

TO ALL KNOWN CREDITORS

7 September 2022

Ref: R/CAL/SH/RK/HOF/PF16.4
Direct line: +44 (0) 207 951 8971
Email: hofadministrations@uk.ey.com

Dear Sirs

HF Stores Realisations Limited (formerly House of Fraser (Stores) Limited) (in Administration) ('the Company')
Court of Session, Number P794/18
Registered office address: c/o Ernst & Young LLP, Atria One, 144 Morrison Street, Edinburgh, EH3 8EX

I write, in accordance with Rule 3.93 of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration Rules 2018), to provide creditors with a report on the progress of the administration. This report covers the period from 10 February 2022 to 9 August 2022 ("the Period") and should be read in conjunction with our previous reports dated 21 March 2022, 15 September 2021, 22 March 2021, 17 September 2020, 19 March 2020, 20 September 2019 and 6 March 2019. Statutory information about the Company, the administration and the office holders is given at Appendix 1.

The Company, registered number SC021928, entered administration on 10 August 2018 ('the Date of Appointment') and A M Hudson, R H Kelly, C P Dempster and I were appointed to act as Joint Administrators ('Joint Administrators'). The appointment was made by The Court of Session under the provisions of paragraph 12 of Schedule B1 to the Insolvency Act 1986. Under the terms of the appointment, any act required or authorised to be done by the Joint Administrators can be done by any one of them.

Summary of progress since last report

Extension of the Administration

The Joint Administrators sought consent of the secured and preferential creditors, under paragraph 78(2) of Schedule B1 to the Insolvency Act 1986, to extend the period of the administration by a period of twelve months, ending on 10 August 2020. A second extension was sought via an application to the Court of Session to extend the period of the administration by twelve months to 10 August 2021. A further extension was sought in the prior period via an application to the Edinburgh Court to extend the administration for the period of eighteen months ending on 10 February 2023. The final extension was granted on 28 July 2021 to allow for the following tasks to be progressed:

- 1) Continuing to realise the remaining assets, including, book and other debts.
- 2) To adjudicate unsecured creditor claims to allow the prescribed part distribution to take place.

Resignation of an Administrator

During the period, R H Kelly resigned as an Administrator of the Company on account of his retirement as a Partner of EY. Mr Kelly's resignation took effect on 29 June 2022.

As there are still three Joint Administrators in office, it was the opinion of all Joint Administrators that a replacement need not be sought for Mr Kelly.

Debtors

The Company's debtor ledger totalled £16,664,411.97 at the Date of Appointment.

The ledger comprises 533 debtor accounts and a number had a creditors ledger balance, which offset the debtor balance due. The net debtor balance after creditor balances are taken into consideration is £12,120,871.31. Of this total, £7,940,681.66 was due in respect of credit card debts from the merchant acquirers and £4,180,189.65 was due from trade and other debtors.

Total collections from trade and other debtors in the Period totalled £1,488.55, resulting in total collections up to 9 August 2022 of £2,235,617.63.

It is apparent that a significant number of the trade and other debtors are either disputed or doubtful debts with no prospect of an economic recovery. We previously advised we are continuing to pursue the recovery of a debtor in the sum of £504,484.16. Following ongoing correspondence with the debtor and their solicitor a settlement agreement is in the process of being finalised.

As noted above, during the Period, the Company received cash receipts relating to book debts and other debtors totalling £1,488.55, all of which were from court collections.

The current position in respect of trade and other debtors is summarised in the table below:

	£
Trade and other debtors at appointment	4,180,189.65
Provision for bad and doubtful debtors	(1,944,572.02)
Collections to date	<u>(2,235,617.63)</u>
Balance outstanding at Period end	<u>-</u>

All debts due to the Company from Merchant acquirers have now been settled. The final position in respect of credit card debtors is summarised in the table below:

	£
Credit card debtors at appointment	7,940,681.66
Cut off error	(4,852,403.53)
Chargebacks and Costs Due	(2,527,640.67)
Collections to date	<u>(560,637.46)</u>
Balance outstanding	<u><u>-</u></u>

Rates refunds

As previously reported, Montagu Evans LLP has been instructed on a success fee basis to appeal the rateable values across a number of properties within the portfolio. These appeals are ongoing and as they still represent a potentially material recovery for creditors are likely to continue until the end of the Administration.

