creditor") will not be repaid in full from either administration. - Preferential creditors – There will be sufficient floating charge realisations to enable payment in full of preferential claims in SUK Retail. There are no preferential creditors in Oldco. - Unsecured creditors – There will be insufficient funds to allow a distribution for unsecured creditors of SUK Retail, other than by virtue of the Prescribed Part. We don't anticipate a dividend in Oldco.
Extension to administration period	- We intend to request an extension to the period of the administration for SUK Retail for a period of 12 months to enable sufficient time to conclude matters in respect of the Ongoing Litigation. - We do not anticipate that it will be necessary to extend the period of the administration for Oldco which is due to end on or before 17 March 2020.



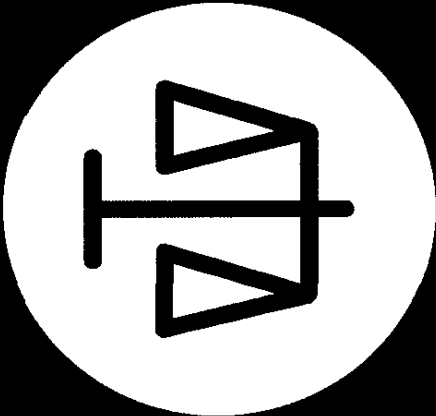
Progress of the administration

Summary

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Receipts and payments

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Progress of the administration

Summary

Work done during the report period

Asset Realisations – SUK Retail

Upon appointment, cash held in all stores totalled £200,298 and cash at bank totalled £2,215,566.

Funds totalling £361,914 have been realised in relation to fixtures, fittings, plant and machinery sold during the report period. This is higher than estimate in the directors' Statement of Affairs due increased interests in store fixtures and fittings.

Hilco Appraisal Ltd assisted with the marketing and sales on the business' intellectual property and assets. Funds of £50,000 have been realised in relation to this.

Trading

As previously reported, we continued to trade all stores, whilst seeking a purchaser for the business and assets of the Companies. As no viable offers were received, we conducted an orderly wind down of the stores and ceased trading on 21 June 2019.

We are now in the process of reconciling the trading account and continue to settle all outstanding trading costs, including a number of retention of title claims over SUK Retail's inventory. We have paid £2,458,922 in settlement of these claims and negotiations with suppliers are ongoing.

Trading receipts of £13,358,674 have been achieved during the period, whilst trade payments total £10,270,979. Currently this shows a trading surplus of £3,087,695. Whilst we are continuing to settle and finalise all trading costs, we anticipate a trading surplus of c.£1m.

Rates & Sundry Refunds

Total refunds of £142,286 have been realised during the report period. These relate to insurance claims, rebates in respect of overpayments made by SUK Retail prior to our appointment and sundry refunds.

Books Debts

As at the date of our appointment, the directors' Statement of Affairs shows book debts of £2.19m in SUK Retail. Since our appointment, we have collected £353,433 and continue to liaise with the debtors regarding repayment of outstanding balances.

Leasehold property

SUK Retail operated from 94 leasehold retail properties, a leasehold distribution centre in Daventry and a leasehold head office in High Wycombe. All the sites have now been vacated and we have returned the keys to the respective landlords.

Legal advice has been sought from Shoosmiths LLP ("Shoosmiths"), where required, in relation to the various properties and leases.

Funds totalling £20,750 have been realised in relation to lease premiums and landlord contributions.

Property funds held on account total £68,718.

Ongoing Litigation

As set out in our proposals, SUK is a claimant in a class legal action commenced prior to our appointment. The matter is being progressed by third parties under a conditional fee agreement such that costs will only be recovered out of any award if the action is successful. Our involvement as Joint Administrators in relation to the pursuance of the claim is primarily limited to assistance with matters such as document discovery/production and monitoring progress.



Progress of the administration

Summary

Work done during the report period continued

Asset Realisations – Oldco

Leasehold Property

SUK Retail operated from five leasehold retail properties where the leases were held by Oldco. As SUK Retail continued to trade from these properties, Oldco has received rent invoices. SUK Retail has paid £300,000 to Oldco to settle the rent payments incurred in relation to these properties. During the period, £255,293 of rent and service charge has been paid to landlords.

Chattel Assets

The directors' statement of affairs in respect of Oldco included £18k (book value: £142k) of fixtures and fittings which relates to store fit outs which have minimal value unless transferred with the associated leases. Little interest was received with regards to purchasing any of the stores fixtures and fittings.

As all premises have now been handed back to the landlords, no realisations will be made from this source.

