

# Joint Administrators' progress report from 9 December 2024 to 8 June 2025

**Eldon Street Holdings Limited**  
(in administration)

High Court of Justice, Chancery Division, Companies Court  
Case no. 11056 of 2008

7 July 2025

# Table of contents

<b>Abbreviations and definitions</b>	<b>3</b>
<b>Section 1: Introduction</b>	<b>4</b>
<b>Section 2: Administrators' actions to date</b>	<b>6</b>
<b>Appendix A: Receipts and payments</b>	<b>9</b>
<b>Appendix B: Expenses</b>	<b>11</b>
<b>Appendix C: Remuneration update</b>	<b>13</b>
<b>Appendix D: Other information</b>	<b>17</b>

This report has been prepared by GE Bruce, DJ Kelly and EJ Macnamara as Joint Administrators of the Company, solely to comply with the Joint Administrators' statutory duty to report to creditors under IR16 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and it is not suitable to be used, to inform any investment decision in relation to the debt of or any financial investment in the Company.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcome for creditors.

Any persons choosing to rely on this report for any purpose or in any context other than under IR16 do so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any liability in respect of this report to any such person.

Please note you should read this report in conjunction with the Joint Administrators' previous reports issued to the Company's creditors, which can be found at: <https://www.pwc.co.uk/esh>

Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

*GE Bruce, DJ Kelly and EJ Macnamara have been appointed as Joint Administrators of the Company to manage its affairs, business and property as its agents and act without personal liability. All are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. The Joint Administrators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>*

*The Joint Administrators may act as controllers of personal data as defined by UK data protection law depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP may act as a 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. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the Joint Administrators.*

*PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP is authorised and regulated by the Financial Conduct Authority for designated investment business.*

# Abbreviations and definitions

The following table shows the abbreviations and insolvency terms that may be used in this report:

Abbreviation or definition	Meaning
<b>Administrators / Joint Administrators</b>	Gillian Eleanor Bruce, David James Kelly and Edward John Macnamara of PricewaterhouseCoopers LLP
<b>Company / ESH</b>	Eldon Street Holdings Limited - in administration
<b>CVL</b>	Creditors' Voluntary Liquidation
<b>Firm / PwC</b>	PricewaterhouseCoopers LLP
<b>Fidenza</b>	Eldon Street (Fidenza) Limited
<b>HMRC</b>	HM Revenue and Customs
<b>IA86</b>	Insolvency Act 1986
<b>IR16</b>	Insolvency (England and Wales) Rules 2016
<b>LBIE</b>	Lehman Brothers International (Europe) - in administration
<b>LBH</b>	Lehman Brothers Holdings plc - in administration
<b>LBHI</b>	Lehman Brothers Holdings Inc
<b>PTG</b>	Lehman Brothers (PTG) Limited - in administration
<b>Reporting Period</b>	9 December 2024 to 8 June 2025
<b>SIP9</b>	Statement of Insolvency Practice 9
<b>Statutory Interest</b>	Interest calculated in accordance with IR16 on the amount of admitted claims in respect of the periods during which such claims were outstanding since the date of commencement of the Administration to the date of full repayment, calculated as the greater of the rate payable in accordance with s.17 of the Judgments Act 1838 (currently 8% simple), and the rate applicable to the debt apart from the Administration

# Section 1: Introduction

## Introduction

This is the thirty-third progress report prepared by the Administrators of the Company.

This report provides an update on the work the Administrators have undertaken, with a particular focus on progress made in the Reporting Period.

Earlier reports can be viewed on the Administrators' website at: <https://www.pwc.co.uk/esh>

## Objective of the Administration

The Administrators are pursuing the objective of achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration), and continue to manage the Administration in accordance with the proposals approved by creditors. The Administrators continue to review the objective of the Administration on a regular basis.

The specific aims of this administration are to:

- protect and control the Company's assets;
- maximise value for the Company's creditors from its real estate interests, intercompany debtors and shareholdings in its subsidiaries; and
- distribute to creditors as and when appropriate.

## Outcome for creditors

Creditors may recall that on 24 June 2013, the High Court granted the Administrators permission to make distributions to the Company's unsecured creditors.

In total, cash distributions of £220,723,371 and US\$4,163,345 have been paid to date, equating to cumulative dividends totalling 50.3390 pence in the pound. This includes the 13th interim distribution of £5.6m which was paid in February 2025.

Additional future distributions are contingent upon the outcome of the issues detailed in Section 2.