In the Period, the sum of £66,720.03 has been recovered for the benefit of creditors, which takes total recoveries from this source to £3,033,101.48.

Intercompany debtors

Jam B Realisations Limited (formerly James Beattie Limited) (“JBL”) was placed into liquidation on 28 August 2020. A dividend to its unsecured creditors was made on 5 July 2022, including a dividend of £497,421.65 on the intercompany claim of £32,726,532.45 from the Company.

The Company also has a claim of £78,710,463.15 against HFL Realisations Limited (formerly House of Fraser Limited) (In Administration) which ranked for dividend purposes. A dividend was made by HFL Realisations Limited (formerly House of Fraser Limited) (In Administration) on 9 August 2022 and a final dividend of £25,546.58 was received by the Company after the Period end.

Remaining assets

The Joint Administrators will continue to pursue a number of recoveries for the benefit of creditors, including:

- ▶ Recoveries from the debtor collection process that is ongoing.
- ▶ Additional bank interest from funds held on deposit.

Leasehold properties

As previously reported, at the Date of Appointment, the Company operated from sixty-four locations, all of which were occupied via leases, some of which were under subleases granted by other group companies. These sixty-four locations included fifty-nine trading stores, three office buildings and two warehousing facilities. As part of the sale, a licence to occupy all of the Company’s premises (other than the HOF store in Dundrum) was granted to SDI (Propco 35) Limited (“the Property Purchaser”).

The licence to occupy has been extended a number of times and expired on 31 March 2020, and, we understand that the Purchaser no longer occupies any of the sites. In respect of the sixty-four locations, fifty-two have been either surrendered or being treated as at an end to allow for the Purchaser to enter into new agreements with the landlord; two have been assigned to the Purchaser and ten have been vacated with the keys returned to the landlord (a number of which were later formally surrendered).

In addition to the sites noted above, the Company was also party to a small number of other ancillary property leases which the Company now has no further interest in.

Retention of title claims

The Joint Administrators have supported the Purchaser in dealing with the retentions of title claims and we believe these have all been concluded.

Creditors

The Joint Administrators and their staff verified the received unsecured claims during the Period in readiness for a distribution via the prescribed part, further details of which are set out later in this report.

VAT

The Joint Administrators have submitted both VAT returns for the periods 1 December 2021 to 28 February 2022 and 1 March 2022 to 31 May 2021. These two VAT returns have resulted in VAT refunds of approximately £141,265 and £119,610 respectively. HM Revenue & Customs (“HMRC”) have paid the VAT refund of £141,265 to the Company and we are chasing HMRC to issue the VAT refund of £119,610 along with repayment supplement for the delay. The next VAT return due is for the period 1 June 2022 – 31 August 2022.

Corporation tax

We have instructed EY tax specialists to prepare the corporation tax returns for the Company.

Corporation tax returns for the periods up to 10 August 2021 have been submitted, which HMRC have not raised an enquiry into to date. The standard enquiry window is generally within 12 months from the filing date.

The standard enquiry window for the period ending 10 August 2020 has now closed and the standard enquiry window for the period ending 10 August 2021 closes on 10 August 2023. The next tax return to be submitted for the Company is for the period from 11 August 2021 to 10 August 2022, and will be due for submission on 10 August 2023.

Tax work is ongoing, and all Corporation tax and other tax related time costs are included within the Joint Administrators’ total time costs, set out in detail at Appendix 3.

Insurance payment

A licence to occupy all of the Company’s premises was granted to the Property Purchaser during the administration and the Joint Administrators were required to maintain the buildings insurances, public liability cover for the leases, material damage insurance, business interruption insurance and terrorism insurance. Other than the residential flats above the Bath store, which the Property Purchaser did not occupy, the premiums have been recharged to the Property Purchaser.

During the prior period, the Company settled the insurance premium of £101,829.88, which was due to AON UK Limited, with a recharge invoice submitted to the Property Purchaser in the sum of £78,434.54 plus VAT. This invoice was paid in the Period.

