

UNITED STATES BANKRUPTCY COURT

For the DISTRICT OF Delaware

In Re. Liquidating Supply, Inc.

Case No. 24-11054

Debtor(s)

§
§
§
§

Lead Case No. 24-11054

Jointly Administered

Monthly Operating Report

Chapter 11

Reporting Period Ended: 08/31/2024

Petition Date: 05/21/2024

Months Pending: 3

Industry Classification: 4 2 3 8

Reporting Method: Accrual Basis

Cash Basis

Debtor's Full-Time Employees (current):

0

Debtor's Full-Time Employees (as of date of order for relief):

0

Supporting Documentation (check all that are attached):

(For jointly administered debtors, any required schedules must be provided on a non-consolidated basis for each debtor)

- Statement of cash receipts and disbursements
Balance sheet containing the summary and detail of the assets, liabilities and equity (net worth) or deficit
Statement of operations (profit or loss statement)
Accounts receivable aging
Postpetition liabilities aging
Statement of capital assets
Schedule of payments to professionals
Schedule of payments to insiders
All bank statements and bank reconciliations for the reporting period
Description of the assets sold or transferred and the terms of the sale or transfer

/s/ Shannon A. Forshay

Signature of Responsible Party

09/23/2024

Date

Shannon A. Forshay

Printed Name of Responsible Party

1313 N. Market St., 6th Floor

Wilmington, DE 19801

Address

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore § 1320.4(a)(2) applies.



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Part 1: Cash Receipts and Disbursements	Current Month	Cumulative
a. Cash balance beginning of month	\$-5,497,953	
b. Total receipts (net of transfers between accounts)	\$11,979,639	\$30,521,261
c. Total disbursements (net of transfers between accounts)	\$1,260,031	\$5,432,664
d. Cash balance end of month (a+b-c)	\$5,221,655	
e. Disbursements made by third party for the benefit of the estate	\$0	\$0
f. Total disbursements for quarterly fee calculation (c+e)	\$1,260,031	\$5,432,664

Part 2: Asset and Liability Status (Not generally applicable to Individual Debtors. See Instructions.)	Current Month
a. Accounts receivable (total net of allowance)	\$0
b. Accounts receivable over 90 days outstanding (net of allowance)	\$0
c. Inventory (Book <input type="radio"/> Market <input type="radio"/> Other <input checked="" type="radio"/> (attach explanation))	\$0
d. Total current assets	\$0
e. Total assets	\$0
f. Postpetition payables (excluding taxes)	\$0
g. Postpetition payables past due (excluding taxes)	\$0
h. Postpetition taxes payable	\$0
i. Postpetition taxes past due	\$0
j. Total postpetition debt (f+h)	\$0
k. Prepetition secured debt	\$0
l. Prepetition priority debt	\$0
m. Prepetition unsecured debt	\$0
n. Total liabilities (debt) (j+k+l+m)	\$0
o. Ending equity/net worth (e-n)	\$0

Part 3: Assets Sold or Transferred	Current Month	Cumulative
a. Total cash sales price for assets sold/transferred outside the ordinary course of business	\$0	\$0
b. Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$0	\$0
c. Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$0	\$0

Part 4: Income Statement (Statement of Operations) (Not generally applicable to Individual Debtors. See Instructions.)	Current Month	Cumulative
a. Gross income/sales (net of returns and allowances)	\$0	
b. Cost of goods sold (inclusive of depreciation, if applicable)	\$0	
c. Gross profit (a-b)	\$0	
d. Selling expenses	\$0	
e. General and administrative expenses	\$0	
f. Other expenses	\$0	
g. Depreciation and/or amortization (not included in 4b)	\$0	
h. Interest	\$0	
i. Taxes (local, state, and federal)	\$0	
j. Reorganization items	\$0	
k. Profit (loss)	\$0	\$0

Part 5: Professional Fees and Expenses

			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
a.	Debtor's professional fees & expenses (bankruptcy) <i>Aggregate Total</i>		\$0	\$0	\$0	\$0
<i>Itemized Breakdown by Firm</i>						
	Firm Name	Role				
i			\$0	\$0	\$0	\$0
ii						
iii						
iv						
v						
vi						
vii						
viii						
ix						
x						
xi						
xii						
xiii						
xiv						
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xciii						
xciv						
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xcvi						
xcvii						
xcviii						
xcix						
c						
ci						

