

2.24B

The Insolvency Act 1986

Administrator's progress report

Name of Company
Sierra Acquisitions Limited

Company number
04235394

In the High Court of Justice (full name of court)

Court case number
11566/2009

(a) Insert full name(s) and address(es) of administrator(s)

We (a)
Neville Barry Kahn, Lee Antony Manning and Philip Stephen Bowers
Deloitte LLP
PO Box 810
66 Shoe Lane
London
EC4A 3WA

administrator(s) of the above company attach a progress report for the period

(b) Insert date

From
(b) 2 March 2010

To
(b) 1 September 2010

Signed

PN
Joint / Administrator(s)

Dated

30 SEPTEMBER 2010

Contact Details

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form

The contact information that you give will be visible to searchers of the

Nichola Burns
Deloitte LLP
PO Box 810
66 Shoe Lane
London
EC4A 3WA

DX Number LDE DX599

Tel 020 7936 3000
DX Exchange

When you have completed and signed this form, please send it to the Registrar of Companies at -
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff

SATURDAY



A09

02/10/2010

326

COMPANIES HOUSE

**KMH REALISATIONS (2009) LIMITED
COURT NO. 11568 OF 2009**

**RUBICON RETAIL LIMITED
COURT NO 11565 OF 2009**

**SSGH REALISATIONS (2009) LIMITED
COURT NO. 11554 OF 2009**

**MOHAVE LIMITED
COURT NO. 11562 OF 2009**

**NOEL ACQUISITIONS LIMITED
COURT NO. 11558 OF 2009**

**RUBICON RETAIL FINANCE LIMITED
COURT NO. 11560 OF 2009**

**SIERRA ACQUISITIONS LIMITED
COURT NO. 11566 OF 2009**

**SIERRA HOLDINGS LIMITED
COURT NO. 11550 OF 2009**

**SONORA HOLDINGS LIMITED
COURT NO 11569 OF 2009**

**(ALL IN ADMINISTRATION)
(TOGETHER "THE COMPANIES")**

**SIX MONTHLY PROGRESS REPORT TO CREDITORS
PURSUANT TO RULE 2 47 OF THE INSOLVENCY RULES 1986**

30 SEPTEMBER 2010

This report has been prepared for the sole purpose of advising the Creditors. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by Creditors for any purpose other than advising them, or by any other person for any purpose whatsoever.

The Administrators act as agents of the Companies without personal liability.

**Neville B Kahn, Lee A Manning and Philip S Bowers
Deloitte LLP
PO Box 810
66 Shoe Lane
London
EC4A 3WA**

CONTENTS	Page
1. INTRODUCTION	3
2. THE JOINT ADMINISTRATORS' PROPOSALS	3
3. JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNTS	4
4. DISTRIBUTIONS TO CREDITORS	5
5. OTHER MATTERS AND INFORMATION TO ASSIST CREDITORS	5
6. JOINT ADMINISTRATORS' FEES AND EXPENSES	6

APPENDICES

- 1. List of Mosaic Group Companies in Administration**
- 2. Statutory and other information**
- 3. Mosaic Group structure chart**
- 4. Joint Administrators' receipts and payments accounts as at 1 September 2010**
- 5. Forms 2.24B**

ABBREVIATIONS

In this report the following abbreviations are used.

