UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

In re Deb Shops

Case No. 14-12676-KG
Reporting Period: 10/4/15-10/31/15

MONTHLY OPERATING REPORT

File with Court and submit copy to United States Trustee within 20 days after end of month

Submit copy of report to any official committee appointed in the case.

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	MOR-1	X	
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1 (CON'T)	X	
Copies of bank statements			
Cash disbursements journals			
Statement of Operations	MOR-2	X	
Balance Sheet	MOR-3	X	
Status of Postpetition Taxes	MOR-4	X	
Copies of IRS Form 6123 or payment receipt			
Copies of tax returns filed during reporting period			
Summary of Unpaid Postpetition Debts	MOR-4		
Listing of aged accounts payable			
Accounts Receivable Reconciliation and Aging	MOR-5		
Debtor Questionnaire	MOR-5		X

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

Signature of Debtor — Date

4 Response: All employees were terminated as of the end of April 2015; Corporate offices were vacated by April 30, 2105 as well

Signature of Joint Debtor — Date

Timothy D. Boates

Signature of Authorized Individual* — 11/30/2015 Date

Timothy D. Boates — CRO

Printed Name of Authorized Individual — Title of Authorized Individual

*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

FORM MOR
(9/99)

In re __Deb Shops__________________ Debtor

Case No. 14-12676-KG
Reporting Period: 10/4/15-10/31/15

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Amounts reported should be per the debtor's books, not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the four bank account columns. The amounts reported in the "PROJECTED" columns should be taken from the SMALL BUSINESS INITIAL REPORT (FORM IR-1). Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on this page. A bank reconciliation must be attached for each account. [See MOR-1 (CONT)]

	BANK ACCOUNTS				CURRENT MONTH		CUMULATIVE FILING TO DATE	
	OPER.	PAYROLL	TAX	OTHER	ACTUAL	PROJECTED	ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	3,766,750.84	-	-	-	3,766,750.84	(3,553,851.36)	5,821,133.23	5,821,133.23
RECEIPTS								
CASH SALES					-		36,476,795.90	42,082,168.71
ACCOUNTS RECEIVABLE					-		16,858,715.56	16,597,713.62
LOANS AND ADVANCES					-		32,923,294.06	35,516,189.84
SALE OF ASSETS					-	-	4,081,070.87	4,567,200.00
OTHER (ATTACH LIST)	96,708.56				96,708.56		18,744,871.82	21,380,345.90
TRANSFERS (FROM DIP ACCTS)					-		14,531,083.46	-
TOTAL RECEIPTS	96,708.56	-	-	-	96,708.56	-	123,655,831.67	120,143,637.87
DISBURSEMENTS								
NET PAYROLL	-				-	-	11,686,409.49	6,786,583.00
PAYROLL TAXES	-				-		4,359,813.90	2,375,944.00
SALES, USE, & OTHER TAXES	-				-	-	6,154,145.11	2,062,500.00
INVENTORY PURCHASES	-				-	-	9,213,475.14	10,702,511.45
SECURED/ RENTAL/ LEASES	(16.98)				(16.98)		12,884,540.36	10,928,356.00
INSURANCE	-				-	-	598,451.18	-
ADMINISTRATIVE	1,521.99				1,521.99		219,511.44	16,424,547.00
SELLING	-				-		140,409.02	-
OTHER (ATTACH LIST) See Below	-				-		6,048,510.70	10,273,366.00
LOAN PAYMENTS	-				-		60,297,309.82	54,442,741.63
OWNER DRAW *	-				-		-	-
TRANSFERS (TO DIP ACCTS)	-				-	-	7,817,594.30	5,403,700.00
PROFESSIONAL FEES	-				-		6,152,378.36	294,000.00
U.S. TRUSTEE QUARTERLY FEES	-				-		72,461.99	5,293,429.23
COURT COSTS	-				-		-	-
TOTAL DISBURSEMENTS	1,505.31	-	-	-	1,505.31	-	125,615,010.81	124,987,977.31
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	95,203.25	-	-	-	95,203.25	-	(1,959,179.14)	(4,844,339.44)
	0.00							
CASH - END OF MONTH	3,861,954.09	-	-	-	3,861,954.09	(3,553,851.36)	3,861,954.09	976,793.79
* COMPENSATION TO SOLE PROPRIETORS FOR SERVICES RENDERED TO BANKRUPTCY ESTATE								4,530,645.15

THE FOLLOWING SECTION MUST BE COMPLETED

DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN)	OPER.	PAYROLL	TAX	OTHER	CM ACTUAL	CM PROJECTED	CUM. ACTUAL	CUM. PROJECTED
TOTAL DISBURSEMENTS								1,505.31
LESS TRANSFERS TO DEBTOR IN POSSESSION ACCOUNTS								-
PLUS ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)								
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES					-		-	1,505.31 FORM MOR-1
OTHER RECEIPTS					-		-	
Store Expense Reimbursement- JV					-		1,050,000.00	-
Credit Card Deposit					-		13,555,645.84	1,150,000.00
Refund Utilities' Deposits & FR Tax Overpa	-				-		26,234.98	300,000.00
Sales Tax Refund	-				-		(156.40)	-
Credit Card Deposit	-				-		128,614.08	-
LC Cash Collateral	-				-		250,000.00	75,000.00
Utility Adequate Assurance Deposits	-				-		371,978.95	-
Settlements for Preference Claims	-				-		2,734,611.23	-
Insurance Refund	-				-		15,038.09	50,000.00
Leased Car Reimbursement	96,299.50				96,299.50		96,299.50	-
Stub Rent Refund	409.06				409.06		422,817.03	1,425,000.00
Health Insurance Deposit Refund	-				-		2,495.13	150,000.00
	96,708.56				96,708.56		5,539,377.41	3,150,000.00
OTHER								
					-	-	2,460,427.53	684,250.27
Utilities	-				-	-	506,465.28	121,776.22
Repairs and Maintenance	-				-	-	95,185.74	160,068.86
Interest	-				-	-	99,042.01	4,682,470.78
Fees	-				-	-	2,787,109.34	9,399,528.41
Miscellaneous (Bank Fees, Other exps	-				-	-	5,887,324.55	19,896,432.56
	-	-	-	-	-	-	11,835,551.55	35,514,525.10
		-	-	-	-			