			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative	
b.	Debtor's professional fees & expenses (nonbankruptcy) <i>Aggregate Total</i>		\$0	\$0	\$0	\$0	
	<i>Itemized Breakdown by Firm</i>						
		Firm Name	Role				
	i			\$0	\$0	\$0	\$0
	ii						
	iii						
	iv						
	v						
	vi						
	vii						
	viii						
	ix						
	x						
	xi						
	xii						
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xcviii						

	xcix						
	c						
c.	All professional fees and expenses (debtor & committees)			\$0	\$0	\$0	\$0

Part 6: Postpetition Taxes		Current Month	Cumulative
a.	Postpetition income taxes accrued (local, state, and federal)	\$0	\$0
b.	Postpetition income taxes paid (local, state, and federal)	\$0	\$0
c.	Postpetition employer payroll taxes accrued	\$0	\$0
d.	Postpetition employer payroll taxes paid	\$0	\$0
e.	Postpetition property taxes paid	\$0	\$0
f.	Postpetition other taxes accrued (local, state, and federal)	\$0	\$0
g.	Postpetition other taxes paid (local, state, and federal)	\$0	\$0

Part 7: Questionnaire - During this reporting period:

- a. Were any payments made on prepetition debt? (if yes, see Instructions) Yes No
- b. Were any payments made outside the ordinary course of business without court approval? (if yes, see Instructions) Yes No
- c. Were any payments made to or on behalf of insiders? Yes No
- d. Are you current on postpetition tax return filings? Yes No
- e. Are you current on postpetition estimated tax payments? Yes No
- f. Were all trust fund taxes remitted on a current basis? Yes No
- g. Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions) Yes No
- h. Were all payments made to or on behalf of professionals approved by the court? Yes No N/A
- i. Do you have:
 - Worker's compensation insurance? Yes No
 - If yes, are your premiums current? Yes No N/A (if no, see Instructions)
 - Casualty/property insurance? Yes No
 - If yes, are your premiums current? Yes No N/A (if no, see Instructions)
 - General liability insurance? Yes No
 - If yes, are your premiums current? Yes No N/A (if no, see Instructions)
- j. Has a plan of reorganization been filed with the court? Yes No
- k. Has a disclosure statement been filed with the court? Yes No
- l. Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930? Yes No

Part 8: Individual Chapter 11 Debtors (Only)

- | | |
|--|-----|
| a. Gross income (receipts) from salary and wages | \$0 |
| b. Gross income (receipts) from self-employment | \$0 |
| c. Gross income from all other sources | \$0 |
| d. Total income in the reporting period (a+b+c) | \$0 |
| e. Payroll deductions | \$0 |
| f. Self-employment related expenses | \$0 |
| g. Living expenses | \$0 |
| h. All other expenses | \$0 |
| i. Total expenses in the reporting period (e+f+g+h) | \$0 |
| j. Difference between total income and total expenses (d-i) | \$0 |
| k. List the total amount of all postpetition debts that are past due | \$0 |
- l. Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)? Yes No
- m. If yes, have you made all Domestic Support Obligation payments? Yes No N/A

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http://www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.