"Act" or "Insolvency Act"	Insolvency Act 1986 (as amended)
"Administrators"	Neville Kahn, Lee Manning and Phil Bowers, licensed insolvency practitioners of Deloitte LLP and Joint Administrators of the Companies
"Anoushka G"	AGF Realisations (2009) Limited (formerly Anoushka G Fashions Limited) (In Administration)
"Aurora Transaction"	The sale of the business and assets of AGF Realisations (2009) Limited, WF Realisations (2009) Limited, OS Realisations (2009) Limited, CS Realisations (2009) Limited, KM Realisations (2009) Limited, Mosaic Fashions Limited and Mosaic Fashions Finance Limited (All In Administration) to Aurora Fashions Holdings Limited
"Aurora"	Aurora Fashions Holdings Limited and its subsidiaries
"Companies"	All of the companies that are the subject of this report, comprising KMH Realisations (2009) Limited, Rubicon Retail Limited, SSGH Realisations (2009) Limited, Mohave Limited, Noel Acquisitions Limited, Rubicon Retail Finance Limited, Sierra Acquisitions Limited, Sierra Holdings Limited and Sonora Holdings Limited (All In Administration)
"Deloitte"	Deloitte LLP
"Dissolved Companies"	10 companies in the Mosaic Group where the Administration has been closed and the companies have been dissolved, which comprises WL Realisations (2009) Limited, Rubicon Retail Holdings Limited, BS Realisations (2009) Limited, PTG Realisations (2009) Limited, Rubicon Retail Fashion Limited, TWG Realisations (2009) Limited, SGH Realisations (2009) Limited, RV Realisations (2009) Limited, SGB Realisations (2009) Limited and RS Realisations (2009) Limited.
"DLA"	DLA Piper UK LLP
"Dune"	Dune, trading as Shoe Studio Limited (formerly Virafield Limited)
"Dune Transaction"	The sale of the business and assets of SSG Realisations (2009) Limited to Dune
"Kaupthing" or "Secured Lender"	Kaupthing Bank hf, the secured lender to the Group having fixed and floating charge security over most of the entities, with the notable exception of Anoushka G
"m"	Millions

"Mosaic Group Companies"	All of the companies in Administration, as listed in Appendix 1 to this report
"Prescribed Part"	The amount available for distribution to unsecured creditors pursuant to s176A of the Insolvency Act 1986 and calculated on the net realisations of property subject to a floating charge, up to a maximum prescribed part of £600,000
"Principles"	PR Realisations (2009) Limited (formerly Principles Retail Limited) (In Administration)
"Insolvency Rules"	Insolvency Rules 1986 (as amended)
"SSG"	SSG Realisations (2009) Limited (formerly The Shoe Studio Group Limited) (In Administration)

1. INTRODUCTION

1.1 Introduction

This report has been prepared in accordance with Rule 2.47 of the Insolvency Rules to provide creditors with an update on the progress of the Administrations of the Companies since the Administrators' second six monthly report sent to creditors on 30 March 2010.

Given the information provided to creditors in our previous reports, we have not included detailed background information in respect of the Companies and have focused on the progress of the Administrations.

A schedule of statutory information in respect of the Companies is attached at Appendix 2, as well as a Group structure chart at Appendix 3.

1.2 Details of the appointment of the Administrators

Following an application to the High Court of England and Wales by the Directors of the Mosaic Group Companies, Neville Barry Kahn, Lee Antony Manning and Philip Stephen Bowers were appointed Joint Administrators of 28 of the Mosaic Group Companies on 2 March 2009, by order of the High Court with the power to manage the affairs, business and property of the Companies

For the purposes of Paragraph 100(2) of Schedule B1 of the Act, the Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally

2. THE JOINT ADMINISTRATORS' PROPOSALS

2.1 Introduction

The Administrators have performed their functions in relation to the Companies as set out in paragraph 3(1)(b) of Schedule B1 of the Insolvency Act 1986. The Administrators concluded that the objective of the Administrations of the Mosaic Group Companies, of achieving a better result for the creditors than would be obtained through an immediate liquidation of the Mosaic Group Companies, could be achieved by

- implementing the Aurora Transaction through a pre-packaged sale;
- implementing the sale of the business and assets of SSG to Dune, after trading SSG for a short period; and
- continuing to enable Principles to trade for a period of six months in order to maximise recoveries.

The Administrators' proposals in order to achieve this objective covered the following areas-

- Conduct of business and affairs

- Dealing with claims
- Committee and Remuneration
- Extension and Exit procedures

Further details of the proposals can be found in the "Administrators' Statement of Proposals Report" sent to creditors on 24 April 2009

2.2 Progress on and achievement of the approved proposals

With regard to the proposals of the Companies, in the last six months the Administrators have undertaken the following actions

- Closed the Administrations of a further five companies in the Mosaic Group
- Made a successful application to the High Court to obtain the Administrators' discharge from liability in respect of the Dissolved Companies
- Made a successful application to the High Court to extend the term of the Administrations of the Companies to 1 September 2011. This will provide sufficient time to allow a distribution to be paid to unsecured creditors.
- Continued to deal with the tax position of the Mosaic Group Companies, in respect of both pre and post Administration Corporation Tax, VAT and other applicable taxes.

3. JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNTS

Attached at Appendix 4 are Receipts and Payments accounts for KMH Realisations (2009) Limited (In Administration) and Rubicon Retail Finance Limited (In Administration) covering the period from 2 March 2010 to 1 September 2010

There have been no receipts or payments for any of the other Companies subject to this report

3.1 Estimated Future Asset Realisations

Future realisations are anticipated in each of the Companies in the form of unsecured dividends from other Mosaic Group Companies. These dividends are payable in respect of unsecured intercompany balances throughout the Mosaic Group

3.3 Estimated Outcome for Unsecured Creditors

Once each of the Companies has received the dividends in respect of its unsecured claims for intercompany balances, there will be sufficient assets to enable a distribution to unsecured creditors comprising the Prescribed Part (see section 4 below).

4. DISTRIBUTIONS TO CREDITORS

4.1 Secured creditors

The Mosaic Group's Secured Lender debt at the date of the appointment of the Administrators has been agreed at £389.7m

The Secured Lender has fixed and floating charge debenture security over most of the asset owning entities of the Mosaic Group Companies, with the notable exception of Anoushka G. The security has been independently verified.

To date the Administrators have distributed £216.9m to the Secured Lender from various companies in the Mosaic Group, although no distribution has been made from the Companies subject to this report

4.2 Preferential creditors

There are no known preferential creditors of any of the Companies

4.3 Unsecured creditors

Following an application to the High Court on 27 April 2010, the Administrators obtained permission to agree unsecured creditor claims and pay a distribution to unsecured creditors out of Administration.

The Companies subject to this report should receive dividend payments from other Mosaic Group Companies in January 2011. Once these dividends have been received this will enable the Companies to pay a dividend to unsecured creditors comprising the Prescribed Part. It is anticipated that this distribution will be paid in early Spring 2011.

The Prescribed Part (Section 176A of the Act and the Insolvency Act 1986 (Prescribed Part) Order 2003) applies where there are floating charge realisations, net of costs, to be set aside for unsecured creditors. This equates to 50 per cent. of net property up to £10,000 and 20 per cent. of net property in excess of £10,000, to be subject to a maximum amount of £600,000.

5. OTHER MATTERS AND INFORMATION TO ASSIST CREDITORS

5.1 Extensions to the initial appointment period

Pursuant to the Insolvency Act, all Administrations automatically come to an end after one year unless an extension is granted by the Court or with the consent of the creditors.

The initial period of the Administrators appointment was 12 months to 1 March 2010. A six month extension was initially granted to 1 September 2010 with the consent of the Secured Lender.

A further extension has now been granted by the High Court, which extends the Administration period to 1 September 2011. The extension was sought to ensure a distribution could be paid to unsecured creditors out of Administration and all other matters could be finalised.

5.2 Exit

The Administrators anticipate that they will distribute the Prescribed Part to unsecured creditors in Spring of 2011. After the distribution to unsecured creditors has been paid, and all other matters have been concluded, the Administrators intend to close the Administrations and dissolve the Companies.

5.3 Investigations

We have carried out investigations into the conduct of the Directors and a return was submitted to the Department for Business, Innovation and Skills (formerly the DTI).

5.4 SIP 13 – Transactions with connected parties

The Administrators are not aware of any transactions with connected parties in the period covered by this report or in the two years prior to their appointment.

5.5 EC Regulations

As stated in the Administration Order in respect of the Companies, Council Regulation (EU) No 1346/2000 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

6. JOINT ADMINISTRATORS' FEES AND EXPENSES

The Administrators have not drawn fees or expenses in respect of work carried out on the Administrations of the Companies.

However, should such approval be required in the future it will be obtained from the Secured Lender.