	Deb Stores Holding LLC	Deb Stores Holding II LLC	Deb Shops SDP Inc.	Deb Shops SDSH Inc.	Deb Shops SD Inc.	Deb Shops SDS LLC	Deb Shops SDW LLC	Deb Shops SDE Commerce LLC	Deb Shops SDMMC LLC	Grand Total
CASH BEGINNING OF MONTH									3,766,750.84	3,766,750.84
RECEIPTS										-
CASH SALES									-	-
ACCOUNTS RECEIVABLE									-	-
LOANS AND ADVANCES									-	-
SALE OF ASSETS									-	-
OTHER (ATTACH LIST)									96,708.56	96,708.56
TRANSFERS (FROM DIP ACCTS)										-
TOTAL RECEIPTS	-	-	-	-	-	-	-	-	96,708.56	96,708.56
NET PAYROLL									-	-
PAYROLL TAXES									-	-
SALES, USE, & OTHER TAXES									-	-
INVENTORY PURCHASES									-	-
SECURED/ RENTAL/ LEASES									(16.98)	(16.98)
INSURANCE									-	-
ADMINISTRATIVE									1,521.99	1,521.99
SELLING									-	-
OTHER (ATTACH LIST) See Below								$0.00	-	-
LOAN PAYMENTS									-	-
OWNER DRAW *									-	-
TRANSFERS (TO DIP ACCTS)									-	-
PROFESSIONAL FEES									-	-
U.S. TRUSTEE QUARTERLY FEES										-
COURT COSTS									-	-
TOTAL DISBURSEMENTS	-	-	-	-	-	-	-	-	1,505.31	1,505.31
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	-	-	-	-	-	-	-	-	95,203.25	95,203.25
CASH - END OF MONTH	-	-	-	-	-	-	-	-	3,861,954.09	3,861,954.09
* COMPENSATION TO SOLE PROPRIETORS FOR SERVICES RENDERED TO BANKRUPTCY ESTATE	-	-	-	-	-	-	-			
TOTAL DISBURSEMENTS									-	-
LESS TRANSFERS TO DEBTOR IN POSSESSION ACCOUNTS									-	-
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES									-	-
(FORM MOR-1 line)									-	-
OTHER RECEIPTS									-	-
Store Expense Reimbursement- JV									-	-
Credit Card Deposit									-	-
Refund Utilities' Deposits & FR Tax Overpa									-	-
Sales Tax Refund									-	-
Credit Card Deposit									-	-
LC Cash Collateral									-	-
Utility Adequate Assurance Deposits									-	-
Settlements for Preference Claims									-	-
Insurance Refund									-	-
Leased Car Reimbursement									96,299.50	96,299.50
Stub Rent Refund									409.06	409.06
Health Insurance Deposit Refund									-	-
	-	-	-	-	-	-	-	-	96,708.56	96,708.56
OTHER										-
									-	-
Utilities									-	-
Repairs and Maintenance									-	-
Interest									-	-
Fees									-	-
Miscellaneous (Bank Fees, Other exps								-	-	-
	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-

In re ___Deb Shops_____________________
Debtor

Case No. 14-12676-KG
Reporting Period: 10/4/15-10/31/15

BANK RECONCILIATIONS

Continuation Sheet for MOR-1

A bank reconciliation must be included for each bank account. The debtor's bank reconciliation may be substituted for this page