/s/ Thomas Studebaker

Signature of Responsible Party

Chief Restructuring Officer

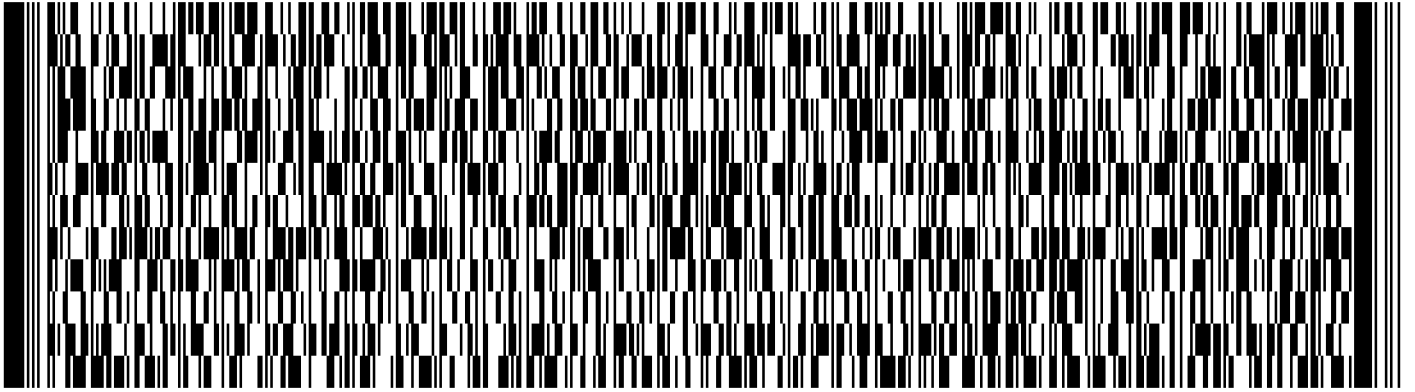
Title

Thomas Studebaker

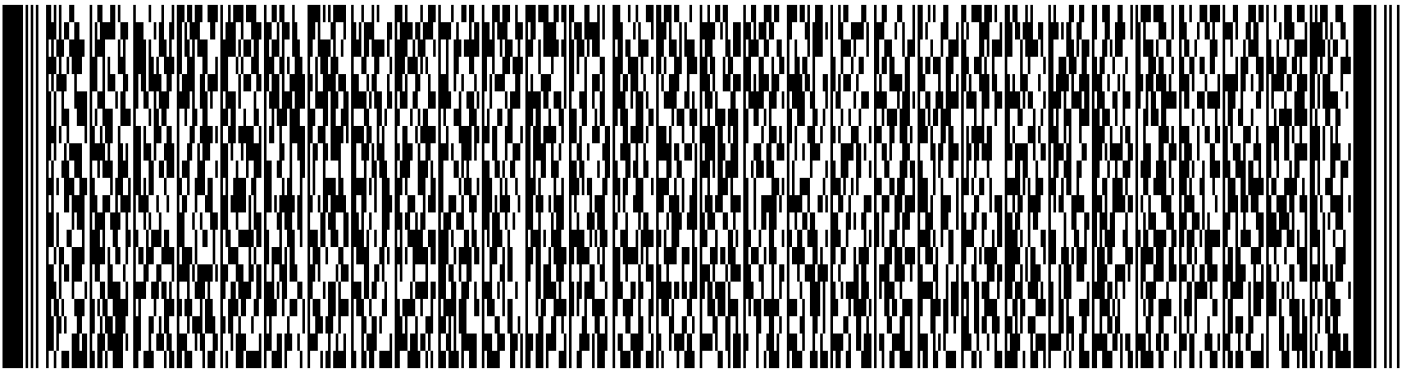
Printed Name of Responsible Party

09/23/2024

