

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 0 2 2 9 6 0 6

Company name in full SHB Realisations Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Anthony John

Surname Wright

3 Liquidator's address

Building name/number 2nd Floor

Street 110 Cannon Street

Post town London

County/Region

Postcode E C 4 N 6 E U

Country

4 Liquidator's name ①

Full forename(s) Geoffrey Paul

Surname Rowley

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 2nd Floor

Street 110 Cannon Street

Post town London

County/Region

Postcode E C 4 N 6 E U


Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report															
From date	^d	0	^d	2	^m	1	^m	2	^y	2	^y	0	^y	2	^y	1
To date	^d	0	^d	1	^m	1	^m	2	^y	2	^y	0	^y	2	^y	2
7	Progress report															
<input checked="" type="checkbox"/> The progress report is attached																
8	Sign and date															
Liquidator's signature	<div>Signature</div> <div>  </div>															
Signature date	^d	3	^d	1	^m	0	^m	1	^y	2	^y	0	^y	2	^y	3

**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	Anthony John Wright
Company name	FRP Advisory Trading Limited
Address	2nd Floor 110 Cannon Street
Post town	London
County/Region	
Postcode	E C 4 N 6 E U
Country	
DX	cp.london@frpadvisory.com
Telephone	020 3005 4000

**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

SHB Realisations Limited (formerly BHS Limited)
(In Liquidation)
Joint Liquidators' Trading Account

Statement of Affairs £	From 02/12/2021 To 01/12/2022 £	From 02/12/2016 To 01/12/2022 £
OTHER DIRECT COSTS		
Direct Labour	NIL	523.22
	NIL	(523.22)
TRADING EXPENDITURE		
Rents, SC & Insurance	NIL	1,060,040.28
Rates	NIL	3,381,183.70
Heat & Light	NIL	297,131.78
Concessions	NIL	242.77
CVA Rent Shortfall	NIL	2,582,184.91
Water	NIL	33,594.54
Insurance	NIL	12,321.09
Professional Fees	NIL	30,000.00
Repairs & Maintenance	NIL	2,752.00
Sundry Expenses	NIL	690.00
Service Charge	NIL	2,340.03
Agents' Fees	NIL	53,239.49
Security	NIL	46,714.94
Refunds	NIL	26.60
	NIL	(7,502,462.13)
TRADING SURPLUS/(DEFICIT)	NIL	(7,502,985.35)

SHB Realisations Limited (formerly BHS Limited)
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 02/12/2021 To 01/12/2022 £	From 02/12/2016 To 01/12/2022 £
SECURED ASSETS		
Bank Interest	NIL	493.80
Transfer from Administration	NIL	3,697,943.61
Fixed Charge Funding	NIL	387,037.92
	NIL	4,085,475.33
COSTS OF REALISATION		
Service Charge	NIL	246,322.76
Property Costs	44.48	140,929.23
Bank Charges - Fixed	NIL	30.00
	(44.48)	(387,281.99)
ASSET REALISATIONS		
Bank Interest Gross	176,681.72	723,878.50
BHSG Contribution to Litigation Fundin	NIL	812,236.08
Book Debts	NIL	2,782.78
Cash at Bank	NIL	125,187.50
Contribution To Costs	NIL	900.00
Darlington Distribution	910,191.52	910,191.52
Duty Deferment Bond	NIL	38.18
Funds Held By Merchant Service Provi	NIL	2,582,186.31
Insurance Refund	NIL	43,068.98
International Franchise Debts	NIL	1,197,724.45
Leasehold Property (1)	NIL	600,000.00
Legal Cost Receipt	13,500.00	13,500.00
Letters of Credit	NIL	2,743,973.16
Miscellaneous Refunds	100.00	477,040.96
Pension Trustee VAT	NIL	941,557.04
Rates Refunds	NIL	833,985.30
Rent Refunds	NIL	107,437.65
Settlement Monies	NIL	7,045,571.00
Stock	NIL	50,145.00
Sub-Tenant Rent	NIL	7,269.23
Trading Surplus/(Deficit)	NIL	(7,502,985.35)
Transfer from Administration	NIL	64,475,583.25
Utility Bonds	691,083.24	887,191.57
VAT On Utilities	NIL	339,862.85
	1,791,556.48	77,418,325.96
COST OF REALISATIONS		
Accountants' Fees	12,750.00	148,250.00
Adverse Costs Award	139,708.16	139,708.16
Agents' Fees - Administration Period	NIL	112,130.78
Agents/Valuers Fees	NIL	224,051.53
Bank Charges - Floating	72.20	3,121.97
Concession/Trust Monies	NIL	1,226,950.00
Debt Collection Commission	NIL	91,169.27
Debt Collection Commission - Administ	NIL	83,669.27
Former Joint Administrators' Disbs	NIL	20,065.83
Former Joint Administrators' Remuner	NIL	482,953.45
Insurance of Assets	NIL	95,890.31

SHB Realisations Limited (formerly BHS Limited)
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 02/12/2021 To 01/12/2022 £	From 02/12/2016 To 01/12/2022 £
Joint Liquidators' Disbursements	61,810.54	199,780.84
Joint Liquidators Pension Scheme Fee	10,000.00	10,000.00
Joint Liquidators' Remuneration	939,018.14	5,944,733.28
Late Filing Charges	NIL	100.00
Legal Disbursements	117,246.85	680,661.01
Legal Disbursements - Admin Period	NIL	12,629.15
Legal Fees	1,814,426.70	10,398,834.05
Legal Fees - Administration Period	NIL	378,462.93
Merchant Service Mgmt Fees	NIL	40,000.00
Other Property Expenses	NIL	13,154.86
Pension Trustee VAT	931,557.04	931,557.04
Professional Fees	147,459.70	205,899.45
Re-Direction of Mail	NIL	1,225.00
Security	NIL	86,962.02
Settlement Monies	NIL	2,500.00
Short Service Pension Refunds	NIL	2,678.66
Stationery & Postage	NIL	35,621.87
Statutory Advertising	NIL	253.80
Stock Storage & De-Tagging	NIL	13,232.84
Storage Costs	149,921.29	162,069.19
Store Property Costs	NIL	6,697.16
	(4,323,970.62)	(21,755,013.72)
UNSECURED CREDITORS		
Held For Reserved Claims	NIL	179,805.66
Unsecured Creditors	NIL	36,306,979.17
	NIL	(36,486,784.83)
	(2,532,458.62)	22,874,720.75
REPRESENTED BY		
35 DN Acc Santander		21,223,599.43
Held For Reserved Claims		(179,805.66)
IB Current Fixed		5,394.25
IB Current Floating		1,575,604.99
Short Service Pension Refunds		(82,523.23)
Unclaimed dividends to be paid over		(5,350.58)
Vat Control Account		336,665.54
Vat Recoverable Floating		1,136.01
		22,874,720.75