Bank interest received / charges paid

Cash balances are held on deposit where positive interest rates are provided by UK clearing banks, and fixed charge bank interest of £2,010.59 and floating charge bank interest of £10,207.40 have been received in the Period. Bank charges paid in the Period totalled £6.60.

Investigations

There were no investigations ongoing or concluded in the Period. There are no investigations to be carried forward to a future period.

Receipts and payments account

A summary of our receipts and payments for the Period is attached at Appendix 2. It does not reflect estimated future realisations or costs.

Joint Administrators' remuneration

The statutory provisions relating to remuneration are set out in Rules 3.95 to 3.101 of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018.

In certain circumstances, creditors are entitled to request further information about our remuneration or outlays, or to apply to court if they consider the costs to be excessive (Rule 3.100, Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018. Further information is given in 'A Creditors' Guide to Administrators' Fees', a copy of which may be accessed from the web site of the Institute of Chartered Accountants of Scotland at <https://www.icas.com/technical-resources/creditorguides-to-office-holder-remuneration> or is available in hard copy upon written request to the Joint Administrators.

Our remuneration was fixed on a time-cost basis by a resolution of the secured creditor and the preferential creditors on 29 March 2019.

The Joint Administrators have incurred time costs of £684,083.50 in the Period and a total of £9,607,671.71 to date, against which £3m plus VAT has been drawn. Appendix 3 of this report provides an analysis of the time spent. The work completed includes the following:

- ▶ Reconciling and pursuing the last outstanding book debt.
- ▶ Statutory reporting including progress reports to creditors.
- ▶ Correspondence with creditors.
- ▶ Pursuing the intercompany claim against JBL.
- ▶ Adjudicating unsecured claims and making a subsequent distribution under the prescribed part.
- ▶ VAT returns.
- ▶ Corporation Tax returns.
- ▶ Maintaining the bank account and recording receipts; making payments; bank reconciliations.

The Joint Administrators have incurred disbursements of £322.48 in the Period and a total of £50,239.43 of disbursements to date, against which £45,593.76 plus VAT has been paid to date. An analysis of Category 2 disbursements (i.e. charges made by the office holders' firm that include elements of shared or overhead costs) are set out in Appendix 4 of this report.

Joint administrators' outlays

During the Period, we have incurred outlays totalling £322.48 plus VAT for stationary, printing and posting costs and website hosting fees for communicating with the creditors of the Company. There is an analysis of outlays incurred to date at Appendix 4 of this report.

Pre-administration costs

As per the report dated 20 September 2019, we received approval from the creditors and settled payment of pre-administration costs totalling £728,841.39 plus VAT for fees, together with expenses of £15,147.82 plus VAT.

Secured creditors

On entering administration, the House of Fraser Group's secured funding could be analysed into three categories:

- ▶ Super senior secured working capital facility ("Super senior facilities").
- ▶ Senior secured revolving credit facility, senior overdraft and senior secured term loan lenders ("Senior facilities").
- ▶ Holders of senior secured floating rate notes, due 2020 ("Bondholders").

The table below summarises the facilities provided:

	£m
Super senior facilities	10.0
Senior facilities	225.0
	<u>165.0</u>
Bondholders	400.0

Other than the Super senior facility, which has priority ranking, the Senior facilities and Bondholders indebtedness ranks pari passu with each other.

The Joint Administrators made a first floating charge distribution to secured creditors of £60m on 12 October 2018, followed by a second floating charge distribution of £18.5m on 17 December 2018 and a third distribution of £5m on 29 August 2019. A first distribution to secured creditors under the fixed charge of £1.5m took place on 17 December 2018. A further floating charge distribution of £6m was distributed on 18 May 2021, bringing total fixed and floating distributions to £91m.

The confirmed indebtedness arising from these facilities at the Date of Appointment of the Joint Administrators, in particular the usage of the senior revolving credit facility and any post appointment interest and charges, is still subject to final confirmation.

Preferential creditors

All of the employees of the Company were transferred to the Sports Direct Group as a result of the sale of business. However, certain former employees have preferential claims in respect of arrears of wages, holiday pay and employee pension deductions.