## Why we have remained in office

The Administrators remained in office to deal with the following tasks:

- Realise all remaining assets;
- Manage investments in ESH's subsidiaries to maximise returns to creditors;
- Make further distributions to unsecured creditors;
- Ensure compliance with tax and VAT matters;
- Ensure compliance with statutory tasks; and
- Bring the administration to an orderly conclusion.

Further details on progress made against these tasks during the Reporting Period are contained within the body of this report.

## What you need to do

This report is for your information and you don't need to do anything.

## This report and future updates

After a detailed review of the remaining matters and engagement with relevant stakeholders, the Administrators have determined that moving the Company into a Creditors' Voluntary Liquidation ("CVL") is the most appropriate course of action to maximise creditor returns (as referred to later in this report). This transition will facilitate the continued pursuit of outstanding asset realisations (mainly the Company's investment in Fidenza) while offering a more cost-effective framework for managing the remaining affairs of the Company. The reduced ongoing compliance and operational costs associated with liquidation are expected to preserve value for creditors over the remaining duration of the insolvency.

Preparatory steps are underway to facilitate this transition, although the precise timing remains dependent on developments in the Fidenza joint venture and final administrative considerations.

We'll provide an update on this in our next report which will be published ahead of the current administration end date of 30 November 2025.

If you have any questions, please contact the Administrators at [uk\\_lehmanaffiliates@pwc.com](mailto:uk_lehmanaffiliates@pwc.com).

Yours faithfully

For and on behalf of the Company

A handwritten signature in dark ink, appearing to read 'G. Bruce', written in a cursive style.

**Gillian Bruce**  
Joint Administrator

# Section 2: Administrators' actions to date

## Background

Eldon Street Holdings Limited is a subsidiary of Lehman Brothers (PTG) Limited - in administration. The Company was initially formed to hold investments in other real estate companies within the Lehman Brothers group, in addition to holding a small portfolio of equity and debt interests in real estate assets in its own right.

Apart from these real estate interests, the main assets and liabilities of ESH are intercompany debtors and creditors.

Through the course of the administration ESH has received GBP £18,400,538, EUR €4,600,188 and SEK 31,274,323 in distributions from subsidiaries and realised GBP £53,746,487 and USD \$226,749,109 from intercompany debtors. To date ESH has distributed GBP £220,723,371 and USD \$4,163,345 to creditors.

## Progress made in the Reporting Period

### Asset realisations

#### Lehman Brothers Holdings Plc (in administration) ("LBH")

The Company's claim against LBH was resolved in full, with the final distribution of £4,490,573 received on 2 October 2024. This concluded all matters relating to the admitted claim and statutory interest. For a detailed summary of that resolution, please refer to our previous report.

No further action or recoveries are anticipated from LBH, and accordingly, no additional updates will be provided in future reports. Further background information remains available at: <https://www.pwc.co.uk/lbh>

#### Subsidiary investments

Fidenza remains a party to two joint venture arrangements, one of which holds development land in the UK and the other an investment in an Italian destination shopping complex.

To date, Fidenza has realised £4.3m in relation to the development land joint venture and has remitted £1.25m to the Company in this regard and, in turn, will make further distributions to ESH. This recovery is included in the "Intercompany debtors" receipts in our receipts and payments account at Appendix A.

The second joint venture, in the Italian shopping complex, is a more complicated structure and the Administrators continue to discuss the potential outcomes with the directors of Fidenza and LBHI, the Company's ultimate majority stakeholder, to identify a long term solution.

ESH continues to hold funds on behalf of Fidenza, which does not hold a bank account of its own. These funds have been disclosed in the receipts and payments account as 'Funds held on trust'. The Administrators anticipate that a proportion of these funds will become available to the Company in due course but the quantum and timing of the transfer remains uncertain.

### Strategy and Stakeholder Engagement

Throughout the Reporting Period, the Joint Administrators have engaged extensively with various stakeholders, including legal advisors, tax specialists and the directors of Fidenza, to assess the most appropriate path forward for the conclusion of the administration. These discussions have focused primarily on resolving the Company's remaining interests, principally its investment in Fidenza, and determining a viable route for maximising returns to creditors.

As part of an ongoing strategic review, and following engagement with key stakeholders, the Administrators have concluded that transitioning the Company into CVL represents the most suitable mechanism for concluding the remaining aspects of the case. The CVL structure provides a more efficient and cost-conscious platform for continuing asset realisations and managing outstanding matters, thereby supporting the objective of maximising outcomes for creditors.