SUK Retail an Oldco

Investigations

We have engaged with Forensics specialists within Deloitte, to assist with the following in contemplation of any requirements under the Ongoing Litigation:

- Forensic data capture exercise to obtain electronic copies of the Companies' records;
- Forensic analysis of electronic records, including various key word searches.

VAT Return

Following the end of the trading period, we submitted the first VAT return to HM Revenues & Customs ("HMRC"), which resulted in a payable amount of £2,298,831.

Receipts and payment account

Receipts and payments accounts and a trading account for SUK Retail, detailing asset realisations achieved and costs paid up to 17 September 2019, are provided on pages 8 to 10.

Director Conduct Report

We have complied with our statutory duty to report on the conduct of the Companies' directors and submitted our confidential reports to the Insolvency Service on 6 June 2019.

Statutory tasks

During the period we have carried out the following tasks which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature:

- Case set-up and management actions including updating the Insolvency website for the case, filing and regular diary reviews to ensure compliance matters are dealt with accordingly;
- Appointment notifications;
- Statutory reporting including the preparation of the Joint Administrators' proposals and progress report;
- Responding to creditor correspondence;
- Cashiering functions including the preparation of monthly bank account reconciliations and various payments; and
- Interaction with HMRC in respect of VAT and Corporation Tax matters.

These tasks are a necessary part of the engagement but do not generate any direct financial benefit for creditors.



Progress of the administration

Summary

Investigations

We have reviewed the information available to assess whether there are any matters that might lead to a recovery for the benefit of creditors, such as potential claims that may be brought against parties either connected to or who have had past dealings with the Companies.

Having completed this review, no further avenues of recovery have been identified, other than the Ongoing Litigation.

If you have any information that you feel should be brought to our attention, please contact us in writing using the contact details on the cover page.

Third party costs incurred during the report period

The following third party expenses have been incurred during the report period:

SUK Retail

- Trading costs of £10,270,979 were incurred in the period. Please see page 9 for further details.
- Blake Morgan LLP were instructed to provide advice upon the validity of our appointment as administrators. Legal fees totalling £898 plus VAT have been paid to them during the administration.
- Agents' costs of £6,625 and £10,100 have been incurred and paid to BREAL Business Certainty Limited and Hilco Appraisal Limited respectively. Both companies have been instructed to assist the Joint Administrators during the trading period for SUK Retail.
- Retail Agents 210 Limited were instructed to assist with the trading of stores and conducting an orderly wind down of the business and close all stores. Following an internal restructuring, the contract has been assigned to HUK 72 Limited. Retail agent's costs of £1,400,000 were incurred and have been paid in the period.
- Storage costs totalling £20,480 have been paid during the period in relation to retaining the Companies' books and records.

- Property agents, Rating Solutions Limited, have been instructed to assist with rent and business rates management. They have been paid £46,403 during the period.

- Costs of £9,000 have been paid to Workman LLP in relation to the preparation and completion of the property agreements and the deed of surrender.

Oldco

- Legal fees totalling £1,049 have been paid to Blake Morgan LLP in relation to considering the validity of our appointment as administrators.

All costs have been paid, as shown in the receipts and payments account on pages 8 to 10.

All professional costs are reviewed and analysed in detail before payment was approved.

Future third party costs

The following third party expenses have been incurred during the report period, but not yet been paid:

- Shoosmiths have been instructed regarding the preparation for the administration appointments and ongoing matters arising from the administration. We estimate their fee will be £120,000, plus VAT.
- Harvey Spack Field Limited have been appointed to market the Companies' interest in the Companies leasehold premiums. We estimate that their fee for doing so will be £10,000, plus VAT.
- Hilco Valuation Services Limited have assisted with securing and valuing and realising the Companies' chattel assets. We estimate their fee for doing so will be £10,000, plus VAT.