	Operating Various #		Payroll Various #		Tax Various #		Other Various #		Total
CHECKS OUTSTANDING	Ck. #	Amount	Ck. #	Amount	Ck. #	Amount	Ck. #	Amount	
	358	50.55	536221	93.18		(0.33)			
	368	115.20	536483	6.22					
	370	103.58	538182	23.24					
	405	125.76	523190	-					
	423	258.30	523638	343.39					
	455	46.16	523673	136.05					
	457	58.38	523280	91.21					
	540	177.79	525521	88.41					
	634	252.00	524367	83.62					
	647	129.00	524668	82.59					
	653	19.20	525354	82.40					
	654	36.00	523218	79.61					
	658	48.00	523968	68.74					
	660	15.00	525570	67.98					
	662	25.00	524860	66.44					
	665	12.00	525332	63.34					
	794	5,000.00	523888	58.77					
	946	81.60	523575	58.53					
	1007	23.04	523217	56.89					
	1033	29.76	524623	56.44					
	1473	177.79	523468	48.04					
	1475	30.00	523194	47.43					
	1687	107.82	523375	46.15					
	1688	85.32	525198	44.68					
	1710	2,626.50	525254	44.52					
	1725	4,559.85	525636	44.20					
	1895	113.05	524984	42.43					
	1904	115.20	524775	40.13					
	1956	792.00	525561	37.43					
	2316	430.14	523481	34.77					
	2341	110.37	523437	34.59					
	2430	164.93	525169	31.37					
	2459	17.53	523617	31.34					
	2528	1,276.37	525484	28.28					
	2742	141.79	525436	27.59					
	2745	1,261.90	523534	24.90					
	2762	500.00	523459	23.13					
	2902	30.12	525345	22.61					
	2953	3,085.00	524973	21.66					
	3046	3,274.00	523531	21.60					
	3121	118.21	525605	20.42					
	3159	5.50	523663	20.24					
	3191	79.99	523406	20.08					
	3424	167.73	524805	17.19					
	3511	19.82	524252	8.37					
	3545	114.48	523345	7.82					
	3666	5,996.80	523980	5.88					
	3803	167.73	524168	3.69					
	3804	167.73	525318	3.11					
	3848	152.39	524738	3.11					
	3858	370.59	524625	3.00					
	3909	855.89	524116	-					
	3941	407.89	525816	12.31					
	3969	407.89	525822	5.36					
	4051	327.80	526726	26.56					
	4091	384.26	527407	145.94					
	4110	5.62	526096	135.93					
	4125	2.27	527781	135.65					
	4128	7.96	527334	118.08					
	4135	1,777.16	527816	101.93					
	4244	118.21	527734	72.64					
	4272	8.53	526911	67.48					
	4274	25.48	527873	61.45					
	4275	11.23	527236	61.07					
	4276	22.19	526055	55.67					
	4279	6.16	526461	46.85					
	4309	1,325.84	525910	44.46					
	4323	40.32	526546	37.60					
	4333	36.94	527320	36.14					
	4367	2,920.29	527405	34.03					
	4384	1,325.84	527817	32.37					
	4436	128.40	526442	30.69					
	4483	167.14	526152	29.03					
	4510	8.00	526354	28.95					
	4518	50.00	527427	28.94					
	4519	32.14	525850	25.17					
	4552	138.52	526842	21.52					
	4625	165.87	526115	21.24					
	4631	851.72	526835	20.90					
	4632	109.03	525978	17.51					
	4657	3.52	527223	14.65					
	4658	6.66	526788	13.44					
	4671	14.06	526764	11.38					
	4673	141.86	526069	2.53					
	4675	4.43	527994	0.48					
	4690	115.98	527771	0.23					
	4682	338.37	526622	-					
	4687	1.09	528382	260.62					
	4693	5.10	529128	256.63					
			528913	176.51					
			528260	68.13					
Bank of America			529943	67.87					
	0		529820	50.66					
	1004	173.17	528795	47.45					
	1007	99.28	529801	45.20					
	1008	184.34	528136	38.15					
	1294	1,183.43	528083	36.66					
	1309	4,875.00	528678	29.37					
	1310	325.00	528058	28.33					
	1317	325.00	529754	26.12					
	1311	325.00	528394	26.06					
	1312	325.00	529900	23.95					
	1313	325.00	528942	12.81					
	1314	325.00	528910	7.64					
	1315	325.00	528768	-					
	1316	325.00	530570	430.08					
			530693	82.72					
			530484	64.70					
			530348	58.27					
			531383	55.22					
			531839	54.39					
			531981	51.85					
			531164	32.92					
			531375	32.55					
			531630	31.79					
			531598	25.60					

Deb Stores Holding LLC	Deb Stores Holding II LLC	Deb Shops SDP Inc.	Deb Shops SDIH Inc.	Deb Shops SD Inc.	Deb Shops SDE LLC	Deb Shops SDW LLC	Deb Shops SDE-Commerce	Deb Shops SDFMC LLC	Grand Total

In re ___Deb Shops_______________
Debtor

Case No. 14-12676-KG
Reporting Period: 10/4/15-10/31/15

BANK RECONCILIATIONS

Continuation Sheet for MOR-1

A bank reconciliation must be included for each bank account. The debtor's bank reconciliation may be substituted for this page

#	Operating Various	#	Payroll Various	#	Tax Various	#	Other Various	Total	Deb Stores Holding LLC	Deb Stores Holding II LLC	Deb Shops SDP Inc.	Deb Shops SDIH Inc.	Deb Shops SD Inc.	Deb Shops SDE LLC	Deb Shops SDW LLC	Deb Shops SDE-Commerce	Deb Shops SDFMC LLC	Grand Total
		530485	23.37															
		531713	20.20															
		531007	9.72															
		530883	3.33															
		531300	1.35															
		531294	1.29															
		530456	0.85															
		531472	0.76															
		530776	0.68															
		531297	0.55															
	54,192.14	530520	0.49															
		532020	-															
		530839	-															
		533185	98.31															
		532199	79.30															
		533021	62.92															
		532727	61.18															
		533255	59.13															
		533257	59.01															
		532068	40.73															
		533608	38.16															
		533620	36.94															
		532452	35.09															
		532340	33.03															
		532079	30.94															
		532960	29.70															
		532201	28.14															
		532954	28.00															
		532571	27.28															
		533648	27.11															
		533459	25.55															
		533256	24.79															
		533207	24.76															
		532832	22.65															
		533751	22.24															
		533671	20.98															
		532949	20.75															
		532464	3.04															
		533841	0.12															
		533938	45.00															
		533936	45.00															
		533931	45.00															
		533925	45.00															
		533914	45.00															
		533877	45.00															
		533904	2.00															
		534721	135.89															
		534082	85.27															
		535498	72.74															
		534952	39.39															
		534406	39.11															
		534366	37.51															
		535628	35.85															
		535614	33.49															
		534974	32.10															
		534040	31.59															
		534765	31.54															
		535254	30.03															
		535626	29.35															
		535452	25.63															
		534995	8.23															
		535197	3.27															
		535432	2.68															
		534273	-															
		535991	228.62															
		537127	163.04															
		536990	126.68															
		535716	92.03															
		537123	80.45															
		536644	70.85															
		536642	49.17															
		536980	40.76															
		536842	35.18															
		535858	29.29															
		536378	26.26															
		536408	25.89															
		536469	17.15															
		535913	11.82															
		536693	5.02															
		537683	1.35															
		536838	-															
		537296	32.51															
		537306	338.91															
		538150	197.40															
		538149	283.12															
		537416	354.07															
		538069	234.82															
		538864	96.31															
		537636	88.30															
		538526	85.21															
		538117	81.56															
		538948	76.29															
		537519	71.09															
		537734	69.93															
		538796	64.05															
		537454	60.55															
		538214	44.41															
		538312	42.39															
		537370	41.26															
		537698	40.88															
		537907	35.58															
		538270	35.15															
		537443	32.91															
		537640	32.54															
		538236	25.95															
		538185	21.78															
		538741	20.70															
		537335	20.65															
		537778	14.49															
		538980	5.42															
		537512	5.39															
		538575	0.95															
		538528	0.56															
		538621	-															
		539391	8.49															
		539609	12.37															
		539176	18.79															