Steps are currently being taken to prepare for the transition, though the exact timing will depend on the resolution of remaining administrative matters (however we will be required to file our final report and notice of move to CVL prior to the administration's end date of 30 November 2025).

## Distributions

Total cash distributions of £220,723,371 and US\$4,163,345 have been paid to creditors to date, equating to cumulative dividends totalling 50.3390 pence in the pound. This includes £5.6m paid during the Reporting Period as the 13th interim distribution.

## Tax planning and compliance

The corporation tax return for the year ended 8 December 2023 was submitted to HMRC in the prior Reporting Period. During the Reporting Period, work was undertaken to prepare the corporation tax return for the year ended 8 December 2024 which will be submitted in due course.

From 1 December 2023, the Administration no longer meets the requirements under the Senior Accounting Officer legislation. All certifications and notifications up to 30 November 2023 have been made, including obligations regarding the Lehman Brothers group tax strategy.

During the Reporting Period, the Administrators received a corporation tax refund of £1.7 million. This refund related to two payments made in February 2023 and during the Reporting Period, January 2025. This refund included £91k of interest. The refund arose as a result of successfully utilising group tax losses to offset the Company's corporation tax liabilities for the relevant periods.

Additionally, support has been provided to consider the tax treatment of realising the Company's assets as part assisting with the overall strategy to consider the appropriate path towards closure which included discussions with stakeholders and input from foreign tax specialists.

## Statutory and compliance

During the Reporting Period we have:

- Prepared and issued our 32nd progress report (dated 7 January 2025);
- Prepared and submitted quarterly VAT returns; and
- Fulfilled the statutory obligations of the Administrators.

## Investigations and actions

Nothing has come to the Administrators' attention during the Reporting Period to suggest that they need to do any more work in line with their duties under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice No.2.

## Administrators' receipts and payments account

The Administrators set out in Appendix A an account of their receipts and payments in the administration for the six months to 8 June 2025, together with a cumulative total since the beginning of the administration.

The receipts and payments account show overview of cash movements. Key movements include:

- Receipt of £1.7m in relation to corporation tax refunding prior payments together with £91k in interest;
- Receipt of £500k being a distribution from Fidenza;
- Receipt of £296k in interest on investments and bank accounts;
- Receipt of £889k receipt relating to funds that are held on trust on behalf of Fidenza;
- Payment of £5.6m to unsecured creditors being the 13th interim distribution;
- Payment of £715k in corporation tax which was refunded in the period (noted above); and
- Payment of £256k relating to the Administrators' remuneration.

## Administrators' expenses

A statement of the expenses incurred to the date covered by this report and an estimate of future expenses is set out at Appendix B.

## Administrators' fees

An update on the Administrators' remuneration - which covers the Administrators' fees, disbursements and other related matters in this case - is set out at Appendix C.

## Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge fees and expenses within eight weeks of receiving this report as set out in Rule 18.34. This information can also be found in the guide to fees at:

<https://www.icaew.com/-/media/corporate/files/regulations/insolvency/creditors-guides/2021/administration-creditor-fee-guide-1-april-2021.ashx>

Creditors may also wish to refer to the previous creditors' guidance to understand the applicable regulations for appointments prior to 5 April 2010:

<https://www.icaew.com/-/media/corporate/files/regulations/insolvency/creditors-guides/2007/a-creditors-guide-to-administrators-fees-1-apr-2007.ashx>

Creditors can also get copies of these guides free of charge by telephoning Adrienne Rorden on 0113 289 4000 or by emailing [uk\\_lehmanaffiliates@pwc.com](mailto:uk_lehmanaffiliates@pwc.com).