FRP

SHB Realisations Limited (in Liquidation)

The Liquidators' Progress Report for the period 2 December 2021 to 1 December 2022 pursuant to section 104A of the Insolvency Act 1986 of the Insolvency (England and Wales) Rules 2016

31 January 2023

Contents and abbreviations



Section	Content
1.	Progress of the liquidation
2.	Estimated outcome for the creditors
3.	Liquidators’ remuneration, disbursements and expenses
Appendix	Content
A.	Statutory information about the Company and the liquidation
B.	Liquidators’ Receipts & Payments Account for the both the Period and cumulatively
C.	A schedule of work
D.	Details of the Liquidators’ time costs and disbursements for both the Period and cumulatively
E.	Statement of expenses incurred both in the Period and cumulatively

The following abbreviations may be used in this report:	
FRP	FRP Advisory Trading Limited
The Company	SHB Realisations Limited (formerly BHS Limited) (in Liquidation)
The Liquidators	Anthony John Wright and Geoffrey Paul Rowley of FRP Advisory Trading Limited
The Period	The reporting period 2 December 2021 to 1 December 2022
CVL	Creditors’ Voluntary Liquidation
SIP	Statement of Insolvency Practice
QFCH	Qualifying floating charge holder
HMRC	HM Revenue & Customs
The Former Administrators	Philip Duffy and Benjamin Wiles of Duff and Phelps Limited
CVA	Company Voluntary Arrangement
Arcadia	Arcadia Group Limited
BHS Group	BHS Group Limited (in Liquidation)
Barclays	Barclays Bank Plc
GB	GB Europe Management Services Limited
PPF	Pension Protection Fund
TPR	The Pensions Regulator
DSHB	Darlington SHB Limited

1. Progress of the liquidation

Background

The Joint Liquidators were appointed on 2 December 2016 following the end of the preceding administration process.

This report should be read in conjunction with the previous reports issued by the Former Administrators and the Joint Liquidators.

Work undertaken during the Period and work yet to be completed

Attached at **Appendix C** is a schedule of work undertaken during the Period together with a summary of work still to be completed.

Intercompany Distributions

The Company had a claim of £2.6m against DSHB, a connected company which is in liquidation. DSHB recently issued a first and final distribution to unsecured creditors and the Company received £910k.

Rates and Miscellaneous Refunds

As detailed in previous reports, the Company had a claim against a former utility provider for the balance of a security deposit since the Company entered administration in 2016. The utility provider has finally agreed to release the balance held of £632k. In addition, the Joint Liquidators obtained an additional refund from the same provider of £59k.

International franchise debt - Bahrain

The Joint Liquidators continue to liaise with their legal advisers and counsel in relation to the outstanding debt totalling approx. £564k. The Trustee appointed to the debtor's estate has been scheduled to file his report on the estate in Court, but the hearing has been adjourned numerous times. The next scheduled hearing is in February 2023.

Potential Claims

The Joint Liquidators have issued a claim against a certain number of the Company's directors after the sale of BHS Group to Retail Acquisitions Limited on 11 March 2015. Further details will be provided in the Joint Liquidators' next report.

Litigation Costs

During the Period, the Joint Liquidators were ordered by the Court to pay £140k from the estate in relation to a costs award regarding a strike out application linked to the claim above.

Pension Trustee VAT

The Joint Liquidators have been liaising with the pension trustees in relation to requests to submit VAT 426 returns for the pension scheme, to reclaim VAT incurred on expenses from managing the pension scheme. The Joint Liquidators assisted the trustees by reviewing, completing, and submitting the relevant VAT 426 returns and all associated schedules and invoices dating back to 2017. Funds of £941k were highlighted in the previous report and during the period the Joint Liquidators paid to the trustees £931k. A fee for the work involved of £10k was agreed directly with the pension trustees.

Other matters

There continues to be regular correspondence received from creditors and the Joint Liquidators and their case staff continue to respond to these queries on a regular basis.

In addition to creditor correspondence, the Company continues to periodically receive correspondence and bills from utility companies in relation to former properties. The Joint Liquidators have been responding to each of these utility providers to advise of the current position as and when required.

The Joint Liquidators confirm that no work has been subcontracted to third parties.

1. Progress of the liquidation

Receipts and payments account

Attached at **Appendix B** is a receipts and payments account detailing both transactions for the Period and also cumulatively since the appointment of the Joint Liquidators.

Payments made from the estate are fair and reasonable and proportionate to the insolvency appointment and are directly attributable to this insolvency. No payments have been made to associates of the Liquidator without the prior approval of creditors as required by SIP9.

Investigations

As previously detailed, a substantial review of the Company's books and records and accounting information has been carried out and a data review platform has been, and continues to be, utilised to streamline the processing of the available information and identification of key relevant documents.

The Joint Liquidators have engaged with Stout Risius Ross, LLC to assist with the analysis of the records and the progression of any potential claims. Details of the costs in relation to this engagement are included in **Appendix E**.