In re ___Deb Shops______________________
Debtor

Case No. 14-12676-KG
Reporting Period: 10/4/15-10/31/15

BANK RECONCILIATIONS

Continuation Sheet for MOR-1

A bank reconciliation must be included for each bank account. The debtor's bank reconciliation may be substituted for this page

#	Operating Various	#	Payroll Various	#	Tax Various	#	Other Various	Total
		539893	31.32					
		539681	31.47					
		539089	33.92					
		539928	35.32					
		539670	44.33					
		539863	118.16					
		539927	202.78					
		540169	729.58					
		540156	1,347.18					
		540160	851.72					
		539372	737.29					
		539380	649.91					
		539463	443.25					
		539173	349.47					
		539540	331.34					
		539374	291.57					
		539733	286.13					
		540164	235.71					
		539230	184.34					
		540314	164.87					
		539719	164.77					
		539267	152.82					
		540402	142.69					
		540375	131.51					
		540068	129.18					
		539384	118.27					
		539012	109.03					
		540273	106.48					
		539462	102.07					
		539231	98.88					
		540120	93.90					
		540001	88.79					
		540117	84.63					
		539262	75.93					
		539257	61.54					
		539258	47.20					
		539577	45.61					
		539159	44.14					
		539354	33.34					
		539691	27.20					
		539497	26.12					
		539149	23.00					
		539096	22.70					
		539892	15.70					
		539654	9.39					
		539551	8.79					
		540283	7.39					
		539656	7.23					
		539904	6.57					
		540286	6.10					
		539550	4.36					
		540315	4.17					
		539359	3.42					
		539549	3.33					
		539939	2.43					
		540430	170.29					
		540431	166.55					
		540428	29.67					
		540448	22.54					
		540455	76.68					
		540459	67.72					
		540464	15.43					
		540463	14.99					
		540456	9.89					
		540447	4.29					
		540485	8.14					
		540737	14 84					
		540682	21.94					
		540550	25.08					
		540773	29.56					
		540753	37.31					
		540513	39.81					
		540692	43.92					
		540654	45.51					
		540657	56.24					
		540566	70.46					
		539655	73.97					
		540730	94.89					
		540582	102.41					
		540676	112.00					
		540625	114.41					
		540609	114.42					
		540693	127.92					
		540631	137.58					
		540596	181.76					
		540735	183.02					
		540505	230.05					
		540797	161.39					
		540707	101.51					
		540780	67.35					
		540793	50.42					
		540549	34.39					
		540724	33.29					
		540775	33 26					
		540701	30.23					
		540622	29.18					
		540782	28.02					
		540781	27.60					
		540623	27.45					
		540500	24.13					
		540637	21.30					
		540540	13.62					
		540733	11.08					
		540795	5.91					
		540669	3.38					
			23,836.38					

Deb Stores Holding LLC	Deb Stores Holding II LLC	Deb Shops SDP Inc.	Deb Shops SDIH Inc.	Deb Shops SD Inc.	Deb Shops SDE LLC	Deb Shops SDW LLC	Deb Shops SDE-Commerce	Deb Shops SDFMC LLC	Grand Total

In re ___Deb Shops________________________
Debtor

Case No. 14-12676-KG
Reporting Period.: 10/4/15-10/31/15

STATEMENT OF OPERATIONS
(Income Statement)

The Statement of Operations is to be prepared on an accrual basis. The accrual basis of accounting recognizes revenue when it is realized and expenses when they are incurred, regardless of when cash is actually received or paid.