List of Mosaic Companies in Administration

Appendix 1

Company Name	Former Company Name	Court Case Reference
AGF Realisations (2009) Limited	Anoushka G Fashions Limited	11582/2009
PR Realisations (2009) Limited	Principles Retail Limited	11546/2009
SSG Realisations (2009) Limited	The Shoe Studio Group Limited	11570/2009
CS Realisations (2009) Limited	Coast Stores Limited	11563/2009
KM Realisations (2009) Limited	Karen Millen Limited	11548/2009
KMH Realisations (2009) Limited	Karen Millen Holdings Limited	11568/2009
OS Realisations (2009) Limited	Oasis Stores Limited	11559/2009
WF Realisations (2009) Limited	Warehouse Fashion Limited	11561/2009
Mosaic Fashions Limited	-	11552/2009
Mosaic Fashions Finance Limited	-	11549/2009
Sierra Holdings Limited	-	11550/2009
Rubicon Retail Fashion Limited	-	11555/2009
Rubicon Retail Finance Limited	-	11560/2009
Rubicon Retail Holdings Limited	-	11564/2009
Rubicon Retail Limited	-	11565/2009
Noel Acquisitions Limited	-	11558/2009
Mohave Limited	-	11562/2009
Sierra Acquisitions Limited	-	11566/2009
Sonora Holdings Limited	-	11569/2009
TWG Realisations (2009) Limited	The Warehouse Group Limited	11580/2009
WL Realisations (2009) Limited	Warehouse Limited	11581/2009
SSGH Realisations (2009) Limited	The Shoe Studio Group Holdings Limited	11554/2009
SGH Realisations (2009) Limited	Studio Group Holdings Limited	11553/2009
BS Realisations (2009) Limited	Bertie Shoes Limited	11557/2009
RV Realisations (2009) Limited	Roberto Vianni Limited	11579/2009
SGB Realisations (2009) Limited	Studio Group Brands Limited	11583/2009
PTG Realisations (2009) Limited	Pied A Terre Group Limited	11585/2009
RS Realisations (2009) Limited	Rayne Shoes (1994) Limited	11586/2009

Company Name	Rubicon Retail Finance Limited (In Administration)	Mohave Limited (In Administration)	Noel Acquisitions Limited (In Administration)	Sierra Acquisitions Limited (In Administration)	Sierra Holdings Limited (In Administration)
Company Number	04275988	05074656	04871393	04235394	04226585
Date of Incorporation	23 August 2001	16 March 2004	19 August 2003	15 June 2001	1 June 2001
Previous Name	N/A	N/A	N/A	Sierra Acquisitions Plc Honeybronze Public Limited Company	Webelectro Limited
Trading Names	N/A	N/A	N/A	N/A	N/A
Share Capital (Authorised, allotted, called up and fully paid)	1 Ordinary share of £1	64,800,020 Ordinary shares of £1 each	22,209,692 Ordinary shares of £1 each	1,351,256 Ordinary shares of £1 each	1,000,000 Ordinary shares of £1 each
Directors	All Companies - Richard Glanville, Derek John Lovelock, Margaret Eve Lustman, Mike Sheanwood In addition for Mosaic Fashions Limited only -- Jon Asgeir Johannesson, Stewart John Binnie, Gunnar Sigurdsson				
Company Secretary	Jessica Wilks	Jessica Wilks Richard Glanville Heatons Secretaries Ltd	Jessica Wilks Heatons Secretaries Ltd	Jessica Wilks Richard Glanville	Jessica Wilks Richard Glanville
Details of Officers' Holdings	All Companies - none				
Shareholders	Rubicon Retail Holdings Ltd	Sonora Holdings Ltd	Mosaic Fashions Finance Ltd	Sierra Holdings Ltd	Noel Acquisition Ltd
Bankers	All Companies - Barclays Bank PLC and Kaupthing Bank hf				
Auditors	All Companies - KPMG Audit Plc				
Registered Office	All Companies - Hill House, 1 Little New Street, London, EC4A 3TR				
Former Registered Office	All Companies - The Triangle, Stanton Harcourt Industrial Estate, Stanton Harcourt, Witney, Oxfordshire, OX29 5UT				
Trading Address	All Companies - N/A				
Court Ref (High Court, Chancery Division, Companies Court)	11560 of 2009	11562 of 2009	11558 of 2009	11566 of 2009	11550 of 2009
Date of Appointment	All Companies - 2 March 2009				
Person who made the application	All Companies - The appointment was made by the Court on the application of the Directors of the Company pursuant to paragraph 22(2) of Schedule B1 of the Insolvency Act 1986				
Joint appointment provisions pursuant to paragraph 100(2) of Schedule B1 of IA86	All Companies - The Administrators are authorised to carry out pursuant to paragraph 100(2) all functions, duties and powers by any of them, of Schedule B1 of IA86				