To date we have paid, in full, preferential claims totalling £77,127.22 with a further £123.64 settled on behalf of Jam B Realisations Limited which has been recovered in the Period. We do not expect to receive any further preferential claims.

Non-preferential creditors

Based on the Company's Statement of Affairs filed with the Registrar of Companies it was estimated that non-preferential claims against the Company are c.£313.4m. However, claims received totalled £465,903,856.91.

The Prescribed Part

The Prescribed Part is a proportion of floating charge assets set aside for unsecured creditors pursuant to section 176A of the Act. The Prescribed Part applies to floating charges created on or after 15 September 2003.

Prior to the Joint Administrators making a dividend under the Prescribed Part, the Joint Administrators calculated, to the best of their knowledge and belief, that:

- ▶ The value of the net property as at the 29 July 2022 was £96.1m.
- ▶ The value of the Prescribed Part was £0.6m, being the amount available to be set aside, before the costs of dealing with the Prescribed Part.

In line with Rule 3.108 of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018, a list of all claims accepted and rejected in the administration is available for viewing at https://www.ey.com/en_uk/ey-house-of-fraser-administration. A hard copy of the list can be provided on request.

Distributions to creditors

The Joint Administrators paid a first and final dividend under the Prescribed Part on 9 August 2022 to creditors of the company whose claims have been accepted. The dividend was 0.139314581 pence in the £ on total accepted claims of £358,899,977.99.

Remaining work

We will continue to undertake work as set out in the Joint Administrators' Statement of Proposals, which will include:

- ▶ Continuing to pursue asset realisations, including the last outstanding book debts.
- ▶ Make a final distribution to the secured creditors.
- ▶ Complying with our statutory reporting obligations.

The end of the administration

It is proposed that if, at the end of the administration, the Company has no property which might permit a distribution to its creditors, the Joint Administrators will send a notice to that effect to the Registrar of Companies. On registration of the notice, the Joint Administrators' appointment in respect of the Company will come to an end. In accordance with the provision of paragraph 84(6) of Schedule B1 to the Act, the Company will be deemed to be dissolved three months after the registration of the notice.

Other matters

If there are any matters concerning the Company's affairs which you consider may require investigation, please forward the details to me in writing as soon as possible.

Next report

We will report to you again at the conclusion of the administration or in six months' time, whichever is the sooner.

Yours faithfully
For the Company



C A Lewis
Joint Administrator

Enc: Appendix 1 – Statutory information about the Company, the administration and the office holders

Appendix 2 - Joint Administrators' Receipts and Payments Account

Appendix 3 - Summary of the Joint Administrators' time costs

Appendix 4 - Breakdown of outlays incurred in this Period and to date

Craig Anthony Lewis is licensed in the United Kingdom to act as an insolvency practitioner by The Institute of Chartered Accountants in England and Wales, Alan Michael Hudson is licensed in the United Kingdom to act as an insolvency practitioner by The Insolvency Practitioners Association and Colin Peter Dempster is licensed in the United Kingdom to act as an insolvency practitioner by The Institute of Chartered Accountants of Scotland.

The affairs, business and property of the Companies are being managed by the Joint Administrators, A M Hudson, C P Dempster and C A Lewis who act as agents of the Companies only and without personal liability.

The Joint Administrators may act as data controllers of personal data as defined by the UK General Data Protection Regulation (as incorporated in the Data Protection Act 2018), depending upon the specific processing activities undertaken. Ernst & Young LLP and/or the Company may act as a data processor on the instructions of the Joint administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrators appointment. The Office Holder Data Privacy Notice can be found at www.ey.com/uk/officeholderprivacy

Information about the proceedings, the company and the office holders, as required by Rule 3.94 of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018

Name of court:	Court of Session, Parliament House, Parliament Square, Edinburgh, EH1 1RQ
Court reference:	P794/18
Registered name of the company:	HF Stores Realisations Limited
Registered office address of the company:	c/o Ernst & Young LLP, Atria One, 144 Morrison Street, Edinburgh, Scotland, EH3 8EX
Registered number:	SC010677
Country of incorporation (for a company incorporated outside the United Kingdom):	N/A
Details of any changes of administrator:	R H Kelly resigned as an administrator of the Company on 29 June 2022 on account of his retirement from EY
Date of Appointment of Joint Administrators:	10 August 2018