Progress of the administration

Receipts and payments

SUK Retail

SUK Retail Limited Joint Administrators' Receipts & Payments Account 18 March 2019 to 17 September 2019				
£	SoA values	Notes	Period	To date
Receipts				
Trading surplus		1	3,087,695	3,087,695
Cash held in stores on appointment	208,708		200,298	200,298
Insurance claims			16,304	16,304
Refund			569	569
Lease premium & landlord contributions			20,750	20,750
Sale of IP			50,000	50,000
Property funds held on account			68,718	68,718
Sundry Debtor			89,062	89,062
Rebates			141,536	141,536
Rates Refund			181	181
Plant & Machinery	279,000		361,914	361,914
Book Debts	248,000		353,433	353,433
Cash at Bank	2,105,637		2,215,566	2,215,566
Bank Interest Gross		2	9,715	9,715
Total receipts	2,841,345		6,615,741	6,615,741
Payments				
Duty deferment deposit account			8,825	8,825
Property Agents			46,403	46,403
Goods not for resale			2,145	2,145
Administrators' Fees			750,000	750,000
Agent fees			16,725	16,725
Legal Fees			898	898
Store clearance costs			2,944	2,944
Storage Costs			20,661	20,661
Postage & Redirection			211	211
Statutory Advertising			87	87
Surrender Deed and agreement			9,000	9,000
Pre-Appointment Pension Cost			76,439	76,439
Arrears of wages			1,426,114	1,426,114
Funds paid to Oldco		3	300,000	300,000
Total payments	2,660,454		2,660,454	2,660,454
Balance				3,955,287
Made up of:				
VAT Receivable/Payable		4	307,468	307,468
IB Current A/C		2	2,286,062	2,286,062
Store Collections A/C		5	1,288,294	1,288,294
Court Order/AOE		5	639	639
Other Payroll Deductions		5	401,072	401,072
Trade Creditors		6	(327,139)	(327,139)
Funds Received in Error		7	(1,110)	(1,110)
Balance in hand			3,955,287	3,955,287

A receipts and payments account together with a separate trading account is provided opposite and on the next page, detailing the transactions during the report period.

Notes to receipts and payments account

1 - A trading surplus of £3,087,695 was achieved during the period. This is not the final position and we will confirm the final trading position once all trading cost have been settled.

2 - All funds are held in an interest bearing account. The associated corporation tax on interest received will be accounted for to HMRC.

3 - Funds totalling £300,000 have been transferred to Oldco in order to settle rent payments.

4 - All sums shown opposite are shown net of VAT, which is recoverable and has been accounted for to HMRC.

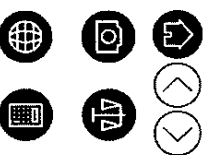
5 - Deductions from employee wages (including attachment of earnings) for ongoing payment to the relevant authorities.

6 - Invoices received are logged, recorded and posted to the cash book on an accruals basis, the balance noted represents invoices received and posted to the cash book but not yet paid from the bank accounts.

7 - Funds of £1,110 were paid into the Company's bank account in error by Royal Mail Group Limited. As these funds do not form part of the SUK Retail administration, they will be refunded

Rounding note

In preparing this report, figures have been rounded (for presentational purposes only). There may therefore appear to be rounding errors.



Progress of the administration

Receipts and payments

SUK Retail

SUK Retail Limited Joint Administrators' Trading Account 18 March 2019 to 17 September 2019	
£	To date
Receipts	
Sales	13,281,825
Rent	76,849
Total receipts	13,358,674
Payments	
Direct Labour	3,114,199
Direct Expenses	66,591
Childcare Vouchers	3,830
Indirect Labour	2,935
Rents	596,932
Rates	808,927
Cash collection costs	22,474
Telephone	22,071
Water suppliers	630
Insurance	107,325
Bank Charges	97,706
Confidential waste disposal	14,948
Lease/HP Payments	99,363
Hire of Equipment	24,482
Repairs & Maintenance	15,169
Sundry Expenses	225
Returns, chargebacks & other cash costs	42,998
Advertising	263,262
Waste disposal	55,601
IT Systems	531,004
Delivery/Courier Costs	321,988
Security costs	56,197
ROT settlements	2,458,922
Service Charge	85,092
Other costs	36,441
Utilities Deposit	21,669
Retail agent's cost	1,400,000
Total payments	10,270,979
Trading surplus/(deficit)	3,087,695

Notes to trading account

Once outstanding sales receipts have been collected and trading costs settled, we anticipate that there will be a trading surplus of c.£1m.



Progress of the administration

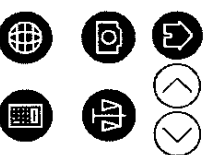
Receipts and payments

Oldco

Joint Administrators' Receipts & Payments account 18 March 2019 to 17 September 2019				
£	SoA values	Notes	Period	To date
Receipts				
Fixtures and Fittings	18,000	-	-	-
Bank Interest Gross	-	1	66	66
Funds received from SUK Retail	-	2	300,000	300,000
Total receipts	-		300,066	300,066
Payments				
Rents			254,229	254,229
Service Charge			1,064	1,064
Rates			56,489	56,489
Legal Fees			1,049	1,049
Bank Charges			13	13
Total payments			312,843	312,843
Balance				(12,777)
Made up of:				
Floating Chge Deposit A/c		1		18,376
Trade Creditors		3		(82,421)
Vat Control Account		4		51,268
Balance in hand		5		(12,777)