Due to the sensitive and largely privileged nature of the ongoing investigations, the Joint Liquidators are unable to provide substantial information to creditors on the current investigation streams at this juncture, apart from those detailed in the schedule of work at **Appendix C**. The Joint Liquidators continue to consider other actions to maximise recoveries for the estate.

If you have any information or concerns regarding the way in which the Company's business has been conducted, or have information regarding potential recoveries for the estate, please contact this office by post at 110 Cannon Street, London EC4N 6EU, telephone 020 3005 4000 or by email to Connor.Newman@frpadvsory.com.

2. Estimated outcome for the creditors

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The estimated outcome for creditors was included in correspondence previously circulated by the Joint Liquidators.

Outcome for secured creditors

Arcadia

The Joint Liquidators reached an agreement with Arcadia in relation to a number of matters, including Arcadia's floating charge dated 14 April 2015. The Joint Liquidators can confirm that as part of the agreement, over £30m was released from the reserves held in relation to Arcadia's secured claim into the monies available for the Company's unsecured creditors and the floating charge was released.

Barclays

Barclays have three outstanding charges registered at Companies House. Barclays recovered its exposure on the day the Company entered administration from the credit balances it was holding, as per the terms of its security.

GB

GB had the benefit of fixed charge security over the Company's long leasehold interest in the store at Cribbs Causeway, Bristol. The principal amount secured was £9.4m however further charges, interest and default interest had accrued on this sum.

Following the Company entering administration, GB appointed a receiver over the leasehold interest, but no sale was concluded. Upon the Company entering Liquidation, the receiver resigned, and the Joint Liquidators became responsible for realising the asset.

The lease was surrendered for a premium of £500k which has resulted in GB suffering a shortfall on its lending. GB will be able to claim as an unsecured creditor for the amount outstanding to them.

Grovepoint

Grovepoint was owed £19m by the Company and related BHS group companies as at the date of administration and had the benefit of fixed charge security over freehold and leasehold interests, both owned by the Company and the BHS group companies.

All entities party to the Grovepoint facility provided cross-guarantees to secure the liability. Grovepoint was repaid £10m by the Company during the administration and the remaining indebtedness was discharged by other BHS group companies from property disposals.

Preferential Creditors

The Joint Liquidators are not aware of any preferential claims in the Liquidation. Creditors should refer to the progress reports of the Former Administrators for further details.

Unsecured creditors

At the time of declaring the first dividend, the Joint Liquidators had received claims totalling £997,882,936 from unsecured creditors. A dividend of 3.62 pence in the pound was declared on 10 November 2017.

A further sum of approximately £180,000 was held in respect of claims which had not been agreed as at the date the dividend was declared. The majority of these claims have now been rejected and these funds will now be available to unsecured creditors when the final dividend is declared.

The Joint Liquidators have issued a substantial claim in relation to the conduct of directors appointed after the sale of the Company to Retail Acquisitions Limited in March 2015 and as such anticipate that there could be further realisations made. A final dividend will be declared once these recoveries have been finalised. The Joint Liquidators are unable to confirm timing or quantum of any such recoveries at this stage, however, will provide updates as further information becomes available.

2. Estimated outcome for the creditors

FRP

The Prescribed Part

In accordance with the Insolvency Act 1986, the prescribed part is an element of net realisations due to the floating charge holder which is made available for unsecured creditors (subject to the floating charge post-dating 15 September 2003).

As there is no floating charge the prescribed part does not apply in this instance.

3. Liquidators' remuneration, disbursements and expenses

FRP

Joint Liquidators' remuneration

As advised in previous correspondence, the creditors passed a resolution that the Joint Liquidators' remuneration should be calculated on a time cost basis. During the Period, the creditors passed a resolution for an uplift of the Joint Liquidators' fees which was approved on 23 August 2022. To date fees of £5,944,773 excluding VAT have been drawn from the funds available.

A breakdown of the Joint Liquidators' time costs incurred during both the Period and cumulatively is attached at **Appendix D**.

Creditors previously approved the Joint Liquidators' fee estimate covering a period of five years from the date of the liquidation in the sum of £6,583,939. As detailed above, this fee estimate has been uplifted to £7,545,480. The Joint Liquidators are unable to draw fees based on time costs exceeding the total amount set out in the fee estimate previously provided without further approval of the creditors. Approval will be sought under separate cover if required.

Joint Liquidators' disbursements and expenses

The Joint Liquidators' disbursements are a recharge of actual costs incurred by them in dealing with this matter. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP Advisory Trading Limited at the HMRC approved mileage rate prevailing at the time the mileage was incurred. Details of disbursements incurred during the Period are set out in **Appendix D**.

Expenses of the liquidation

An estimate of the Joint Liquidators' expenses was set out in the information previously circulated to creditors. The Joint Liquidators attach at **Appendix E** a statement of expenses that have been incurred during the Period. It is currently expected that the expenses incurred or anticipated to be incurred are not likely to exceed the details circulated in our report of 4 August 2022 with the exception of the following:

- Professional Fees: as detailed above, Stout Risius Ross, LLC to assist with the analysis of the records and the progression of any potential claims.

When instructing third parties to provide specialist advice and services, or having the specialist services provided by the firm, the Joint Liquidators are obligated to ensure that such advice or work is warranted, and that the advice or work contracted reflects the best value and service for the work being undertaken. This is reviewed by the Joint Liquidators periodically throughout the duration of the assignment. The specialists chosen may regularly be used by the Joint Liquidators and usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment.

Creditors have a right to request further information from the Liquidators and further have a right to challenge the Liquidators' remuneration and other expenses, which are first disclosed in this report, under the Insolvency (England and Wales) Rules. (For ease of reference these are the expenses incurred in the Period as set out in **Appendix E** only). Further details of these rights can be found in the Creditors' Guide to Fees which you can access using the following link <https://www.frpadvisor.com/legal-and-regulatory-notice/information-creditors-insolvency-proceedings/> and select the one for liquidation. Alternatively, a hard copy of the relevant guide will be sent to you on request. Please note there is a time limit for requesting information being 21 days following the receipt of this progress report. There is a time limit of 8 weeks following the receipt of this report for a Court application that the remuneration or expenses are excessive.