	Cumulative											
REVENUES	Month	Filing to Date	Deb Stores Holding LLC	Deb Stores Holding II LLC	Deb Shops SDP Inc.	Deb Shops SDIH Inc.	Deb Shops SD Inc.	Deb Shops SDE LLC	Deb Shops SDW LLC	Deb Shops SDE-Commerce LLC	Deb Shops SDFMC LLC	Grand Total
Gross Revenues	-	58,629,042.56										-
Less: Returns and Allowances		(1,857,753.10)										-
Net Revenue	-	56,771,289.46	-	-	-	-	-	-	-	-	-	-
COST OF GOODS SOLD												0
Beginning Inventory	0.29	41,653,118.57	-	-	-	-	-				0.29	0.29
Add: Purchases	-	11,129,104.54	-	-	-	-	-					-
Add: Cost of Labor												0
Add: Other Costs (attach schedule)												0
Less: Ending Inventory	-	-	-	-	-	-	-				0.29	0.29
Cost of Goods Sold	-	52,782,223.11	-	-	-	-	-					-
Gross Profit	-	3,989,066.35	-	-	-	-	-					-
OPERATING EXPENSES												0
Advertising	-	521,093.23	-	-	-	-	-				-	-
Auto and Truck Expense	(96,299.50)	46,667.61	-	-	-	-	-				(96,299.50)	(96,299.50)
Bad Debts	-	0									-	0
Contributions	-	0									-	0
Employee Benefits Programs	-	2,507,303.63	-	-	-	-	-				-	-
Insider Compensation*	-	(86,776.50)	-	-	-	-	-				-	-
Insurance	-	575,607.60	-	-	-	-	-				-	-
Management Fees/Bonuses	-	0									-	0
Office Expense	674.15	133,239.12	-	-	-	-	-				674.15	674.15
Pension & Profit-Sharing Plans	-	0									-	0
Repairs and Maintenance	-	138,021.14	-	-	-	-	-				-	-
Rent and Lease Expense	(332.15)	2,228,633.24	-	-	-	-	-				(332.15)	(332.15)
Salaries/Commissions/Fees	-	11,387,326.04	-	-	-	-	-				-	-
Supplies	-	491,076.15	-	-	-	-	-				-	-
Taxes - Payroll	-	957,196.93	-	-	-	-	-				-	-
Taxes - Real Estate	-	421,174.27	-	-	-	-	-				-	-
Taxes - Other	7,475.00	264,506.63	-	-	-	-	-				7,475.00	7,475.00
Travel and Entertainment	-	72,109.98	-	-	-	-	-				-	-
Utilities	(5,107.20)	1,009,715.03	-	-	-	-	-				(5,107.20)	(5,107.20)
Other (attach schedule)	(549.36)	11,269,859.87	-	-	-	-	-				(549.36)	(549.36)
Total Operating Expenses Before Depreciation	(94,139.06)	31,936,753.97	-	-	-	-	-	-	-	-	(94,139.06)	(94,139.06)
Depreciation/Depletion/Amortization	-	527,555.44	-	-	-	-	-	-	-	-	-	-
Net Profit (Loss) Before Other Income & Expenses	94,139.06	(28,475,243.06)	-	-	-	-	-	-	-	-	94,139.06	94,139.06
OTHER INCOME AND EXPENSES												0
Other Income (attach schedule)	-	17,065,557.75									-	-
Interest Expense	2,373,961.98	9,009,381.69	-	-	-	-	-	-	-	-	2,373,961.98	2,373,961.98
Other Expense (attach schedule)		0										-
Net Profit (Loss) Before Reorganization Items	(2,279,822.92)	(20,419,067.00)	-	-	-	-	-	-	-	-	(2,279,822.92)	(2,279,822.92)
REORGANIZATION ITEMS												0
Professional Fees	48,496.83	6,723,268.13	-	-	-	-	-	-	-		48,496.83	48,496.83
U. S. Trustee Quarterly Fees	-	56,325.00										-
Interest Earned on Accumulated Cash from Chapter 11 (see continuation sheet)	-	-										0
Gain (Loss) from Sale of Equipment	-	(18,003,576.43)	-	-	-	-	-			-	-	-
Other Reorganization Expenses (attach schedule)	-											0
Total Reorganization Expenses												0
Income Taxes												0
Net Profit (Loss)	(2,328,319.75)	(45,202,236.56)	-	-	-	-	-	-	-	-	(2,328,319.75)	(2,328,319.75)

*"Insider" is defined in 11 U.S.C. Section 101(31).

In re __Deb Shops________________
Debtor

Case No. 14-12676-KG
Reporting Period: 10/4/15-10/31/15

STATEMENT OF OPERATIONS - continuation sheet

BREAKDOWN OF "OTHER" CATEGORY	Month	Sep to Date	Cumulative Filing to Date	Deb Stores Holding LLC	Deb Stores Holding II LLC	Deb Shops SDP Inc.	Deb Shops SDIH Inc.	Deb Shops SD Inc.	Deb Shops SDE LLC	Deb Shops SDW LLC	Deb Shops SDE-Commerce LLC	Deb Shops SDFMC LLC	Grand Total
Other Costs													
Other Operational Expenses													
Bank and Credit Card Charges	(29.95)	1,518,823.39	1,518,793.44									(29.95)	(29.95)
Temporary Labor	-	119,559.98	119,559.98									-	-
Store Expense	-	716,881.07	716,881.07									-	-
Postage	43.75	194,695.19	194,738.94									43.75	43.75
Non-Bankruptcy Consulting	-	(86,849.91)	(86,849.91)									-	-
Stationary and Printing	-	13,734.20	13,734.20									-	-
Stolen Funds	(563.16)	63,743.49	63,180.33									(563.16)	(563.16)
Letter of Credit and Debt Issuance Costs	-	492,289.60	492,289.60									-	-
Goodwill Impairment	-	4,409,000.00	4,409,000.00									-	-
Telephone	-	197,144.50	197,144.50									-	-
Total	(549.36)	7,639,021.51	7,638,472.15	-	-	-	-	-	-	-	-	(549.36)	(549.36)
Other Income													
IP Sale	-	4,409,000.00	4,409,000.00									-	-
Furniture, Fixtures, Equipment Sales	-	1,215,449.68	1,215,449.68									-	-
Preference claims collections	462,191.44	2,820,881.51	3,283,072.95									462,191.44	462,191.44
Agency Funding Payroll/ Store Occupancy/Other Str Exps	-	-	-									-	-
other miscellaneous Exps	(462,191.44)	5,456,965.71	4,994,774.27									(462,191.44)	(462,191.44)
	-	13,902,296.90	13,902,296.90									-	-
Other Expenses													
Other Reorganization Expenses													

Reorganization Items - Interest Earned on Accumulated Cash from Chapter 11:
Interest earned on cash accumulated during the chapter 11 case, which would not have been earned but for the bankruptcy proceeding, should be reported as a reorganization item.