Notes to receipts and payments account

- 1 - All funds are held in an interest bearing account. The associated corporation tax on interest received will be accounted for to HMRC.
 - 2 - Funds totalling £300,000 have been received from SUK Retail in order to settle rent payments. During the period, £255,293 of rent and service charge has been paid to landlords.
 - 3 - Invoices received are logged, recorded and posted to the cash book on an accruals basis, the balance noted represents invoices received and posted to the cash book but not yet paid from the bank accounts.
 - 4 - All sums shown opposite are shown net of VAT, which is recoverable and has been accounted for to HMRC.
 - 5 - Following the report period a further £150,000 was paid to Oldco to settle rent payments. This will be reported in the next period.
- Rounding note**
- In preparing this report, figures have been rounded (for presentational purposes only). There may therefore appear to be rounding errors.

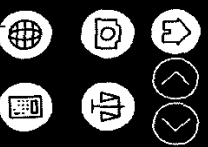
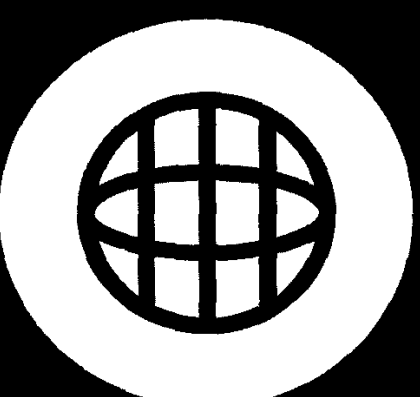




Information for creditors

Outcome

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Information for creditors

Outcome

Outcome for creditors

Secured Creditor

The Companies' records show that OO Retail Limited in its capacity as Secured Creditor was owed £12,326,748 by SUK Retail as at the date of appointment and this was cross-guaranteed by Oldco.

This amount is secured by way of fixed and floating charges granted by the Companies on 24 November 2016. Based on currently available information, we do not expect there will be sufficient asset realisations to repay the Secured Creditor in full from either of the Companies.

Preferential Creditors

Preferential claims in SUK Retail consist of amounts owed to employees for arrears of holiday pay up to the date of the Company Voluntary Arrangement on 6 September 2018. There are no other preferential claims.

To date we have received preferential claims totalling £24,442 which is line with expectations. On present information it is likely that these claims will be paid in full.

The Redundancy Payments Service are yet to agree employee claims due to system errors. The timing on solving this matter is not yet clear.

There are no known preferential creditors in Oldco.

Prescribed Part

As detailed in the Proposals, we anticipate that there will be a prescribed part fund available for distribution to unsecured creditors of SUK Retail, of c.£300k.

Please note that in accordance with Rule 3.50 the costs associated with the prescribed part (which would chiefly comprise our costs incurred in adjudicating and processing claims) must be paid out of the prescribed part fund.

Unsecured creditors

Based on present information, insufficient funds will be realised to enable a dividend to be paid to unsecured creditors, other than the prescribed part distribution referred to above.

On current information, we do not anticipate that there will be sufficient realisations in Oldco to make a distribution to either the Secured Creditor or to unsecured creditors via the Prescribed Part.

Claims process

SUK Retail

Creditors with debts of £1,000 or less

You do not need to prove your debt for dividend purposes if the amount you are owed is £1,000 or less per the Directors' Statement of Affairs.

We will notify you if funds become available for dividend purposes. Your claim will be admitted in the amount shown in the records/statement of affairs of SUK Retail. If you disagree with that amount you will be provided with an opportunity to notify us of the correct amount.

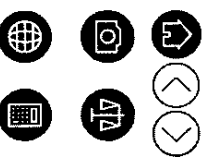
Please note that should you wish to vote in a decision procedure, you will then need to submit a proof of claim to us.

Creditors with debts of more than £1,000

Unsecured creditors with claims of more than £1,000 are invited to submit their claims to us by downloading and completing a proof of debt form from the case website and return to the address on the cover page. Alternatively, a hard copy proof of debt form will be provided free of charge on request.

Oldco

As there is little prospect of a distribution for unsecured creditors of Oldco, we do not intend to undertake any work to agree any creditor claims received and this work will be performed only once the dividend prospects are certain.



Information for creditors

Outcome

Extensions to the administration

SUK Retail

We intend to request an extension to the period of the administration for a period of 12 months to enable sufficient time to conclude all matters.

Oldco

We do not anticipate that it will be necessary to extend the period of the administration, which is due to end on or before 17 March 2020.

Exit

As detailed in our Proposals, we consider that dissolution is the most appropriate exit route from administration upon completion of all matters.