Appendix A

Statutory information about the Company and the liquidation

FRP

SHB REALISATIONS LIMITED (IN LIQUIDATION)

COMPANY INFORMATION:

Other trading names:	BHS
Date of incorporation:	12 April 1928
Company number:	00229606
Registered office:	2nd Floor, 110 Cannon Street, London EC4N 6EU
Previous registered office:	C/o Duff and Phelps Limited, The Shard, 32 London Bridge Street, London SE1 9SG
Business address:	129-137 Marylebone Road, London NW1 5QD

LIQUIDATION DETAILS:

Liquidators:	Anthony John Wright & Geoffrey Paul Rowley
Address of Liquidators:	FRP Advisory Trading Limited, 2nd Floor, 110 Cannon Street London EC4N 6EU
Contact Details:	Connor.Newwman@frpadvisory.com
Date of appointment of Liquidators:	2 December 2016
Court in which Liquidation proceedings were brought:	N/A
Court reference number:	N/A

FRP

SHB Realisations Limited (formerly BHS Limited) (in Liquidation)
The Liquidators' Progress Report

Appendix C

A schedule of work

FRP

The table below sets out a detailed summary of the work undertaken by the Joint Liquidators during the Period together with an outline of work still to complete. Where work undertaken results in the realisation of funds (from the sale of assets; enhanced recoveries from successful actions taken against third parties), there may be a financial benefit to creditors should there be sufficient funds available to make a distribution to one or more class of creditor. In this case work undertaken will include the scrutiny and agreement of creditor claims.

A proportion of the work undertaken by the Joint Liquidators is required by statute, including ensuring the appointment is valid, notifications of the appointment to third parties, regular reporting on the progress, notifying statutory bodies where required in relation to the conduct of the directors, complying with relevant legislation and regulatory matters. This may not have a direct financial benefit to creditors but is substantially there to protect creditors and other stakeholders and ensuring they are kept informed of developments.

Note	Category	
1	ADMINISTRATION AND PLANNING Work undertaken during the reporting period	ADMINISTRATION AND PLANNING Future work to be undertaken
	<u>Insurance</u> The Joint Liquidators have continued to liaise with their brokers regarding premiums due and the cover in place over properties where the Company still retains an interest.	<u>Insurance</u> The Joint Liquidators will continue to monitor this position as appropriate and cancel public liability cover as and when possible.
	<u>Case Accounting</u> All receipts, payments and journals are processed and posted to the Joint Liquidators' case management system in accordance with SIP 7. Regular reconciliations are undertaken of all bank accounts opened by the Joint Liquidators in the name of the Company.	<u>Case Accounting</u> The Joint Liquidators will continue to process all receipts, payments and journals in accordance with SIP 7 and continue to undertake regular reconciliations of the bank accounts.

Appendix C

A schedule of work

FRP

	<p><u>Case Control, Review, Strategy and General Administration</u></p> <p>In order to aid efficient case management, regular reviews of the working files are undertaken. These reviews ensure progression of case specific matters and also ensure general compliance matters are attended to.</p> <p>Members of the Joint Liquidators' team working on the various work streams meet regularly to ensure that matters are being progressed effectively, to share knowledge and to ensure that there is no unnecessary duplication of work.</p> <p>It is also necessary for the Joint Liquidators to regularly correspond with their legal advisers appointed on the various work streams to discuss progression of the work streams referred to them.</p>	<p><u>Case Control, Review, Strategy and General Administration</u></p> <p>The Joint Liquidators will continue to closely monitor the progress of the liquidation and the various work streams in order that maximum value is achieved for the Company's assets and any claims identified are considered on merit and progressed appropriately for the benefit of creditors.</p> <p>There are also a number of ongoing matters being progressed which, whilst they do not provide a financial benefit to creditors, are essential in order to finalise the Company's affairs.</p>
	<p><u>Liaison with third parties (Parliamentary Select Committee, Insolvency Service, TPR and PPF)</u></p> <p>As the Company's majority creditor, the Joint Liquidators have updated the PPF on an ad-hoc basis as to the progress of the liquidation and the likely outcome for unsecured creditors.</p>	<p><u>Liaison with third parties (Parliamentary Select Committee, Insolvency Service, TPR and PPF)</u></p> <p>The Joint Liquidators will respond to any requests received from TPR, Insolvency Service and the Parliamentary Select Committee, as appropriate.</p> <p>The Joint Liquidators will continue to update the PPF, as the majority creditor, as and when appropriate as to the progress of the liquidation and the likely final outcome for creditors.</p>

Appendix C

A schedule of work

FRP

	<p><u>Ethical Requirements</u></p> <p>Prior to the Joint Liquidator's appointment, a review of ethical issues was undertaken, and no ethical threats were identified. Further ethical reviews are carried out periodically and no threats have been identified in respect of the management of the insolvency appointment over the period of this report.</p>	
2	<p>ASSET REALISATION</p> <p>Work undertaken during the reporting period</p>	<p>ASSET REALISATION</p> <p>Future work to be undertaken</p>
	<p><u>Litigation realisations</u></p> <p>The Joint Liquidators have continued to consider actions to maximise recoveries for the estate.</p> <p><u>International franchise debt</u></p> <p>The Joint Liquidators continue to liaise with their legal advisers and counsel in relation to the outstanding debt totalling approx. £564k. The Trustee appointed to the debtor's estate has been scheduled to file his report on the estate in Court, but the hearing has been adjourned numerous times. The next scheduled hearing is in February 2023.</p> <p><u>Rates and miscellaneous refunds</u></p> <p>As detailed in previous reports, the Company had a claim against a former utility provider for the balance of a security deposit since the Company entered administration in 2016. The utility provider has finally agreed to release the balance held of £632k. In addition, the Joint Liquidators obtained an additional refund from the same provider of £59k.</p>	<p><u>International franchise debt</u></p> <p>The Joint Liquidators will continue to liaise with their legal advisers on the debtor's position and the progress of the insolvency procedure in Bahrain.</p> <p><u>Rates and miscellaneous refunds</u></p> <p>The Joint Liquidators will continue to liaise with their surveyors in relation to the historic property portfolio and possible rents/rates refunds.</p>