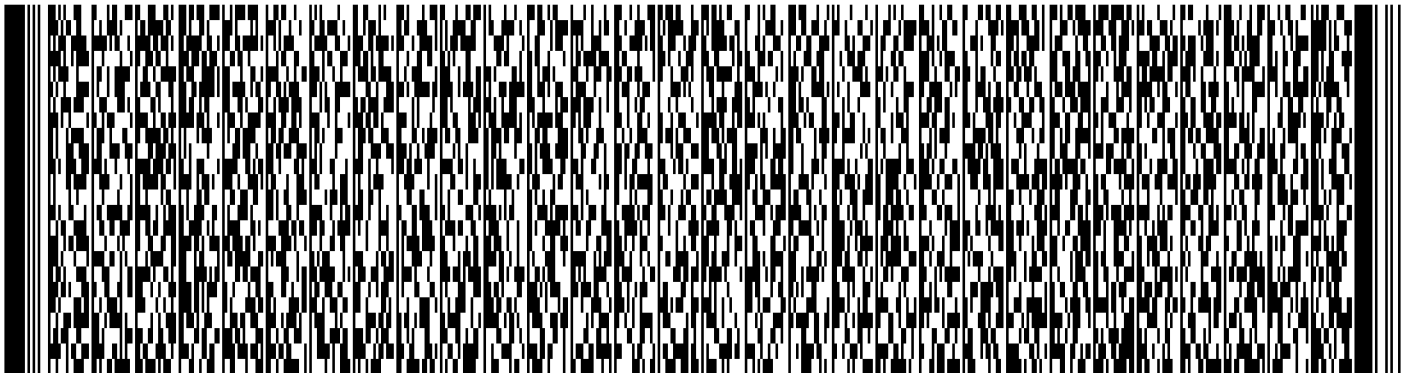
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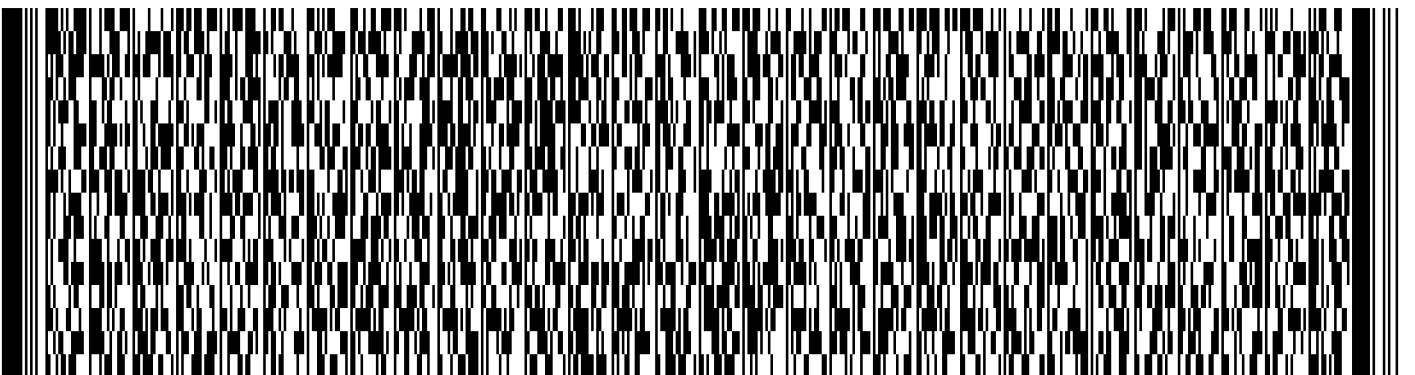
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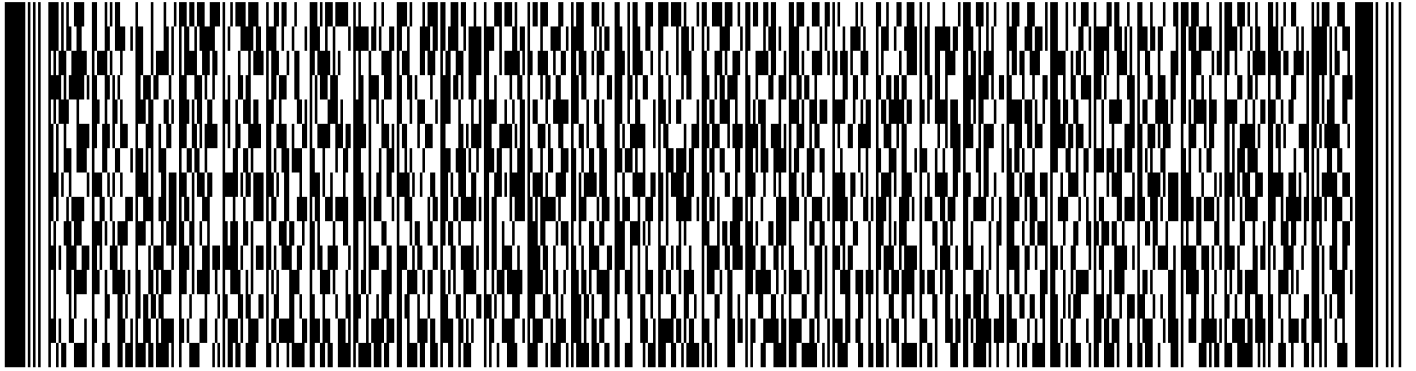
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