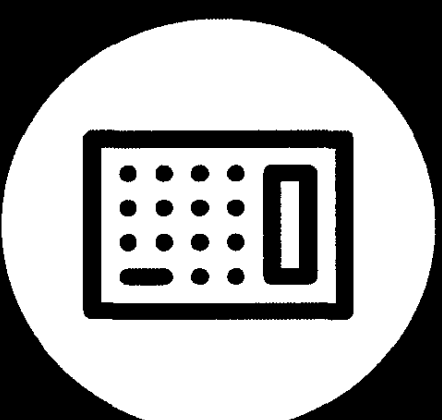




Remuneration and expenses

Joint Administrators' remuneration

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Remuneration and expenses

Joint Administrators' remuneration

Joint Administrators' remuneration

"A Creditors' Guide to Remuneration" is available for download at www.deloitte.com/uk/suk.

Should you require a paper copy, please send your request in writing to us at the address on the cover page and this will be provided to you at no cost.

Basis of remuneration

The basis of our remuneration for SUK Retail was fixed on 8 July 2019 by the Secured and preferential creditors as a set fee of £975,000 and 20% of any recoveries from the Ongoing Litigation, plus VAT.

We have request the Secured Creditor to fix the basis of remuneration on Oldco as a set fee of £100,000, however no response has been received.

Fees drawn to date

SUK Retail

Set Fee

We have drawn fees of £750,000, plus VAT against the agreed set fee of £975,000 as shown in the receipts and payments account on page 7.

Remuneration as a percentage

No fees have been drawn to date as the litigation matters are still ongoing.

Oldco

No fees have been drawn as the basis of remuneration has not yet been fixed.



Remuneration and expenses

Detailed information

Category 1 Disbursements

These are payments made by us direct to third parties and for which no approval is required.

Category 2 Disbursements

These are costs and expenses initially paid by us and which are not generally made to a third party, for example, reimbursement to staff engaged on the case for their mileage costs. These may also include shared or allocated costs.

Joint Administrators' Disbursements

Details of all disbursements are given below and from which it can be seen that we have recovered our disbursements in full.

Category 2 Disbursements

Specific approval is required before these costs and expenses can to be drawn from the administration estate and was given by the Secured and preferential creditors on 8 July 2019 for SUK Retail.

We have not received approval for Oldco.

Mileage is calculated at the prevailing standard mileage rate of up to 45p used by Deloitte at the time when the mileage is incurred.

Deloitte charges a fixed cost of £500 for each statutory website set up to cover the costs of setting up and maintaining the website, along with the uploading of statutory notifications, reports and other documents to the website for the duration of the appointments. There is only one charge for the entire Group and this cost has been assigned SUK Retail.

SUK Retail

Category 1 disbursements

£ (net)	Estimated per proposals	Incurred in report period	Paid	Unpaid
Travel - Train	2,017	2,440	-	2,440
Statutory Advertising	-	87	-	87
Accommodation	24,730	24,515	-	24,515
Telephone	162	2,855	-	2,855
Postage/Couriers	3,462	2,298	-	2,298
Meals	-	7,062	-	7,062
Subsistence	5,624	3,333	-	3,333
Specific Penalty Bond	230	-	-	-
Total disbursements	36,225	42,591	-	32,196

Category 2 disbursements

£ (net)	Estimated per proposals	Incurred in report period	Paid	Unpaid
Mileage	3,709	4,405	-	4,405
Website set up	500	500	-	500
Total disbursements	4,209	4,905	-	4,905

SUK Oldco

Category 1 disbursements

£ (net)	Estimated per proposals	Incurred in report period	Paid	Unpaid
Postage/Couriers	217	7	-	7
Specific Penalty Bond	230	-	-	-
Total disbursements	447	7	-	7

Category 2 disbursements

£ (net)	Estimated per proposals	Incurred in report period	Paid	Unpaid
Total disbursements	-	-	-	-

Creditors' right to request information

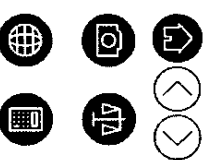
Any secured creditor or unsecured creditor (with the support of at least 5% in value of the unsecured creditors or with leave of the Court) may, in writing, request us to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 18.9 of the Rules.

Creditors' right to challenge remuneration and/or expenses

Any secured creditor or unsecured creditor (with the support of at least 10% in value of the unsecured creditors or with leave of the Court) may apply to the Court for one or more orders (in accordance with Rule 18.34 of the Rules), reducing the amount or the basis of remuneration which we are entitled to charge or otherwise challenge some or all of the expenses incurred.

Such applications must be made within eight weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 18.34(3) of the Rules.

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.



Deloitte.

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