Appendix C

A schedule of work

FRP

	<p><u>Intercompany Distributions</u></p> <p>The Company had a claim of £2.6m against DSHB, a connected company which is in liquidation. DSHB recently issued a first and final distribution to unsecured creditors and the Company received £910k.</p> <p><u>Pension trustee VAT</u></p> <p>The funds recovered on behalf of the pension trustees were paid over to them during the period. These funds did not form an asset in the estate.</p>	
3	<p>CREDITORS</p> <p>Work undertaken during the reporting period</p>	<p>CREDITORS</p> <p>Future work to be undertaken</p>
	<p><u>Property/Landlords</u></p> <p>The Joint Liquidators have dealt with the Company's remaining interest in several leases, by either disclaiming its interest or surrendering its interest on a consensual basis. A large number of queries continue to be received and these are dealt with on an ongoing basis.</p> <p><u>Employees and unsecured creditors</u></p> <p>The Joint Liquidators have dealt with queries, including requests for references from employees, on an ongoing basis.</p>	<p><u>Property/Landlords</u></p> <p>The Joint Liquidators will resolve the status of the remaining leases and review and adjudicate any subsequent landlord claims, if applicable.</p> <p><u>Employees and unsecured creditors</u></p> <p>The Joint Liquidators will continue to respond to queries as and when received and declare a second and final dividend at the appropriate time.</p> <p>A second dividend will involve a review of the claims which have been received since the first dividend has been declared (which are numerous) and reviewing any outstanding claims from the first dividend and adjudicating where necessary.</p>

Appendix C

A schedule of work

FRP

		The Joint Liquidators will pay any unclaimed dividends to the Insolvency Service.
4	INVESTIGATIONS Work undertaken during the reporting period	INVESTIGATIONS Future work to be undertaken
	Creditors should note that a brief summary of the various investigation streams has been provided below. Due to the sensitive and largely privileged nature of the below work streams some of the descriptions have been limited	
	<p>The Joint Liquidators have continued to take possession of the books and records of the Company and other relevant information that has enabled the Joint Liquidators to conduct their statutory investigations. As advised in previous correspondence, an extensive and detailed exercise of data and systems discovery with the subsequent collation of a vast amount of data and physical records from a number of Company and third-party sites has been undertaken.</p> <p>Through the use of a document discovery and review platform, the investigations team has been able to conduct a targeted review of the voluminous amounts of data collected to date. Significant resources have been directed towards reviewing the data following the implementation of various searching and document tagging techniques. From this targeted review and with the assistance of the Joint Liquidators' legal representatives, Jones Day, a range of work streams have been identified and progressed during the Period.</p> <p>The Joint Liquidators have maintained communication channels with several third-party agencies, including the Insolvency Service, the PPF and TPR as part of their investigations.</p>	<p>The Joint Liquidators will continue to liaise with various third parties to collect relevant data that is not available from the Company's servers or already in the possession of the Joint Liquidators.</p> <p>The Joint Liquidators will continue to communicate with third-parties, where appropriate.</p>

Appendix C

A schedule of work

FRP

	<p>The Joint Liquidators have extensively considered the existence of claims arising in respect of the Company's trading activities and actions during the period leading up to the date of administration. This work stream is currently ongoing.</p> <p>The Joint Liquidators are investigating the actions of a certain number of the Company's directors after the sale of the BHS Group to Retail Acquisitions Limited on 11 March 2015. This work stream is currently ongoing.</p> <p>The Joint Liquidators have engaged with Stout Risius Ross, LLC to assist with the analysis of the records and the progression of any potential claims.</p> <p><u>IT – Investigations</u></p> <p>The Joint Liquidators' forensic technology team has continued with a highly extensive and detailed exercise of data and system discovery with the subsequent collation of a vast amount of data and physical records from a number of Company and third-party sites. This data has been maintained to a forensic standard as required.</p> <p>The Joint Liquidators' forensic technology team has provided technical expertise when required to assist in the general investigation work streams (detailed above).</p>	<p>The Joint Liquidators are unable to comment further on this work stream at this stage so to not prejudice any potential action available to the Company.</p> <p>The Joint Liquidators have issued legal proceedings in relation the conduct of some of the directors appointed after the sale of the Company to Retail Acquisitions Limited in March 2015. The Joint Liquidators are unable to comment further on this work stream at this stage so to not prejudice any potential action or recoveries available to the Company.</p> <p><u>IT – Investigations</u></p> <p>The forensic technology team will continue to source and maintain Company data to a forensic standard over the course of the liquidation.</p> <p>The forensic technology team will continue to maintain the document discovery and review platform and assist providing targeted search and document tagging techniques.</p> <p>The forensic technology team will continue to maintain the document discovery and review platform consulting with the Joint Liquidators to provide assistance in document review and disclosure where necessary.</p> <p>The forensic technology team will continue to provide technical expertise when required to assist the general investigation streams.</p>
5	STATUTORY COMPLIANCE AND REPORTING Work undertaken during the reporting period	STATUTORY COMPLIANCE AND REPORTING Future work to be undertaken
	<u>Statutory compliance – general, statutory reporting, meetings and appointment formalities</u>	<u>Statutory compliance – general, statutory reporting, meetings and appointment formalities</u>