Details of the Joint Administrators

Name	Office Holder Number
Alan Michael Hudson Ernst & Young LLP, 1 More London Place, London, SE1 2AF	9200
Craig Anthony Lewis Ernst & Young LLP, 1 More London Place, London, SE1 2AF	9356
Colin Peter Dempster Ernst & Young LLP, Atria One, 144 Morrison Street, Edinburgh, EH3 8EX	8908
Telephone number:	+44 (0)207 951 1856
Name of alternative person to contact with enquiries about the case:	Sophie Hyde

HF Stores Realisations Limited (formerly House of Fraser Limited) (in Administration) ('the Company')
Joint Administrators' Summary of Receipts and Payments from 10 August 2018 to 9 August 2022

HF Stores Realisations Ltd (Formerly House of Fraser (Stores) Ltd) (In Administration)				
JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT (GBP)				
From 10/08/2018 to 09/08/2022				
	Statement of affairs	10/08/2018	10/02/2022	Cumulative
	GBP	09/02/2022	09/08/2022	Total
	£	GBP	GBP	GBP
	£	£	£	£
RECEIPTS				
Fixed Charge Realisations				
Business Intellectual Property	-	1,500,000.00	-	1,500,000.00
Other Fixed Charge Realisations	-	6.75	-	6.75
Post appointment VAT refund	-	464,703.49	-	-
Output VAT	-	2,000.00	17,648.37	17,648.37
Bank Interest	-	14,220.78	2,010.59	16,231.37
	-	1,980,931.02	19,658.96	1,533,886.49
Floating Charge Realisations				
Stock	68,453,097.30	84,479,052.31	-	84,479,052.31
Equipment - Floating	-	2,889,137.74	-	2,889,137.74
Information Technology - Floating	-	481,522.96	-	481,522.96
Vehicles - Floating	-	1.00	-	1.00
Duty Referral Deposit	-	1,347,399.54	-	1,347,399.54
Cash at Bank	-	117,846.81	5,098.83	122,945.64
Cash in Transit	-	2,106,610.86	-	2,106,610.86
Rent and Rates Refund	-	2,966,381.45	66,720.03	3,033,101.48
Book Debts and Other Debtors	16,375,730.70	2,234,129.08	1,488.55	2,235,617.63
Prepayments	5,171,172.00	2,324,560.58	-	2,324,560.58
Property Licence Fees	-	27,181,153.65	-	27,181,153.65
Funds due to Sports Direct	-	8,568,077.70	-	8,568,077.70
Unallocated Receipts	-	4,001.77	-	4,001.77
Global Limited Retainer	-	16,134.91	-	16,134.91
Dividends from other group companies	-	171,121.76	497,421.65	668,543.41
SDI apportionments	-	778,257.88	-	778,257.88
Insurance	-	-	78,434.54	78,434.54
Bank Interest - Floating	-	254,124.73	10,207.40	264,332.13
	90,000,000.00	135,919,514.73	659,371.00	136,578,885.73
PAYMENTS				
Pre-appointment Administrators Fees	-	728,841.39	-	728,841.39
Pre-appointment Administrators Expenses	-	15,147.82	-	15,147.82
Post appointment Administrators Fees	-	3,000,000.00	-	3,000,000.00
Post appointment Administrators Expenses	-	45,593.76	-	45,593.76
Pre-appointment Legal Fees	-	534,148.70	-	534,148.70
Post appointment Legal Fees	-	740,993.31	107,957.54	848,950.85
Storage Costs	-	41,754.36	2,473.72	44,228.08
Third party receipts paid to Sports Direct	-	8,568,077.70	-	8,568,077.70
Landlord Payments	-	26,466,023.22	-	26,466,023.22
Agents - Business Rates	-	132,779.34	-	132,779.34
Sundry Expenses	-	300.00	-	300.00
Bank Charges	-	8,919.89	6.60	8,926.49
Insurance	-	101,829.88	-	101,829.88
Preferential Creditors	-	77,127.22	-	77,127.22
VAT Payment	-	853,651.93	235,432.06	1,089,083.99
Input VAT	-	209,116.21	24,047.48	233,163.69
HSBC Secured Agents - Fixed Charge	-	1,500,000.00	-	1,500,000.00
HSBC Secured Agents - Floating Charge	-	89,500,000.00	-	89,500,000.00
Prescribed Part Dividend (net of costs)	-	-	500,000.00	500,000.00
		132,524,304.73	869,917.40	133,394,222.13
Net Receipts/(Payments)		5,376,141.02	(190,887.44)	5,185,253.58
MADE UP AS FOLLOWS				
Cash at Bank		5,853,486.02	(190,887.44)	5,662,474.94
VAT Control Account		(477,221.36)		(477,221.36)
		5,376,141.02	(190,887.44)	5,185,253.58
Note:				
Interest Bearing				5,662,474.94
Non Interest Bearing				-
				5,662,474.94