Company Name	KMH Realisations (2009) Limited (In Administration)	SSGH Realisations (2009) Limited (In Administration)	Rubicon Retail Limited (In Administration)	Sonora Holdings Limited (In Administration)
Company Number	02992143	03226978	04807687	05075052
Date of Incorporation	18 November 1994	19 July 1996	23 June 2003	16 March 2004
Previous Name	Karen Millen Holdings Ltd Mixworld Ltd	The Shoe Studio Group Holdings Ltd Nine West UK Holdings Ltd	Studio Group Limited Answermagic Limited	N/A
Trading Names	N/A	N/A	N/A	N/A
Share Capital (Authorised, allotted, called up and fully paid)	2,000,000 A Ordinary Shares of 50p each 1,125,758 B Ordinary shares of 50p each 874,242 C Ordinary shares of 50p each	1,353,161 Ordinary shares of £1 each	220,500 A Ordinary shares of £1 each 514,500 Ordinary shares of £1 each	136,983,943 A Ordinary shares of £1 each 64,800,020 Ordinary shares of £1 each
Directors	All Companies - Richard Glanville, Derek John Lovelock, Margaret Eve Lustman, Mike Shearwood In addition for Mosaic Fashions Limited only - Jon Asgeir Johannesson, Stewart John Binnie Gunnar Sigurdsson			
Company Secretary	Jessica Wilks Richard Glanville	Jessica Wilks	Jessica Wilks	Jessica Wilks Richard Glanville Heatons Secretaries Ltd
Details of Officers' Holdings	All Companies - none			
Shareholders	Mohave Ltd	SGH Realisations (2009) Ltd	Mosaic Fashions Finance Ltd	Mosaic Fashions Finance Ltd
Bankers	All Companies - Barclays Bank PLC and Kaupthing Bank hf			
Auditors	All Companies - KPMG Audit Plc			
Registered Office	All Companies - Hill House, 1 Little New Street, London, EC4A 3TR			
Former Registered Office	All Companies - The Triangle, Stanton Harcourt Industrial Estate, Stanton Harcourt, Witney, Oxfordshire, OX29 5UT			
Trading Address	All Companies - N/A			
Court Ref (High Court, Chancery Division, Companies Court)	11568 of 2009	11554 of 2009	11565 of 2009	11569 of 2009
Date of Appointment	All Companies - 2 March 2009			
Person who made the application	All Companies - The appointment was made by the Court on the application of the Directors of the Company pursuant to paragraph 22(2) of Schedule B1 of the Insolvency Act 1986			
Joint appointment provisions pursuant to paragraph 100(2) of Schedule B1 of IA86	All Companies - The Administrators are authorised to carry out pursuant to paragraph 100(2) all functions, duties and powers by any of them, of Schedule B1 of the Insolvency Act 1986 jointly or severally			

Joint Administrators' Receipts and Payments Accounts
From 2 March 2009 to 1 September 2010

	KMH Realisations (2009) Ltd		Rubicon Retail Finance Limited	
	02-Mar-09	From 3 Mar 09 to 1 Sept 10	02-Mar-09	From 3 Mar 09 to 1 Sept 10
	£	£	£	£
Gross Fixed & Floating Charge Asset Realisations				
Shares	1	-	-	-
Fixtures & Fittings	-	-	310,606	-
	<u>1</u>	<u>-</u>	<u>310,606</u>	<u>-</u>
Costs of Realisations				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	-	-	-	-
Distribution to Secured Lender	(1)	-	(310,606)	-
Balances in Hand	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>