Appendix C

A schedule of work

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	<p>The Joint Liquidators are required to circulate a detailed schedule of work, which is updated during the liquidation to inform creditors of work undertaken in a relevant period and the work required to complete the various work streams being undertaken.</p> <p>Fee estimates for each year of the liquidation have been prepared which involve members of the Joint Liquidators staff meeting to determine the likely time which will be expended on each work stream which is likely to be progressed in the next reporting period.</p> <p>Liaised with creditors to obtain an uplift in the Joint Liquidators' remuneration.</p> <p><u>Post appointment tax/VAT</u></p> <p>The Joint Liquidators have submitted periodic tax returns in conjunction with EY.</p> <p>Periodic VAT 426 returns have been submitted to HMRC in the Period. The £659k VAT receivable amount was received into the estate bank account throughout the Period.</p>	<p>The Joint Liquidators are required to circulate a progress report to creditors within two months of each anniversary of the liquidation. This report details the work undertaken during the relevant period and details the work still to be undertaken to bring the matter to a conclusion. The report also includes disclosures to creditors in respect of the Joint Liquidators' remuneration and the expenses incurred.</p> <p><u>Post appointment tax/VAT</u></p> <p>The Joint Liquidators will continue to work with EY to submit periodic tax returns.</p> <p>Periodic VAT426 returns in respect of VAT and corporation tax will be submitted to HMRC on an ongoing basis.</p>
6	TRADING Work undertaken to date	TRADING Future work to be undertaken
	No trading work has been undertaken in the Period.	The Joint Liquidators will continue to review any requests for payment as and when received.

Appendix C

A schedule of work

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7	LEGAL AND LITIGATION Work undertaken during the reporting period	LEGAL AND LITIGATION Future work to be undertaken
	Creditors should note that a brief summary of the investigations to date has been provided above but due to the sensitive and largely privileged nature of this work some of the descriptions have been limited	
	Solicitors have been instructed to advise and assist the Joint Liquidators in discharging their duties. Legal advice has been sought concerning the insolvency estate, the discharge of the Joint Liquidators' duties generally and other matters arising as a consequence of the Joint Liquidators' enquiries into the affairs of the Company, specifically in relation to investigations and recovery actions undertaken to date. Counsel has been engaged to provide opinion on certain matters.	<p>The Joint Liquidators will continue to seek legal advice, as appropriate, concerning the insolvency estate, the discharge of the Joint Liquidators' duties generally and other matters arising as a consequence of the Joint Liquidators' enquiries into the affairs of the Company.</p> <p>The Joint Liquidators will consider the merits of any further potential claims and the likely benefit to creditors with the assistance of solicitors and seek opinion from Counsel.</p>

Appendix D

Details of the Liquidators' time costs and disbursements for both the Period and cumulatively

FRP

SHB Realisations Limited (formerly BHS Limited) (in Liquidation)
The Liquidators' Progress Report

	Appointments Team / Partner	Manager / Director	Other Professionals	Junior Professional & Support	Total Hours	Total Cost £	Recovery Rate £/hr
Administration and Planning	6.50	24.10	24.60	6.77	62.97	26,829.86	447.04
ASP - Admin & Planning		2.50		3.50		290.00	580.00
ASP - Case Accounting - General	2.25	4.25		5.17	6.47	4,012.70	620.20
ASP - Case Accounting	2.25	2.15	3.60	2.62	13.62	4,614.00	353.97
ASP - Case Control and Review	5.50	6.15	5.90		12.75	5,664.75	459.98
ASP - Fee and WIP	2.20	5.35	9.80		17.35	7,826.00	451.07
ASP - General Administration		3.42			3.42	1,884.50	554.26
ASP - Travel				3.00	3.00	595.00	198.33
ASP - Insurance	2.30	0.20		2.50		1,353.00	541.20
Asset Realisation	23.86	18.28		33.86	76.00	17,966.89	462.86
RCA - Asset Realisation	1.50	2.10		3.60		1,510.00	419.44
RCA - Client Assets	2.75			3.75		438.00	580.00
RCA - Debt Collection	18.20	0.40		18.42		10,416.50	565.45
RCA - Friends/Lessee's Property			0.60		0.60	212.00	353.33
RCA - Long-term Realisation		3.42	7.10		10.52	4,432.00	422.10
Creditors	6.70	24.20	24.20	81.18	86.18	28,218.76	478.21
CRE - Employees		2.20	2.20		4.20	1,900.00	452.38
CRE - Pensioners - Creditors	0.70	0.50	0.90		2.10	1,091.50	519.76
CRE - Unsecured Creditors		27.65	21.10		48.75	22,818.25	468.07
CRE - TAX/VAT - Pre-appointment		2.75		2.75		1,560.00	567.27
CRE - Legal Creditors		2.20		2.20		1,160.00	580.00
CRE - Landlord		1.30		1.30		649.00	535.00
Investigation	0.40	13.00	63.18	8.60	106.86	41,968.88	418.39
INV - FTech - Consulting		1.00		2.60		1,376.00	491.43
INV - Investigatory Work		9.60	13.60	3.50	26.70	10,727.50	401.78
INV - Legal - Investigations	0.40	4.20	1.50		6.10	3,024.75	512.87
INV - FTech - Project Management		14.45			14.45	6,540.25	452.61
INV - FTech - Data Processing Time			1.00	1.00		328.00	328.00
INV - FTech - Case Admin			1.00	1.00		399.00	399.00
INV - FTech - Data Capture - Ltr			6.00	6.00		2,370.00	395.00
INV - London Continuous Insolvency - Inv		3.20			3.20	1,696.00	530.00
INV - FTech - Data Capture Time			33.00	33.00		11,035.00	395.00
INV - FTech - Data Tracking			6.00	6.00		2,370.00	395.00
Statutory Compliance	8.16	31.46	25.49	66.80	66.80	27,418.76	488.68
STA - Pensioners - Other		1.50		1.50		835.00	556.67
STA - Statutory Compliance - General	1.15	2.00	4.40		7.55	3,492.75	462.62
STA - Tax/VAT - Post appointment	0.65	16.60	5.00		22.25	11,794.75	530.10
STA - Statutory Reporting Meetings	1.35	11.35	12.00		24.70	11,291.25	457.14
Training			1.58		1.58	891.36	646.08
Total Hours	8.46	148.75	143.68	93.77	371.66	142,257.79	487.98