In re Deb Shops
Debtor

Case No. 14-12676-KG
Reporting Period 10/4/15-10/31/15

BALANCE SHEET

The Balance Sheet is to be completed on an accrual basis only. Pre-petition liabilities must be classified separately from postpetition obligations.

ASSETS	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE ON PETITION DATE	Deb Stores Holding LLC	Deb Stores Holding II LLC	Deb Shops SDP Inc.	Deb Shops SDIP Inc.	Deb Shops SD Inc.	Deb Shops SDE LLC	Deb Shops SDS LLC	Deb Shops SDE-Commerce LLC	Deb Shops SDRMC LLC	Intercompany Eliminations	Grand Total
CURRENT ASSETS													
Unrestricted Cash and Equivalents	3,861,954.10	5,921,133.23	-	-	-	-	-	-	-	-	3,861,954.10	-	3,861,954.10
Restricted Cash and Cash Equivalents (see continuation sheet)	-	-								-	-		-
Accounts Receivable (Net)	74,609.51	3,206,236.26	-	-	-	-	-	-	-	12,173,197.14	(12,098,587.63)	-	74,609.51
Notes Receivable	-	-								-	-		-
Inventories	-	41,653,118.57	-	-	-	-	-		-	-	-	-	-
Prepaid Expenses	-	2,553,014.57	-	-	-	-	-	-	-	-	-	-	-
Professional Retainers	-	-								-	-		-
Other Current Assets (attach schedule)	-	-								-	-		-
TOTAL CURRENT ASSETS	3,936,563.61	53,233,502.63	-	-	-	-	-	-	-	12,173,197.14	(8,236,633.53)	-	3,936,563.61
PROPERTY AND EQUIPMENT													-
Real Property and Improvements		-											-
Machinery and Equipment		-											-
Furniture, Fixtures and Office Equipment	-	13,671,592.43	-	-	-	-	-	-	-	-	-	-	-
Leasehold Improvements	-	30,858,294.29	-	-	-	-	-	-	-	-	-	-	-
Vehicles	-	-											-
Less Accumulated Depreciation	-	(25,215,267.16)	-	-	-	-	-	-	-	-	-	-	-
TOTAL PROPERTY & EQUIPMENT	-	19,264,619.56	-	-	-	-	-	-	-	-	-	-	-
OTHER ASSETS													
Loans to Insiders*	-												-
Other Assets (attach schedule)	-	11,267,106.14	-	-	18,593,920.67	18,751,354.00	18,447,154.00	-	-	-	61,362,621.15	(117,254,149.82)	-
TOTAL OTHER ASSETS	-	11,267,106.14	-	-	18,593,920.67	18,751,354.00	18,447,154.00	-	-	-	61,362,621.15	(117,254,149.82)	-
TOTAL ASSETS	3,936,563.61	83,765,228.33	-	-	18,593,920.67	18,751,354.00	18,447,154.00	-	-	12,173,197.14	53,125,987.62	(117,254,149.82)	3,936,563.61
			x										0
LIABILITIES AND OWNER EQUITY	**BOOK VALUE AT END OF CURRENT REPORTING MONTH**	**BOOK VALUE ON PETITION DATE**	**Deb Stores Holding LLC**	**Deb Stores Holding II LLC**	**Deb Shops SDP Inc.**	**Deb Shops SDIP Inc.**	**Deb Shops SD Inc.**	**Deb Shops SDE LLC**	**Deb Shops SDS LLC**	**Deb Shops SDE-Commerce LLC**	**Deb Shops SDRMC LLC**	**Intercompany Eliminations**	**Grand Total**
Accounts Payable	73,747.02	-	-	-	-	-	-				73,747.02		73,747.02
Taxes Payable (refer to FORM MOR-4)	(45,311.56)	(420,050.04)	-	-	-	-	-			(913.43)	(44,398.15)		(45,311.56)
Wages Payable	-	-								-	-		0
Notes Payable	-	-								-	-		0
Rent / Leases - Building/Equipment	-	5,336,619.26	-	-	-	-	-			-	-		-
Secured Debt / Adequate Protection Payments	-	-								-	-		0
Professional Fees	-	-								-	-		0
Amounts Due to Insiders*	-	-								-	-		0
Other Prepetition Liabilities (attach schedule)	2,345,555.26	6,835,711.55	650.00	650.00	217,421.19	650.00	(101,725.00)	8,548,276.59	10,783,612.27	8,223,721.45	(42,043,858.42)	16,716,151.28	2,345,555.26
LIABILITIES SUBJECT TO COMPROMISE (Pre-Petition)													
Secured Debt	75,292,208.18	99,581,174.91	-	-	-	-	-	-	-	-	75,292,208.18	-	75,292,208.18
Priority Debt	-	-									-		0
Unsecured Debt	18,497,720.38	20,543,632.28	-	-	-	-	-	-	-	3,207,131.11	15,290,589.27	-	18,497,720.38
TOTAL PRE-PETITION LIABILITIES	93,789,928.56	120,524,807.09	-	-	-	-	-	-	-	3,207,131.11	90,582,797.45	-	93,789,928.56
TOTAL LIABILITIES	96,163,919.26	132,271,787.86	650.00	650.00	217,421.19	650.00	(101,725.00)	8,548,276.59	10,783,612.27	11,429,942.13	48,571,257.00	16,716,151.18	96,163,919.26
OWNER EQUITY													
Capital Stock	2.00	2.00	-	-	1.00	2.00	1.00	-	-	-	2.00	(4.00)	2.00
Additional Paid-In Capital	18,751,352.02	18,751,352.02	-	-	18,751,353.00	18,751,352.00	18,751,353.00	24,977,418.39	54,774,033.43	-	18,751,352.02	(136,095,499.82)	18,751,352.02
Partners' Capital Account	-	-								-	-		-
Owner's Equity Account	-	-								-	-		-
Retained Earnings - Pre-Petition	(67,257,213.55)	(67,257,213.55)			4,892.48	-	(201,825.00)	(7,755,660.13)	(26,570,164.97)	-	(32,734,455.94)	0.00	(67,257,213.55)
Retained Earnings - Postpetition	(43,721,496.12)	-	(650.00)	(650.00)	(290,650.00)	(650.00)	(650.00)	(25,770,024.86)	(38,384,480.73)	743,255.01	18,537,591.61	2,025,202.82	(43,721,496.12)
Adjustments to Owner Equity (attach schedule)	-	-								-	-		-
Postpetition Contributions (Distributions) (Draws) (attach schedule)	-	-								-	-		-
NET OWNER EQUITY	(92,227,355.65)	(48,506,559.53)	(650.00)	(650.00)	18,475,596.48	18,750,704.00	18,548,879.00	(8,548,276.59)	(10,783,612.27)	743,255.01	4,554,689.72	(133,970,301.00)	(92,227,355.65)
TOTAL LIABILITIES AND OWNERS' EQUITY	3,936,563.61	83,765,228.33	-	-	18,593,920.67	18,751,354.00	18,447,154.00	-	0.00	12,173,197.14	53,125,987.62	(117,254,149.82)	3,936,563.61
	0	0	0	0	0	0	0	0	0	0	(0)	0	(0)
			-	-	-	-	-	-	(0.00)	-	0.00	-	