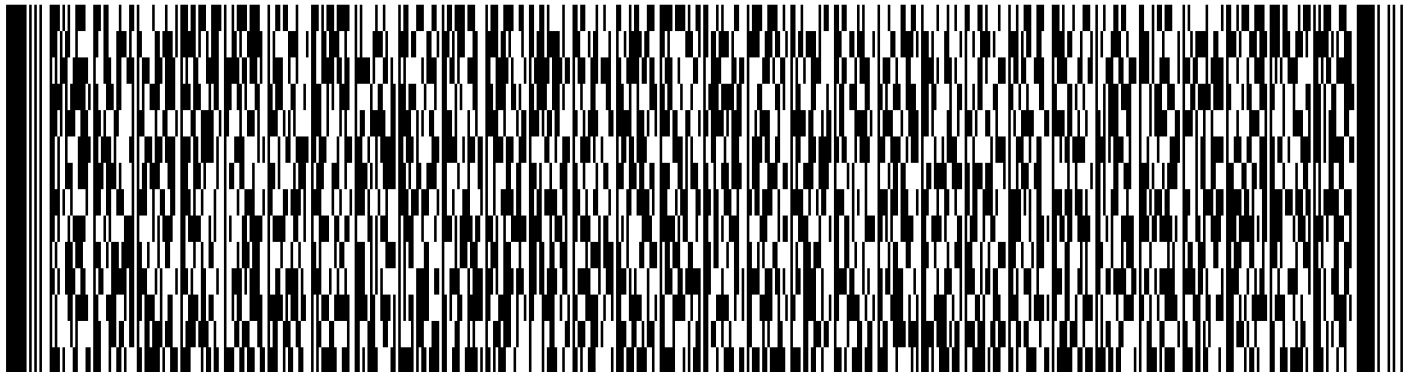
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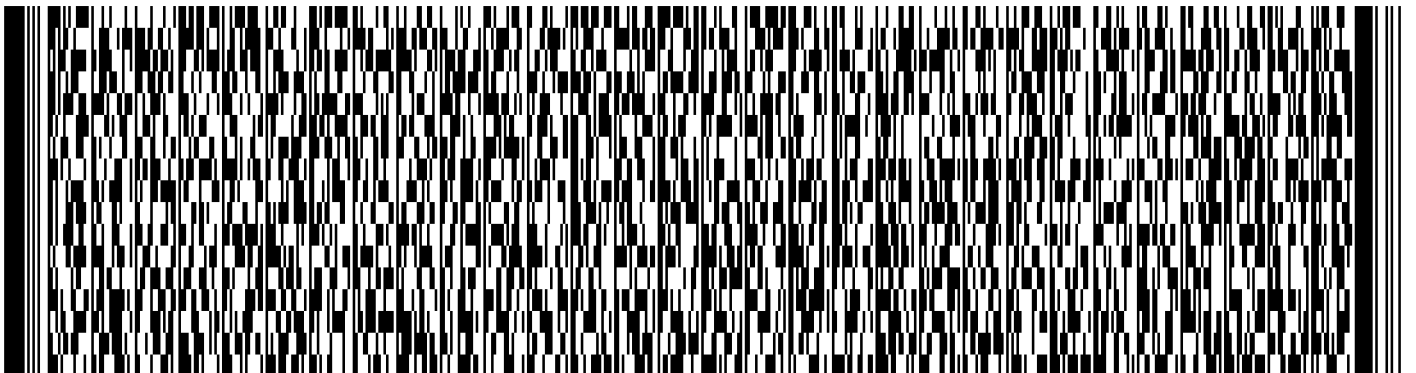
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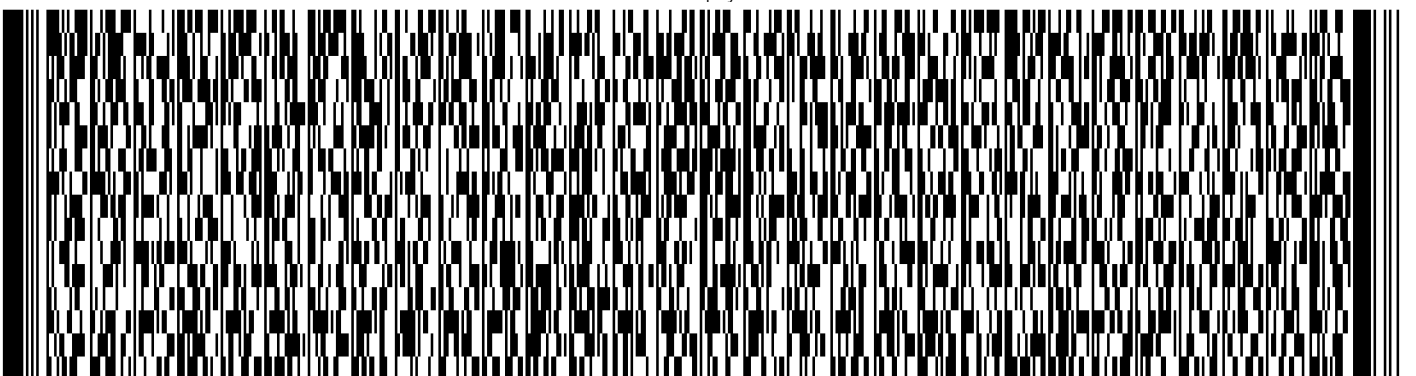
Bankruptcy1to50