HF Stores Realisations Limited (formerly House of Fraser Limited) (in Administration) ('the Company')
Joint Administrators' Summary of Receipts and Payments from 10 August 2018 to 9 August 2022

HF Stores Realisations Ltd (Formerly House of Fraser (Stores) Ltd) (In Administration)				
JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT (EUR)				
From 10/08/2018 to 09/08/2022				
	Statement of affairs	10/08/2018 09/02/2022	10/02/2022 09/08/2022	Cumulative Total
	EUR	EUR	EUR	EUR
	€	€	€	€
RECEIPTS				
Floating Charge Realisations				
Dundrum Trading Account	-	2,307,271.34	-	2,307,271.34
Book Debts and Other Debtors	-	15,200.09	-	15,200.09
Unallocated Receipts	-	12.53	-	12.53
	-	2,322,483.96	-	2,322,483.96
PAYMENTS				
Administrators Fees	-	-	-	-
Transfer to GBP Account		2,285,789.50	-	2,285,789.50
		2,285,789.50	-	2,285,789.50
Net Receipts/(Payments)		36,694.46	-	36,694.46
MADE UP AS FOLLOWS				
Cash at Bank		36,694.46	-	36,694.46
VAT Control Account		-	-	-
		36,694.46	-	36,694.46
GBP Equivalent on 9 August 2022				31,033.88
Note:				
Interest Bearing				-
Non Interest Bearing				36,694.46
				36,694.46

HF Stores Realisations Ltd (Formerly House of Fraser (Stores) Ltd) (In Administration)				
JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT (USD)				
From 10/08/2018 to 09/08/2022				
	Statement of affairs	10/08/2018 09/02/2022	10/02/2022 09/08/2022	Cumulative Total
	USD	USD	USD	USD
	\$	\$	\$	\$
RECEIPTS				
Floating Charge Realisations				
Book Debts and Other Debtors	-	223,548.86	-	223,548.86
Bank Interest - Floating	-	146.55	-	146.55
	-	223,695.41	-	223,695.41
PAYMENTS				
Administrators Fees	-	-	-	-
Bank Charges		33.31	-	33.31
		33.31	-	33.31
Net Receipts/(Payments)		223,662.10	-	223,662.10
MADE UP AS FOLLOWS				
Cash at Bank		223,662.10	-	223,662.10
VAT Control Account		-	-	-
		223,662.10	-	223,662.10
GBP Equivalent on 09/08/2022				185,028.21
Note:				
Interest Bearing				223,662.10
Non Interest Bearing				-
				223,662.10

HF Stores Realisations Limited (formerly House of Fraser Limited) (in Administration) ('the Company')

Joint Administrators' Summary of Receipts and Payments from 10 August 2018 to 9 August 2022