# Appendix A: Receipts and payments

	Note	8 Jun 2025	GBP Movement in Period	8 Dec 2024	8 Jun 2025	USD Movement in Period	8 Dec 2024
<b>Receipts</b>							
Corporation Tax refund		2,301,719	91,408	2,210,311	-	-	-
Contribution to the Pension Club Deal		11,800,000	-	11,800,000	-	-	-
Distributions from subsidiaries	1	18,900,538	500,000	18,400,538	-	-	-
Intercompany debtors		53,246,487	-	53,246,487	226,749,109	-	226,749,109
Bank interest		2,282,612	295,874	1,986,739	16,707	-	16,707
Recovery of intercompany loan		280,000	-	280,000	-	-	-
Sale of tax losses		2,993,822	-	2,993,822	-	-	-
Net tax function costs recharged		414,124	-	414,124	-	-	-
Sale of creditor claims		1,100,000	-	1,100,000	22,619,960	-	22,619,960
Funds held on trust	2	2,149,527	889,129	1,260,397	-	-	-
<b>Total receipts</b>		<b>95,468,829</b>	<b>1,776,411</b>	<b>93,692,419</b>	<b>249,385,776</b>	-	<b>249,385,776</b>
<b>Payments</b>							
Distributions to unsecured creditors		220,723,371	5,600,000	215,123,371	4,163,345	-	4,163,345
Joint Administrators' remuneration	3	5,700,529	256,103	5,444,426	-	-	-
Joint Administrators' Category 1 disbursements		3,024	-	3,024	-	-	-
Joint Administrators' Category 2 disbursements		739	-	739	-	-	-
Legal, professional and consultancy fees		2,337,496	-	2,337,496	-	-	-
Legal Settlement		-	-	-	8,000,000	-	8,000,000
Employee wages and associated costs	4	1,858,149	5,550	1,852,599	-	-	-
Insurance		381,128	-	381,128	-	-	-
Statutory costs		117,524	99	117,425	-	-	-
Contribution to Pension Club Deal		11,800,000	-	11,800,000	-	-	-
Payments on behalf of subsidiaries	5	973,962	-	973,962	-	-	-
Purchase of tax losses		419,905	-	419,905	-	-	-
Corporation tax	6	100	(941,260)	941,360	-	-	-
Other		97,303	1,243	96,060	867	-	867
Irrecoverable VAT	7	1,554,797	89,980	1,464,817	-	-	-
<b>Total payments</b>		<b>245,968,027</b>	<b>5,011,715</b>	<b>240,956,311</b>	<b>12,164,212</b>	-	<b>12,164,212</b>
<b>Intracompany transfers - FX conversion</b>							
Receipt		167,871,572	-	167,871,572	8,000,000	-	8,000,000
Payment		(5,839,348)	-	(5,839,348)	(245,221,564)	-	(245,221,564)
<b>Total receipts less total payments</b>		<b>11,533,027</b>	<b>(3,235,305)</b>	<b>14,768,332</b>	-	-	-
<b>Cash balances</b>							
HSBC	8, 9	11,533,027	11,264,695	268,332	-	-	-
Money market	10	-	(14,500,000)	14,500,000	-	-	-
<b>Total cash</b>		<b>11,533,027</b>	<b>(3,235,305)</b>	<b>14,768,332</b>	-	-	-

Note: Amounts have been rounded to the nearest £1, which may slightly affect castings

## Notes to the receipts and payments account

1. Includes distributions received from subsidiaries either in settlement of creditor balances or by way of a surplus due to the Company in its capacity as shareholder.
2. Funds held on behalf of the Company's subsidiaries.
3. As explained further in Appendix C, the Administrators' fees are based on a time costs basis. The receipts and payments account shows the amount paid in the period and total to date since appointment.
4. Includes a quarterly recharge currently paid to Lehman Brothers International (Europe) for providing tax services, and LB SF Warehouse Limited costs, benefiting creditors through cost savings from the centralisation of services. Total paid in the period for these related company costs was £2,700. There has been £1.8m paid to date.
5. Payments on behalf of subsidiaries include audit fees and professional costs.
6. During the Reporting Period refunds for previously paid potential tax liabilities was received.
7. Due to the nature of the Company's former business, it is not entitled to recover input VAT on its costs.
8. The Company's GBP account is interest bearing. The previously used USD, EUR and SEK accounts have all been closed.
9. Funds have been previously held in different currencies due to the receipts from European investments; they were transferred into the GBP account when appropriate to include in further distributions.
10. During the period the Administrators have moved a significant amount of funds held into a money market investment account resulting in a greater interest return for creditors ahead of the next distribution.

The Administrators continue to manage the estate's funds with a cautious outlook and with regard to appropriate policies (designed by treasury specialists), as amended from time to time whilst attending to other relevant considerations.

11. The receipts and payments account does not show "estimated to realise" values from the directors' statement of affairs as this would not provide a meaningful comparison with actual asset recoveries.
12. A detailed breakdown of the distributions to creditors paid to date is included in the below table.