Disbursements for the period
02 December 2021 to 31 December 2022

	Value £
Category 1	62.49
Category 2	17,864.50
Grand Total	17,926.99

Value of charges at the time the cost was incurred

FRP Charge out rates	From				
Grade	1st May 2014	1st May 2017	1st May 2018	1st November 2020	1st May 2022
Appointment taker / Partner	450-495	450-545	495-595	595-695	640-740
Managers / Directors	340-465	340-465	385-495	445-595	480-580
Other Professional	200-295	200-295	225-340	275-395	300-420
Junior Professional & Support	125-175	125-175	150-195	175-245	190-260

SHB Realisations Limited (formerly BHS Limited) (in Liquidation)
The Liquidators' Progress Report

Appendix D

Details of the Liquidators' time costs and disbursements for both the Period and cumulatively

FRP

SHB Realisations Limited (Litigation Costs) (In Liquidation)
Time charged for the period 02 December 2021 to 01 December 2022

	Appointment Takers / Partners	Managers / Directors	Other Professionals	Junior Professional & Support	Total Hours	Total Cost £	Average Hourly Rate £
Administration and Planning	11.45	26.25	1.50		39.20	21,527.00	549.16
A&P - Admin & Planning		11.30	1.50		12.80	6,125.00	478.52
A&P - Strategy and Planning		11.60			11.60	5,777.00	498.02
A&P - Case Accounting - General	0.30				0.30	213.00	710.00
A&P - Case Accounting	0.10	0.25			0.35	197.75	565.00
A&P - Case Control and Review	5.80				5.80	4,031.00	695.00
A&P - Fee and WIP		1.40			1.40	963.00	688.00
A&P - General Administration	5.25	1.70			6.95	4,490.25	646.08
Creditors	1.00				1.00	740.00	740.00
CRE - Unsecured Creditors	1.00				1.00	740.00	740.00
Investigation	191.75	1,708.49	522.60	63.95	2,486.79	1,170,578.75	470.73
INV - FTech - Consulting		23.05	6.40		29.45	14,167.25	481.08
INV - IT - Investigations		11.50	1.00		12.50	6,102.50	488.20
INV - Investigatory Work	3.20	593.70	349.00	2.50	948.40	425,206.00	448.34
INV - Legal - Investigations	129.55	642.85	64.75	61.45	898.60	438,023.75	487.45
INV - FTech - Project Management		384.00	30.40		394.40	186,763.50	473.54
Inv - Ftech - Data Processing Time		9.00	19.20		28.20	11,884.00	421.42
Inv - Ftech - Case Admin	0.40		0.30		0.70	401.00	572.86
INV - FTech - Data Capture - Unit			1.50		1.50	562.50	385.00
INV - London Contentious Insolvency - Inv	58.60	1.50			60.10	36,874.00	613.54
Inv - Ftech - Data Capture Time		2.00	37.50		39.50	15,852.50	401.33
INV - Ftech - Data Tracking			4.10		4.10	1,855.00	452.68
Inv - Ftech - Data Processing Unit		0.70	1.00		1.70	731.50	430.28
Inv - Ftech - Relativity Maintenance		60.10	7.45		67.55	32,317.25	478.42
Total Hours	204.20	1,734.65	524.10	63.95	2,526.90	1,192,837.75	472.05

Disbursements for the period
02 December 2021 to 01 December 2022

	Value £
Category 1	
Legal	38,311.10
Stationery	38,311.10
Storage	1,161.40
Grand Total	1,161.40

Mileage is charged at the HMRC rate prevailing at the time the cost was incurred

FRP Charge out rates	From				
Grade	1/11/2016	1/11/2017	1/11/2018	1/11/2019	1/11/2020
Appointment taker / Partner	450-495	450-545	495-595	595-695	640-740
Managers / Directors	340-405	340-495	395-495	445-595	480-590
Other Professional	200-295	200-295	225-340	275-395	300-420
Junior Professional & Support	125-175	125-175	150-195	175-245	190-280

SHB Realisations Limited (formerly BHS Limited) (in Liquidation)
The Liquidators' Progress Report

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Metric	Phase				
	Oct-Nov 2016	Dec-Nov 2017	Jan-Mar 2018	Apr-June 2018	July-Sep 2018
Accumulated (n=47) Partner	458-465	430-445	456-465	505-495	540-545
Intelligence 7 Dimensions	310-415	340-485	385-465	455-505	485-585
Oral Fluency	295-345	200-245	225-265	275-285	300-315

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Appendix D

Details of the Liquidators' time costs and disbursements for both the Period and cumulatively

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SHB Realisations Limited (formerly BHS Limited) (in Liquidation)