HF Stores Realisations Ltd (Formerly House of Fraser (Stores) Ltd) (In Administration)			
JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS EURO TRADING ACCOUNT			
From 10/08/2018 to 09/08/2022			
	10/08/2018	10/02/2022	Cumulative
	09/02/2022	09/08/2022	Total
	EUR	EUR	EUR
	€	€	€
RECEIPTS			
Dundrum - Cash Sales	1,363,130.61	-	1,363,130.61
Dundrum - Credit Card Sales	5,108,156.54	-	5,108,156.54
Dundrum - Cafe Zest Sales	152,005.01	-	152,005.01
Dundrum - Pre Appointment Income	120,114.18	-	120,114.18
	6,743,406.34	-	6,743,406.34
PAYMENTS			
Dundrum - Concession Payments	3,115,328.37	-	3,115,328.37
Dundrum - Misc Direct Purchases	9,618.28	-	9,618.28
Dundrum - Rent	26,529.03	-	26,529.03
Dundrum - Service Charges	33,199.16	-	33,199.16
Dundrum - Employee Expenses	579,586.86	-	579,586.86
Dundrum - PAYE	32,242.07	-	32,242.07
Dundrum - RPSI	55,421.69	-	55,421.69
Dundrum - Pension Cont (employee & e	3,299.36	-	3,299.36
Dundrum - Third Party Payroll Costs	1,470.00	-	1,470.00
Dundrum - Gas	4,754.91	-	4,754.91
Dundrum - Electricity	51,216.37	-	51,216.37
Dundrum - Telephone	3,124.02	-	3,124.02
Dundrum - Rates	11,686.52	-	11,686.52
Dundrum - Hire of Equipment	475.81	-	475.81
Dundrum - Merchant Fees & Charges	47,446.66	-	47,446.66
Dundrum - Bank Charges	6,895.97	-	6,895.97
Dundrum - Float/Coin Drops	92,400.00	-	92,400.00
Dundrum - Consumables	8,737.50	-	8,737.50
Dundrum - Miscellaneous Trading Expens	9,074.73	-	9,074.73
Dundrum - Maintenance	83,871.39	-	83,871.39
Dundrum - Misc Professional Fees Tradin	201,245.09	-	201,245.09
Dundrum - Sub Contractor/Agency Staff	7,821.05	-	7,821.05
VAT Payment	43,448.23	-	43,448.23
RBS Bank Charges - Floating	7.94	-	7.94
HSBC Bank Charges - Floating	33.99	-	33.99
Trade Creditors	-	-	-
Legal Fees	7,200.00	-	7,200.00
	4,436,135.00	-	4,436,135.00
Net Receipts/(Payments)	2,307,271.34	-	2,307,271.34
MADE UP AS FOLLOWS			
Cash at Bank (transferred to Euro account)	2,307,271.34	-	2,307,271.34
Dundrum - Debtor Account	-	-	-
Dundrum - Creditor Account	-	-	-
VAT Control Account	-	-	-
	2,307,271.34	-	2,307,271.34

Notes:

1. Receipts and payments are stated net of VAT.
2. The balance on the Trading Account, once any costs associated with the TSA were settled, have been returned to the Purchaser in accordance the terms of the sale of business.
3. Within the GBP receipts and payments account is one receipt totalling £4,001.77 noted as "Unallocated Receipts". There is also a receipt totalling Euro 12.53 noted as "unallocated Receipts" within the Dundrum Trading Account. The Joint Administrators are currently investigating the nature of these receipts, and once completed, they will either be re-categorised or repaid.
4. No allowance has been made for future receipts or payments.

Time charging policy

The Administrators have engaged managers and other staff to work on the Administration. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by accounting and treasury executives dealing with the company's bank accounts and statutory compliance diaries. Work carried out by all staff is subject to the overall supervision of the Administrators.

All time spent by staff working directly on case-related matters is charged to a time code established for the case. Time is recorded in units of six minutes. Each member of staff has a specific hourly rate, which is subject to change over time. The average hourly rate for each category of staff over the period is shown below, as are the current hourly rates used.