Distributions to unsecured creditors	GBP	USD
1st dividend of 12.00p in the £, declared on 29 Oct 2013	(55,372,350)	
2nd dividend of 5.98p in the £, declared on 4 Sep 2014	(27,593,888)	
3rd dividend of 6.94p in the £, declared on 11 Mar 2015	(30,880,299)	
4th dividend of 5.6p in the £, declared on 9 Mar 2016	(24,256,382)	
5th dividend of 1.65p in the £, declared on 9 Sept 2016	(4,006,955)	(4,163,345)
6th dividend of 1.25p in the £, declared on 6 Feb 2017	(5,414,371)	
7th dividend of 6.062p in the £, declared on 11 Sep 2017	(26,256,130)	
8th dividend of 5.710p in the £, declared on 20 Mar 2018	(24,732,273)	
9th dividend of 1.530p in the £, declared on 14 Sep 2018	(6,626,482)	
10th dividend of 0.9117p in the £, declared on 23 Feb 2021	(3,948,989)	
11th dividend of 0.4843p in the £, declared on 16 Sep 2021	(2,082,756)	
12th dividend of 0.9189p in the £, declared on 8 Mar 2024	(3,952,496)	
13th dividend of 1.3021p in the £, declared on 18 Feb 2025	(5,600,000)	
<b>Total distributions</b>	<b>(220,723,371)</b>	<b>(4,163,345)</b>

# Appendix B: Expenses

Expenses are amounts properly payable by the Administrators from the estate. They include the Administrators' fees but exclude distributions to creditors.

Expenses also include disbursements which are expenses met by and reimbursed to an office holder in connection with an insolvency appointment. Expenses fall into two categories:

Expense	SIP9 definition
<b>Category 1</b>	Payments to persons providing the service to which the expense relates who are not an associate of the office holder.
<b>Category 2</b>	Payments to the Administrators' firm or their associates, or which have an element of shared costs (for example, photocopying and mileage disbursements, or costs shared between different insolvent estates).

Approval from creditors is not required to draw Category 1 expenses as these have all been provided by third parties, but approval is required to draw Category 2 expenses. The body of creditors who approve the Administrators' fees (in this case the general body of creditors) also have the responsibility for agreeing the policies for payment of Category 2 expenses.

The rate for services provided by the Administrators' own firm (Category 2 expenses) may periodically rise (for example to cover annual inflationary cost increases) over the period of the administration. All other disbursements to be charged at cost.

The following table provides a breakdown of the Category 2 expenses incurred in the Reporting Period, together with details of the Category 1 expenses that have been incurred as disbursements by PwC and will be recharged to the case.

Category	Provided by	Basis of cost	Costs incurred £
1	External provider	Postage	11.00

The expense policy set out above has been approved by the general body of creditors.

## Payments to associates and subcontracted work

Certain centralised services are undertaken on behalf of the Company by employees retained by LBIE and LB SF Warehouse Limited for their prior and ongoing knowledge of the Company's affairs. Included in these services are the provision of certain tax and VAT services.

The benefit to the Company's creditors is through cost savings. This is because the Administrators consider it more efficient that this work is carried out by subcontractors and by the centralisation of services. The costs of such services are recharged to the Company on a time costs basis and are invoiced directly to the estate.

During the Reporting Period £2,700 was paid to LBIE after review to ensure the costs were appropriate.

## Analysis of expenses and Administrators' remuneration

The table below provides details of all the expenses incurred in the administration (stated in GBP). It should be read in conjunction with the receipts and payments account at Appendix A, which shows expenses actually paid during the Reporting Period and the total paid to date.

The table excludes any potential tax liabilities that may need to be paid as an administration expense because amounts becoming due will depend on the position at the end of the tax accounting period.

<b>R&amp;P Category</b>	<b>Incurred in Reporting Period (£000s)</b>	<b>Estimated future (£000s)</b>	<b>Estimated total (£000s)</b>
Joint Administrators' remuneration & expenses	165	180	6,088
Legal, professional and consultancy fees	-	50	2,387
Employee wages and associated costs	6	5	1,863
Insurance	-	-	381
Statutory costs	-	-	118
Other costs	-	-	97
Irrecoverable VAT	33	46	1,814
<b>Total</b>	<b>204</b>	<b>281</b>	<b>12,749</b>

The above future estimate has greatly reduced since our last report to creditors. This is due to the significant change to the Administrators' strategy of transitioning into a CVL. The previous forecasts were not based around this outcome and as such we have only forecasted to the end of the administration. An estimate of costs expected in the liquidation will be provided in due course.

#### **Additional notes to the expenses table**

1. Amounts have been rounded to the nearest £1k, which may slightly affect castings.
2. Estimated future costs are dependent on the outcomes of various outstanding issues noted earlier in this report and therefore are provided as a guide only.