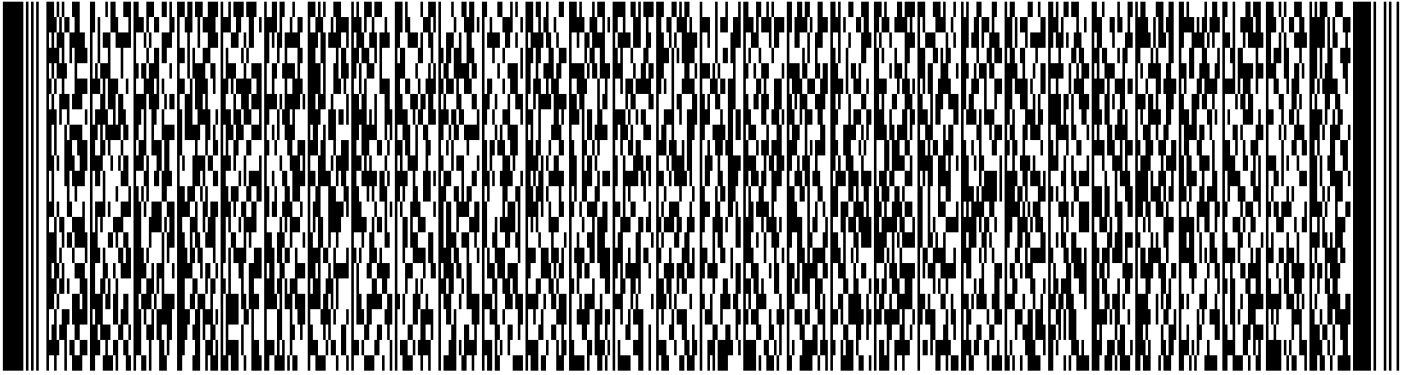
Bankruptcy51to100



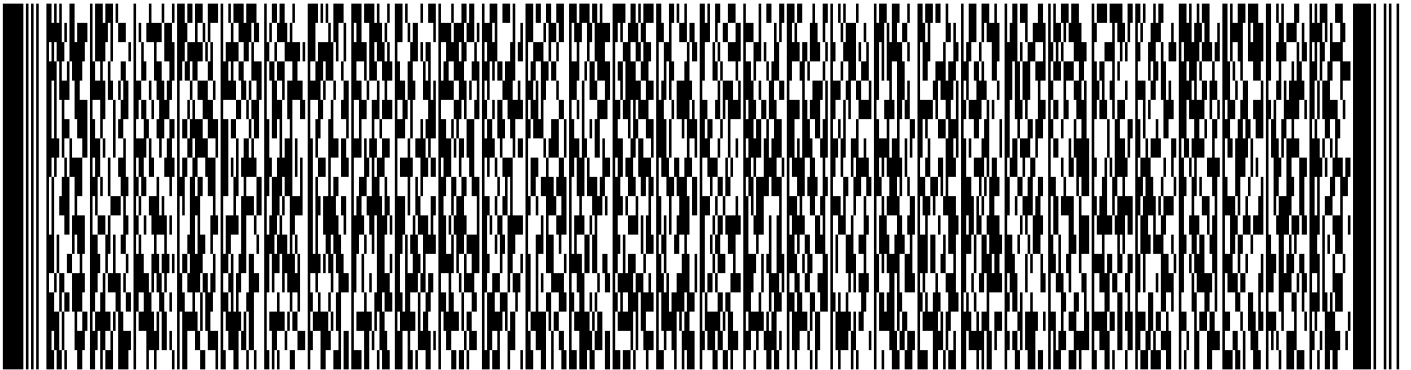
NonBankruptcy1to50



NonBankruptcy51to100



PageThree



PageFour

Supply Source Enterprises, Inc. et al
Statement of Cash Receipts and Disbursements
\$ Actual