The charges for the period 01 December 2018 to 31 December 2022

	Assessment Times / Person	Managers / Directors	Other Professionals	Junior Professionals & Support	Total Hours	Total Cost £	Average Rate £
Administration and Planning	13.80	36.76	4.79		55.35	27,867.80	609.31
A&P - Admin & Planning		12.10	1.50		13.60	6,414.00	471.62
A&P - Strategy and Planning	1.05	15.20			16.25	7,879.50	484.99
A&P - Case Accounting - General	0.30				0.30	213.00	710.00
A&P - Case Accounting	0.10	0.25	0.10		0.45	225.25	500.56
A&P - Case Control and Review	6.80				6.80	4,076.00	672.84
A&P - Fees and VAT		4.60			4.60	2,086.00	453.31
A&P - General Administration	5.25	3.60	0.10		8.95	6,097.75	681.27
A&P - Mails	0.30				0.30	93.50	311.67
Asset Realisation	133.74	6.39			140.13	73,969.80	600.00
RCA - Asset Realisation	4.60				4.60	2,962.00	643.91
RCA - Legal Asset Realisation	117.14	0.20			117.34	70,477.30	600.62
Costs	6.80	1.39			8.19	4,166.80	509.38
CPE - Unsecured Creditors	4.60				4.60	2,917.00	634.13
CPE - Legal Creditors	1.40				1.40	873.00	623.57
CPE - London		1.20			1.20	636.00	530.00
Investigation	286.66	2,761.36	1,982.20	83.96	4,814.18	2,495,389.80	419.89
INV - PITCH - Consulting		34.75	6.40		41.15	19,096.75	471.42
INV - IT - Investigations		11.50	1.00		12.50	6,102.50	488.20
INV - Investigative Work	3.20	1,311.55	1,436.20	2.50	2,763.45	1,071,919.50	387.89
INV - Legal - Investigations	206.66	764.05	71.35	61.45	1,043.51	536,006.00	486.17
INV - PITCH - Project Management		431.45	33.55		465.00	215,289.00	463.99
INV - PITCH - Data Processing Time		8.00	21.80		29.80	12,869.00	431.82
INV - PITCH - Case Admin	0.40	8.75	3.30		12.45	2,999.75	240.88
INV - Forensic	7.50	23.50	9.00		40.00	14,456.25	361.39
INV - PITCH - Relativity (External)		9.75	2.25		12.00	4,367.50	363.13
INV - PITCH - Data Capture - LITE			1.50		1.50	992.50	396.90
INV - London Contentious Insolvency - Inv	73.90	10.55			84.45	50,306.50	596.72
INV - PITCH - Data Capture Time		3.00	37.50		40.50	15,852.50	421.33
INV - PITCH - Data Tracking			4.60		4.60	1,852.50	402.72
INV - Forensic Relativity (Internal)		8.20	177.80		186.00	50,139.50	269.57
INV - PITCH - Data Processing LITE		0.70	1.50		2.20	929.00	422.27
INV - PITCH - Relativity Maintenance		60.10	7.45		67.55	32,117.25	476.42
Statutory Compliance	14.76	4.00			18.76	9,891.00	480.87
STA - Pensioners Other						1,962.00	340.00
STA - Statutory Compliance - General	10.45				10.45	5,172.75	494.50
STA - Statutory Reporting Meetings	0.30				0.30	148.50	495.00
Training	1.80	1.80			3.60	891.00	247.50
TRN - IT - Training / Site support						891.00	247.50
Total hours	485.18	2,774.65	1,986.90	83.96	6,066.69	2,147,458.60	353.93

Disbursements for the period

01 December 2018 to 31 December 2022

	Value £
Category 1	
Confer	19.60
Land Registry Charges	3.00
Legal	38,311.10
Prints Costs	49.90
Stationery	38,311.10
Storage	1,141.75
Grand Total	75,936.45

Value is charged at the WHATEVER prevailing at the time the work was incurred

FRP Charge Out Rates	1st May 2018	1st May 2019	1st May 2020	1st May 2021	1st May 2022
Grade	450-499	450-549	450-599	550-599	650-749
Supervisors / Partner	340-449	340-449	380-499	440-599	480-590
Managers / Directors	200-299	200-299	230-340	270-399	300-430
Other Professionals	120-179	120-179	150-199	170-249	190-280

SHB Realisations Limited (formerly BHS Limited) (in Liquidation)
The Liquidators' Progress Report

Appendix E

Statement of expenses incurred in the Period and cumulatively

FRP

SHB Realisations Limited (in Liquidation)		
Statement of expenses for the period ended 1 December 2022		
Expenses	Period to 1 December 2022 £	Cumulative period to 1 December 2022 £
Office Holders' remuneration (Time costs)	1,359,929.95	7,065,689.65
Office Holders' disbursements	19,068.39	266,586.78
Trading liabilities	-	7,502,985.35
Legal fees:	-	-
- Jones Day	1,748,675.55	9,769,233.11
- DLA Piper (UK) LLP	-	336,696.20
- Freeths LLP	-	19,114.20
- Ince & Co LLP	-	1,953.00
- Wallace LLP	-	6,500.00
- Hill Dickinson LLP	-	31,742.50
- Dentons UKMEA LLP	-	57,580.50
- Bond Dickinson LLP	12,243.00	75,629.00
- New Media Law LLP	-	13,250.00
- Shepherd & Wedderburn	-	24,399.90
- Arthur Cox	-	2,305.00
- Charles Russell Speechlys	3,331.00	50,595.00
- Hogan Lovells	-	90,100.50
- Elham Ali Hassan	-	24,622.04
- Stephenson Harwood LLP	-	22,860.00
Bank charges	71.00	3,121.97
Stock storage	-	13,232.84
Legal disbursements (inc counsel)	117,246.85	680,661.01
Security	-	86,962.00
Store property costs	-	19,852.02
Accountants' fees	12,750.00	148,250.00
Late filing charges	-	100.00
Return of trust monies	-	1,226,950.00
Agents/valuers fees	-	-
- Waterscan Limited	-	3,380.00
- Business rate surveyor	-	89,251.87
- Stark Software International Limited	-	650.00
- Savills (UK) Ltd - lease advisory	-	54,200.00
- Allsop LLP	-	32,003.32
- Morgan Rossiter	-	24,000.00
- CBRE	-	3,000.00
- Tracing agent	-	8,922.08
- Credit Limits International	-	120.00
- Birkett Green Lees LLP	-	8,209.26
- City Press Services Ltd	-	315.00
Settlement monies	-	2,500.00
Debt collection costs	-	91,169.27
Stationary and postage	-	35,621.87
Merchant service management fees	-	40,000.00
Storage costs	149,921.29	162,069.19
Re-direction of mail	-	1,225.00
Statutory advertising	-	253.80
Adverse costs award	139,708.16	139,708.16
Insurance of assets	-	95,890.31
Professional fees/Duff and Phelps	147,459.70	205,899.45
Joint Liquidators' pension scheme fee	10,000.00	10,000.00
Pension Trustee VAT	931,557.04	931,557.04
Total	4,651,961.93	29,480,918.19

SHB Realisations Limited (formerly BHS Limited) (in Liquidation)
The Liquidators' Progress Report