## **Legal and other professional firms**

The Administrators have instructed the following professionals on this case:

<b>Service provided</b>	<b>Name of firm / organisation</b>	<b>Reason selected</b>	<b>Basis of fees</b>
<b>Legal services in relation to the extension of the administration</b>	Linklaters LLP	Specialist knowledge and experience	Time cost basis
<b>Legal advice regarding claims and distributions</b>	Squire Patton Boggs (UK) LLP	Specialist knowledge and experience	Time cost basis

The selection of individual legal firms is determined by the jurisdiction and nature of the advice being sought, and whether conflicts exist.

All professional firms instructed by the Administrators are required to provide a narrative explanation in support of invoices. All invoices are reviewed before being approved for payment. The Administrators are satisfied that the level of legal costs is appropriate.

# Appendix C: Remuneration update

The Administrators' fees were approved by creditors by reference to time properly given by the Administrators and their staff in attending to matters arising in the administration. To 8 June 2025, the Administrators have drawn fees of £5,700,529 in line with the approval given, as shown on the receipts and payments account. During the Reporting Period, the Administrators drew fees of £256,103 on account of their time costs.

The time cost charges incurred in the Reporting Period are £164,990. An analysis of the total hours and cost incurred by grade of staff can be found later in this appendix.

Set out later in this appendix are details of the work undertaken to date and anticipated future work.

## Time charging policy and hourly rates

The Administrators and their team charge time for the work they need to do in the administration. Tasks are delegated to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed, and the Administrators supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by senior staff or the Administrators.

All PwC staff who work on the administration (including the Firm's cashiers, support and secretarial staff) charge time directly to the case and are included in any analysis of time charged. Each grade of staff has an hourly charge out rate which is reviewed from time to time. Work carried out by cashiers, support and secretarial staff is charged for separately and isn't included in the hourly rates charged by partners or other staff members.

Time is charged in six minute units. The minimum time chargeable is three minutes (i.e. 0.05 units). The Administrators do not charge general or overhead costs.

Set out below are the maximum charge-out rates per hour for the grades of PwC staff who worked on the administration during the Reporting Period.

Grade	Restructuring, Insolvency & Forensics (£)	Tax, Legal, Data & Technologists (£)
Partner	1,090	1,425
Consultant	N/A	1,425
Director	1,000	1,345
Senior Manager	800	1,090
Manager	640	795
Senior associate	525	585
Associate and support staff*	330	325

\*inc. Offshore Professionals

Our offshore professional colleagues may be utilised to provide assistance in the insolvency, albeit that the majority of the work will be undertaken by the UK based team. Off-shore professionals may include those with appropriate insolvency experience, an accounting or finance-related qualification and appropriate skills to complete basic insolvency related tasks and provide administrative support to the team including efficient document preparation and data entry, records management, and general data analytics. All work under the supervision of more senior staff.

## Relationships

The Administrators have no business or personal relationships with the parties who approve their fees or who provide services to the administration where the relationship could give rise to a conflict of interest.

Analysis of Administrators' time costs for the Reporting Period

Classification of work	Partner / Director		Consultant <sup>1</sup>		Senior Manager / Manager		Senior Associate		Associate / Support Staff <sup>2</sup>		Total	
	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£	Hours	£
Accounting & Treasury	1.80	1,890	0.00	0	5.45	3,531	16.85	8,846	18.40	6,072	42.50	20,339
Creditors & Distributions	0.70	700	0.00	0	0.95	608	7.40	3,885	0.05	17	9.10	5,210
Statutory & Compliance	8.45	8,498	0.00	0	8.25	5,344	19.45	10,211	11.55	3,812	47.70	27,864
Strategy & Planning	18.95	19,155	0.00	0	13.60	10,368	3.15	1,654	0.45	149	36.15	31,325
Tax & VAT	3.50	4,118	18.10	25,793	61.55	49,403	1.60	840	0.30	99	85.05	80,252
Total for 6 months ended 8 June 2025	33.40	34,360	18.10	25,793	89.80	69,254	48.45	25,436	30.75	10,148	220.50	164,990
Average hourly rate for the 6 month period to 8 June 2025												748
Brought forward total to 8 December 2024												5,743,336
Cumulative total to 8 June 2025												5,908,326

Cumulative total to 8 June 2025, by classification of work	£
Accounting & Treasury	882,861
Creditors & Distributions	329,605
Statutory & Compliance	1,200,335
Strategy & Planning	2,519,155
Tax & VAT	976,370
Total	5,908,326

Notes:

- 1. Includes a retired tax partner who has been retained as a consultant for the purpose of utilising their expertise.
- 2. Includes offshore professionals.
- 3. Costs have been rounded up or down, to the nearest whole pound which may result in rounding differences in the casting of the tables above.