Period Ending	SSE Intermediate, Inc.		SSE Buyer, Inc.		Liquidating Supply, Inc.		Liquidating SZ, LLC		Liquidating Impact, LLC		Total
	8/31/2024		8/31/2024		8/31/2024		8/31/2024		8/31/2024		
Total Net Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,705,079	\$ -	\$ 13,565,316	\$ -	\$ 15,270,395
AR Remittance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,716,673	\$ -	\$ 15,716,673
Payroll											
Salaries & Wages	\$ -	\$ -	\$ -	\$ -	1,064,085	\$ -	\$ -	\$ -	26,644	\$ -	\$ 1,090,729
Employee Benefits	-	-	-	-	195,946	-	594	-	85,897	-	282,436
Total Payroll	\$ -	\$ -	\$ -	\$ -	\$ 1,260,031	\$ -	\$ 594	\$ -	\$ 112,540	\$ -	\$ 1,373,165
Trade											
Trade Payables	-	-	-	-	-	-	7,535,517	-	2,500,834	-	\$ 10,036,351
Sales Adj. (Rebates, Refunds, etc.)	-	-	-	-	-	-	-	-	-	-	-
Total Trade	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,535,517	\$ -	\$ 2,500,834	\$ -	\$ 10,036,351
Other Operating Expenses											
Rent	-	-	-	-	-	-	-	-	319,650	-	\$ 319,650
Utilities	-	-	-	-	-	-	3,844	-	4,754	-	8,597
Property Taxes	-	-	-	-	-	-	-	-	851	-	851
Insurance	-	-	-	-	-	-	-	-	-	-	-
Total Commissions	-	-	-	-	-	-	-	-	-	-	-
Delivery (Freight Out)	-	-	-	-	-	-	700	-	1,384,279	-	1,384,979
Storage Expenses	-	-	-	-	-	-	1,327	-	412,966	-	414,293
Data Proc Equip & Supplies	-	-	-	-	-	-	-	-	27,892	-	27,892
Marketing / Sales Misc	-	-	-	-	-	-	-	-	361	-	361
Other Opex	-	-	-	-	-	-	7,125	-	35,837	-	42,962
Total Other Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,996	\$ -	\$ 2,186,590	\$ -	\$ 2,199,586
Total Operating Expenses	\$ -	\$ -	\$ -	\$ -	\$ 1,260,031	\$ -	\$ 7,549,107	\$ -	\$ 4,799,964	\$ -	\$ 13,609,102
Restructuring Costs											
Critical / Foreign Vendors	-	-	-	-	-	-	-	-	-	-	\$ -
503(b)(9)	-	-	-	-	-	-	-	-	-	-	-
Utilities Adequate Assurance	-	-	-	-	-	-	-	-	-	-	-
Filing Fees	-	-	-	-	-	-	-	-	-	-	-
Trustee Fees	-	-	-	-	-	-	-	-	221,813	-	221,813
Cure Cost	-	-	-	-	-	-	-	-	-	-	-
LC Cash Collateralization	-	-	-	-	-	-	-	-	-	-	-
Restructuring Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 221,813	\$ -	\$ 221,813
Professional Fees:											
Debtor Advisors	-	-	-	-	-	-	-	-	-	-	\$ -
Claims and Noticing Agent	-	-	-	-	-	-	-	-	-	-	-
UCC	-	-	-	-	-	-	-	-	476,938	-	476,938
Director Fees	-	-	-	-	-	-	-	-	50,000	-	50,000
Total Professional Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 526,938	\$ -	\$ 526,938
Total Restructuring & Professionals Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 748,750	\$ -	\$ 748,750
Total Cash Disbursements:	\$ -	\$ -	\$ -	\$ -	\$ 1,260,031	\$ -	\$ 7,549,107	\$ -	\$ 21,265,387	\$ -	\$ 30,074,525
Financing	\$ -	\$ -	\$ -	\$ -	\$ 11,979,639	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,979,639
Total Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,705,079	\$ -	\$ 13,565,316	\$ -	\$ 15,270,395
Total Disbursements	-	-	-	-	1,260,031	-	7,549,107	-	21,265,387	-	30,074,525
Financing	-	-	-	-	11,979,639	-	-	-	-	-	11,979,639
Net Cash Flow	\$ -	\$ -	\$ -	\$ -	\$ 10,719,608	\$ -	\$ (5,844,028)	\$ -	\$ (7,700,071)	\$ -	\$ (2,824,492)