Grade description	Restructuring hourly rate (£/hour)						Tax/VAT hourly rate (£/hour)			
	03-11-18 to 28-06-19	29-06-19 to 3-07-20	4-07-20 to 2-07-21	3-07-21 to 31-12-21	1-01-22 to 1-07-22	4-07-22 to 30-06-23	03-11-18 to 28-06-19	29-06-19 to 3-07-20	4-07-20 to 2-07-21	3-07-21 to 1-07-22
Partner	1140	1195	1255	1320	1450	1595	1570	1650	1650	1650
Executive Director	1090	1145	1200	1260	1385	1525	1570	1650	1650	1650
Director	930	975	1025	1075	1185	1305	1295	1360	1360	1360
Assistant Director	775	815	855	900	990	1090	1145	1200	1200	1200
Senior Executive	590	620	650	685	755	830	945	990	990	990
Executive	435	455	480	505	555	610	695	730	615 - 730	615 - 730
Assistant Executive	395	415	435	455	500	550	N/A	615	N/A	N/A
Analyst	280 - 395	295 - 415	310 - 435	325 - 455	360 - 500	395 - 550	220 - 430	230 - 450	230 - 450	230 - 450
Business Trainee	240	250	265	280	310	340	N/A	N/A	N/A	N/A
Accounting & Treasury Executives	N/A	330	345	360	395	435	N/A	N/A	N/A	N/A
Global Talent Hub	N/A	235	340-855	355-900	390-990	430-1090	N/A	N/A	N/A	N/A
GDS staff	N/A	235	340	355	390	430	N/A	N/A	N/A	N/A
GDS senior	N/A	235	480	505	555	610	N/A	N/A	N/A	N/A
GDS manager	N/A	235	650	685	990	830	N/A	N/A	N/A	N/A

Payments to other professionals

The Administrators have engaged the following professionals to provide assistance:

Name of firm	Nature of services	How contracted to be paid
Burness Paul	Legal assistance in extending the administration	Upon completion of work
Clifford Chance	Legal Assistance	Upon completion of work
Montagu Evans	Professional Services securing rates refunds for the Company	Paid on a percentage basis, with a "no win no fee"
Pinsent Masons	Legal Assistance	Upon completion of work

Legal fees have been reviewed in line with work performed. Montagu Evans' fees have been reviewed in line with rates refunds secured.

HF Stores Realisations Limited (formerly House of Fraser Limited) (in Administration) ('the Company')
Summary of Joint Administrators' outlays incurred

Type of Outlay	Paid as at 09/02/2021	Paid in Period 10/08/2021 to 09/02/2022	Paid in Period 10/02/2022 to 09/08/2022	Outstanding	Total (£)
Category 1 disbursements (see Note 1)	£33,479.12	£10,610.09	-	£4,398.38	£48,487.59
Accommodation	£4,091.02	-	-	-	£4,091.02
Airfare	£2,172.60	-	-	-	£2,172.60
Subsistence	£1,441.74	£29.18	-	-	£1,470.92
Phone Expense	£2.50	-	-	-	£2.50
Car Allowance	£426.40	-	-	-	£426.40
Notary Fees Paid	-	-	-	£3,556.00	£3,556.00
Printing	£10,454.63	£886.31	-	£49.59	£11,390.53
Stationery	£354.68	£126.50	-	-	£481.18
Statutory Advertising	-	-	-	£84.60	£84.60
Travel costs	£9,640.18	£42.85	-	-	£9,683.03
Technology	-	£5,261.80	-	£618.80	£5,880.60
Specific Penalty Bond	£1,280.00	-	-	-	£1,280.00
Postage	£3,615.37	£4,263.45	-	£89.39	£7,968.21
Category 2 disbursements (note 1) (mileage)	£1,465.85	£38.70	-	£247.29	£1,751.84
Mileage	£1,465.85	£38.70	-	£247.29	£1,751.84
Totals	£34,944.97	£10,648.79	-	£4,645.67	£50,239.43

Notes:

- SIP 9 defines disbursements as a type of expense which is met by, and reimbursed to, an office holder in connection with an insolvency appointment. Disbursements fall into two categories: Category 1 and Category 2.
 - Category 1 disbursements are payments to independent third parties where there is specific expenditure directly referable to the appointment
 - Category 2 disbursements are expenses which are directly referable to the appointment but not a payment to an independent third party. They may include shared and allocated costs.

It is our policy, in accordance with SIP 9, to disclose Category 1 and Category 2 disbursements but only to seek approval for Category 2 disbursements before they are drawn.