## Work undertaken in the Reporting Period

Included earlier in this section is an analysis of the time spent by the various grades of staff. Whilst this is not an exhaustive list, in the following table more detail is provided on the key areas of work.

Category	Description of tasks
<b>Accounting &amp; Treasury</b>  This is an essential function for the management of funds held by the Administrators on behalf of the Company. The Administrators' treasury and cash management teams monitor and control the movement of funds, mitigate risk and seek to maximise the interest made on investments for the benefit of the Company's creditors.	<ul style="list-style-type: none"> <li>• Provision of information for the purposes of statutory reporting;</li> <li>• Arrangement of receipts and payments of funds and coding of movements;</li> <li>• Due consideration of best strategy for dealing with investments;</li> <li>• Analysis of interest rates available with counterparties resulting in £152k being earned on investments during the Reporting Period;</li> <li>• Active management of investments on the money market, and mitigating risk on such investments;</li> <li>• Monitoring flow of funds into the bank accounts; and</li> <li>• Reconciling bank accounts.</li> </ul>
<b>Creditors &amp; Distributions</b>  This relates to tasks undertaken in relation to creditors, including the calculation and payment of distributions and responding to inbound creditor queries received.	<ul style="list-style-type: none"> <li>• Finalisation and payment of the 13th interim distribution, including issuing a notice of intended dividend and calculation of the potentially distributable cash.</li> </ul>
<b>Statutory &amp; Compliance</b>  This relates to work the Administrators undertake in order to ensure compliance with statutory and regulatory requirements.	<ul style="list-style-type: none"> <li>• Preparing and circulating the Administrators' 32nd progress report to creditors;</li> <li>• Dealing with statutory filings at Companies House and the Court;</li> <li>• Preparing the Administrators' internal six-monthly case reviews in accordance with professional requirements;</li> <li>• Maintaining regulatory controls;</li> <li>• Producing detailed remuneration and future expenses summaries for inclusion in the progress reports and use in distribution calculations;</li> <li>• Managing and updating communications on ESH's dedicated website, maintaining and managing case files, records and the Company's database; and</li> <li>• Dealing with other ad-hoc compliance and statutory issues.</li> </ul>
<b>Strategy &amp; Planning</b>  The inherent complexities of the Company's estate mean that the Administrators and their staff continue to invest a significant proportion of their time in the planning and delivery of their strategy for the progression of the Administration, for the ultimate benefit of creditors as a whole.	<ul style="list-style-type: none"> <li>• Consideration of strategy including planning of future distributions to maximise the outcome for ESH's creditors and updating strategy documents;</li> <li>• Discussion with stakeholders in regard to this strategy;</li> <li>• Ongoing review and maintenance of financial information, including updating the estimated outcome statement;</li> <li>• Ongoing review of the remaining assets in subsidiary companies and managing these in order to achieve closure of the subsidiary estates;</li> <li>• Liaising with the LBH administrators with regard to further distributions and achievement of the Partial Discharge settlement;</li> <li>• Regular case team meetings to manage case progression; and</li> <li>• Liaising with specialist internal teams.</li> </ul>
<b>Tax &amp; VAT</b>  Work reported in this category includes compliance with tax legislation under the Administrators' obligations as proper officers for tax, and planning to ensure the efficient realisation of assets for the benefit of the Company's creditors as a whole.	<ul style="list-style-type: none"> <li>• Reconciliation, preparation and submission of quarterly VAT returns;</li> <li>• Prepared draft corporation tax return for year ended 8 December 2024;</li> <li>• Secured £1.7m corporation tax refund through utilisation of group losses and liaison with HMRC;</li> <li>• Confirmed requirements regarding Senior Accounting Officer obligations and updated group policies;</li> <li>• Advised on tax implications of asset realisation to support strategy towards closure;</li> <li>• Engaged with stakeholders and foreign tax specialists regarding potential tax impacts; and</li> <li>• Preparation for, attendance and follow up to quarterly internal meetings.</li> </ul>



## Future work

Examples of work remaining to be done to achieve the purpose of the Administration are shown below. This is not an exhaustive list.