*"Insider" is defined in 11 U.S.C. Section 101(31)

In re __Deb Shops________________
Debtor

14-12676-KG
10/4/15-10/31/15

BALANCE SHEET - continuation sheet

ASSETS	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE ON PETITION DATE	Deb Stores Holding LLC	Deb Stores Holding II LLC	Deb Shops SDP Inc.	Deb Shops SDIH Inc.	Deb Shops SD Inc.	Deb Shops SDE LLC	Deb Shops SDW LLC	Deb Shops SDE-Commerce LLC	Deb Shops SDFMC LLC	Intercompany Eliminations	Grand Total
Other Current Assets													
Other Assets													
Intercompany Investments	-	(2,185,942.39)	-	-	18,693,020.67	18,751,354.00	18,447,154.00	-	-	-	-	(55,891,528.67)	-
Trademarks	-	2,847,100.00	-	-	-	-	-	-	-	-		-	-
Debt Acquistion Costs	-	292,721.30	-	-	-	-	-	-	-	-	61,362,621.15	(61,362,621.15)	-
Goodwill	-	7,927,716.54	-	-	-	-	-	-	-	-	-	-	-
Letter of Credit Fees	-	199,568.30	-	-	-	-	-	-	-	-	-	-	-
Total	-	9,081,163.75	-	-	18,693,020.67	18,751,354.00	18,447,154.00	-	-	-	61,362,621.15	(117,254,149.82)	-
LIABILITIES AND OWNER EQUITY	**BOOK VALUE AT END OF**	**BOOK VALUE ON PETITION DATE**	**Deb Stores Holding LLC**	**Deb Stores Holding II LLC**	**Deb Shops SDP Inc.**	**Deb Shops SDIH Inc.**	**Deb Shops SD Inc.**	**Deb Shops SDE LLC**	**Deb Shops SDW LLC**	**Deb Shops SDE-Commerce LLC**	**Deb Shops SDFMC LLC**	**Intercompany Eliminations**	**Grand Total**
Other Prepetition Liabilities													
Gift Card Liability	1,459,450.52	1,742,090.65	-	-	-	-	-	-	-	-	1,459,450.52		1,459,450.52
Accrued Expenses	632,802.26	2,815,743.02									632,802.26		632,802.26
Miscellaneous Employee Withholdings	-	(51,637.91)	-	-	-	-	-	-	-	-	-		-
Layaway Liability	253,302.48	253,335.70	-	-	-	-	-	102,395.07	150,907.41	-			253,302.48
Accrued Interest	-	1,537,579.38	-	-	-	-	-	-	-	-	-		-
Accrued Income Taxes	-	538,960.71	-	-	-	-	-	-	-	-	-		-
Intercompany	-	-	650.00	650.00	217,424.19	650.00	(101,725.00)	8,445,881.52	10,629,704.86	8,223,724.45	(44,133,111.20)	16,716,151.18	(0.00)
Total	2,345,555.26	6,835,711.55	650.00	650.00	217,424.19	650.00	(101,725.00)	8,548,276.59	10,780,612.27	8,223,724.45	(42,040,858.42)	16,716,151.18	2,345,555.26
Postpetition Contributions (Distributions) (Draws)													

Restricted Cash: cash that is restricted for a specific use and not available to fund operations. Typically, restricted cash is segregated into a separate account, such as an escrow account.