Note: Beginning cash included in the filed monthly operating reports accounts for all interbank transactions over the reporting period

Supply Source Enterprises, Inc. et al
Consolidated P&L
For the Period August 1, 2024 to August 31, 2024

	SSE Intermediate, Inc.	SSE Buyer, Inc.	Liquidating Supply, Inc.	Liquidating SZ, LLC	Liquidating Impact, LLC	Consolidated
Net Revenue	\$ -	\$ -	\$ -	\$ -	\$ 16,739,320	\$ 16,739,320
Cost of goods sold	\$ -	\$ -	\$ -	\$ -	\$ 13,452,776	\$ 13,452,776
Gross profit	\$ -	\$ -	\$ -	\$ -	\$ 3,286,543	\$ 3,286,543
Gross margin	- %	- %	- %	- %	20%	20%
Selling, general & administrative						
Selling expenses	-	-	-	-	829,974	829,974
General and administrative expenses	-	-	-	-	297,013	297,013
Other expenses, net	-	-	-	-	290,057	290,057
Depreciation and amortization	-	-	-	-	27,762	27,762
Total Expenses	\$ -	\$ -	\$ -	\$ -	\$ 1,444,807	\$ 1,444,807
Income (Loss) from operations	\$ -	\$ -	\$ -	\$ -	\$ 1,841,737	\$ 1,841,737
Interest expense, net	-	-	-	-	-	-
Income (Loss) before taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,841,737	\$ 1,841,737
Tax expense	-	-	-	-	-	-
Net income (loss)	\$ -	\$ -	\$ -	\$ -	\$ 1,841,737	\$ 1,841,737
Reorganization items	-	-	-	-	1,266,035	1,266,035
Adj. Net income (loss)	\$ -	\$ -	\$ -	\$ -	\$ 575,701	\$ 575,701

Supply Source Enterprises, Inc. et al

Consolidated Balance Sheet

As of August 31, 2024

	SSE Intermediate, Inc.	SSE Buyer, Inc.	Liquidating Supply, Inc.	Liquidating SZ, LLC	Liquidating Impact, LLC	Consolidated
Assets:						
Current Assets:						
Cash and equivalents	\$ -	\$ -	\$ -	\$ -	\$ 6,700,516	\$ 6,700,516
Net Accounts Receivable	-	-	-	-	24,625,255	24,625,255
Merchandise Inventory	-	-	-	-	33,301,093	33,301,093
In-Transit Inventory	-	-	-	-	15,843,777	15,843,777
Inventory Reserve	-	-	-	-	(12,097,181)	(12,097,181)
Prepaid and other current assets	-	-	-	-	2,807,012	2,807,012
Total Current Assets	\$ -	\$ -	\$ -	\$ -	\$ 71,180,472	\$ 71,180,472
Long-Term Assets:						
Net Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ 2,391,043	\$ 2,391,043
Net Intangibles	-	-	-	-	59,523,790	59,523,790
Other non-current assets	-	-	-	-	15,543,693	15,543,693
Total Long-Term Assets	\$ -	\$ -	\$ -	\$ -	\$ 77,458,526	\$ 77,458,526
Total Assets	\$ -	\$ -	\$ -	\$ -	\$ 148,638,998	\$ 148,638,998
Liabilities and stockholder's equity:						
Current Liabilities:						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 29,700,183	\$ 29,700,183
Income Tax Payable	-	-	-	-	(678,767)	(678,767)
Accrued Management Fee	-	-	-	-	4,162,500	4,162,500
Other Current Liabilities	-	-	-	-	6,231,855	6,231,855
Total Current Liabilities	\$ -	\$ -	\$ -	\$ -	\$ 39,415,771	\$ 39,415,771
Long-Term liabilities:						
Long term debt	\$ -	\$ -	\$ -	\$ -	\$ 158,087,129	\$ 158,087,129
Other Long Term liabilities	-	-	-	-	13,868,160	13,868,160
Total Long-Term Liabilities	\$ -	\$ -	\$ -	\$ -	\$ 171,955,289	\$ 171,955,289
Total Shareholders Equity	\$ -	\$ -	\$ -	\$ -	\$ (62,732,062)	\$ (62,732,062)
Total Liabilities and Shareholders Equity	\$ -	\$ -	\$ -	\$ -	\$ 148,638,998	\$ 148,638,998