Category	Forecasted cost (£000s)	Description of tasks
<b>Accounting &amp; Treasury</b>  Ongoing management of funds held by the Administrators is necessary to monitor and control the movement of funds, mitigate risk and seek to maximise the interest earned for the benefit of the Company's creditors.	20	<ul style="list-style-type: none"> <li>Provision of information for the purposes of statutory reporting;</li> <li>Arrangement of receipts and payments of funds and coding of movements;</li> <li>Monitoring flow of funds into the bank accounts;</li> <li>Reconciling and closing bank accounts; and</li> <li>Facilitating payments to the Company's creditors.</li> </ul>
<b>Creditors &amp; Distributions</b>  This work is necessary for the benefit of creditors as it includes the calculation and payment of distributions and responding to inbound creditor queries received.	10	<ul style="list-style-type: none"> <li>Paying further distributions to creditors;</li> <li>Responding to creditors' enquiries; and</li> <li>Updating creditor information.</li> </ul>
<b>Statutory &amp; Compliance, including closure work</b>  The Administrators need to fulfil all duties under the Insolvency Rules and other regulatory requirements.	40	<ul style="list-style-type: none"> <li>Preparing and issuing of a final administration report to creditors;</li> <li>Managing and updating communications on the Company's dedicated website, maintaining and managing case files, records and the Company's database</li> <li>Statutory filings at Companies House and Court; and</li> <li>Preparing for and dealing with transition of the administration of the Company to a CVL.</li> </ul>
<b>Strategy &amp; Planning</b>  Considering the ongoing tasks and requirements then determining the appropriate course of action is necessary for the most efficient and cost effective resolution of the Administration.	40	<ul style="list-style-type: none"> <li>Directing the overall strategy for the Company;</li> <li>Ongoing reviews and maintenance of financial information, including updating the estimated outcome statement;</li> <li>Ongoing reviews of the remaining assets in subsidiary companies and managing these in order to achieve closure of the subsidiary estates; and</li> <li>Oversight of reporting and accounting, including periodic meetings to monitor progress.</li> </ul>
<b>Tax &amp; VAT</b>  Compliance with tax legislation is a part of the Administrators' obligations as well as ensuring efficient realisation of assets.	70	<ul style="list-style-type: none"> <li>Preparation and submission of corporation tax computations and returns;</li> <li>Consideration of impact on the Company of changes to UK tax legislation, including loss restriction and interest deductibility rules, and the potential impact as part of the corporation tax returns; and</li> <li>Compliance with various reporting obligations including tax strategy and corporate criminal offence legislation.</li> </ul>

Whilst an estimate of future time costs is provided in the table above, the Administrators caution that actual future costs will be considerably impacted by the complexity of transitioning the administration to a CVL. The estimate provided assumes that this will result in the administration lasting for at least a further 5 months; however, that timeframe may be amended if impacted on how the above matters are ultimately resolved. Accordingly, the eventual future costs may ultimately be materially different from those provided in the estimate.



# Appendix D: Other information

<b>Court details for the administration:</b>	High Court of Justice, Chancery Division, Companies Court - Court Case 11056 of 2008
<b>Company's registered name:</b>	Eldon Street Holdings Limited
<b>Trading name:</b>	Eldon Street Holdings Limited
<b>Registered number:</b>	04108165
<b>Registered address:</b>	7 More London Riverside, London, SE1 2RT, United Kingdom
<b>Date of the administration appointment:</b>	9 December 2008
<b>Joint Administrators' names, addresses and contact details:</b>	GE Bruce, DJ Kelly and EJ Macnamara of PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT Email: <a href="mailto:uk_lehmanaffiliates@pwc.com">uk_lehmanaffiliates@pwc.com</a>
<b>Changes in Administrator:</b>	<p>On 9 December 2008 Anthony Victor Lomas, Derek Anthony Howell and Dan Yoram Schwarzman were appointed Joint Administrators</p> <p>On 30 November 2009 Steven Anthony Pearson and Michael John Andrew Jervis were appointed as additional Joint Administrators</p> <p>On 22 March 2013 Gillian Eleanor Bruce and Julian Guy Parr replaced Dan Yoram Schwarzman and Michael John Andrew Jervis as Joint Administrators</p> <p>On 26 July 2018 Edward John Macnamara and Russell Downs replaced Anthony Victor Lomas, Steven Anthony Pearson and Julian Guy Parr as Joint Administrators</p> <p>On 30 November 2021 David James Kelly replaced Russell Downs and Derek Anthony Howell as Joint Administrator</p>
<b>Extension(s) to the initial period of appointment:</b>	The High Court of Justice has granted eight extensions to the Administration period, to: 30 November 2010; 30 November 2011; 30 November 2013; 30 November 2015; 30 November 2018; 30 November 2020; 30 November 2022; and 30 November 2025.