FORM MOR-3 (CONT)
(9/99)

In re ___Deb Shops_________________
Debtor

Case No. 14-12676-KG
Reporting Period 10/4/15-10/31/15

STATUS OF POSTPETITION TAXES

The beginning tax liability should be the ending liability from the prior month or, if this is the first report, the amount should be zero.
Attach photocopies of IRS Form 6123 or payment receipt to verify payment or deposit of federal payroll taxes.
Attach photocopies of any tax returns filed during the reporting period.

	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Date Paid	Check No. or EFT	Ending Tax Liability	Deb Stores Holding LLC	Deb Stores Holding II LLC	Deb Shops SDP Inc.	Deb Shops SDIH Inc.	Deb Shops SD Inc.	Deb Shops SDE LLC	Deb Shops SDW LLC	Deb Shops SDE-Commerce LLC	Deb Shops SDFMC LLC	Grand Total
Federal																
Withholding	-	-	-	Various	EFT	(913.43)	-	-	-	-	-	-	-	-	(913.43)	(913.43)
FICA-Employee																
FICA-Employer																
Unemployment																
Income																
Other:																
Total Federal Taxes	-	-	-			(913.43)	-	-	-	-	-	-	-	-	(913.43)	(913.43)
State and Local																
Withholding	-	-	-	Various	EFT	-	-	-	-	-	-	-	-	-	-	-
Sales	(61,718.37)			Various	EFT	-	-	-	-	-	-				-	-
Excise																-
Unemployment																-
Real Property			0													-
Personal Property																-
Other:																-
Total State and Local	(61,718.37)		-			-	-	-	-	-	-	-	-	-	-	-
Total Taxes	(61,718.37)	-	-			(913.43)	-	-	-	-	-	-	-	-	(913.43)	(913.43)

SUMMARY OF UNPAID POSTPETITION DEBTS

Attach aged listing of accounts payable.

	Number of Days Past Due						
	Current	0-30	31-60	61-90	Over 90	Total	
Accounts Payable		73,747.02				73,747.02	See MOR 4 AP Schedule
Wages Payable		-				-	
Taxes Payable		(45,311.58)				(45,311.58)	
Rent/Leases-Building		-				-	
Rent/Leases-Equipment		-				-	
Secured Debt/Adequate Protection Payments		-				-	
Professional Fees		-				-	
Amounts Due to Insiders*		-				-	
Other:_______________		2,345,555.26				2,345,555.26	
Other:_______________							
Total Postpetition Debts	-	2,373,990.70	-	-	-	2,373,990.70	

Explain how and when the Debtor intends to pay any past-due postpetition debts.

Debtor will pay past due postpetition debts in due course

*"Insider" is defined in 11 U.S.C. Section 101(31).

Reporting Perioc 10/4/15-10/31/15

Description	Deb Shops SDW LLC	Deb Shops SDE-Commerce LLC	Deb Shops SDFMC LLC	Total
Merchandise	$0.00	$0.00	-	-
Merchandise Received But Not Processed in AP Yet	-	-	-	-
Subtotal, Merchandise	-	-	-	-
Expenses	73,747.02	$0.00	-	73,747.02
Expense Adjustments				-
Subtotal, Expenses	73,747.02	-	-	73,747.02
Rent	-			-
Accrued Freight and Charges	-	-	-	-
Timing Variances	-	-	-	-
TOTAL	73,747.02	-	-	73,747.02

Aging

	Number of Days Past Due				
	0-30	31-60	61-90	Over 90	Total
Merchandise	$0.00	$0.00	$0.00	$0.00	-
Merchandise Received But Not Processed in AP Yet	-				-
Subtotal, Merchandise	-	-	-	-	-
Expenses	73,747.02		$0.00	$0.00	$73,747.02
Expense Adjustments	-				-
Subtotal, Expenses	73,747.02		-	-	73,747.02
Rent	$0.00	-	-	-	-
Accrued Freight and Charges		-			-
Timing Variances	-				-
TOTAL	73,747.02		-	-	73,747.02

In re Deb Shops
Debtor

Case No. 14-12676-KG
Reporting Period: 10/4/15-10/31/15

ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation	Amount	Deb Stores Holding LLC	Deb Stores Holding II LLC	Deb Shops SDP Inc.	Deb Shops SDIH Inc.	Deb Shops SD Inc.	Deb Shops SDE LLC	Deb Shops SDW LLC	Deb Shops SDE-Commerce LLC	Deb Shops SDFMC LLC	Grand Total
Total Accounts Receivable at the beginning of the reporting period	246,584.76								-	496,584.76	496,584.76
+ Amounts billed during the period									-	-	-
- Amounts collected during the period	171,975.25								-	171,975.25	171,975.25
Total Accounts Receivable at the end of the reporting period	74,609.51								-	324,609.51	74,609.51

Accounts Receivable Aging	Amount
0 - 30 days old	74,609.51
31 - 60 days old	
61 - 90 days old	
91+ days old	
Total Accounts Receivable	74,609.51
Amount considered uncollectible (Bad Debt)	
Accounts Receivable (Net)	74,609.51

DEBTOR QUESTIONNAIRE

Must be completed each month	Yes	No
1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.		X
2. Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation below.		X
3. Have all postpetition tax returns been timely filed? If no, provide an explanation below.	X	
4. Are workers compensation, general liability and other necessary insurance coverages in effect? If no, provide an explanation below.		X

4 Response: All employees were terminated as of the end of April 2015; Corporate offices were vacated by April 30, 2105 as well