

The Insolvency Act 1986

Administrator's progress report

Name of Company

Record Shop 2 Limited
(formerly HMV Music Limited)

Company number

00229249

In the
High Court of Justice

(full name of court)

Court case number

322 of 2013

(a) Insert full
name(s) and
address(es) of
administrator(s)We
Nicholas Guy Edwards
Deloitte LLP
PO Box 810
66 Shoe Lane
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EC4A 3WANeville Barry Kahn
Deloitte LLP
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EC4A 3WARobert James Harding
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PO Box 810
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London
EC4A 3WAadministrator(s) of the above company attach a progress
report for the period

From

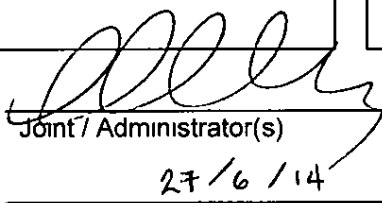
To

(b) Insert date

(b) 1 December 2013

(b) 31 May 2014

Signed


Joint Administrator(s)

Dated

27/6/14



**HMV Group plc
Record Shop 2 Limited, formerly HMV Music Limited
Record Shop 4 Limited, formerly FOPP Entertainments Limited**

(All in Administration) (together "the Companies")

Court Case Numbers 322, 323 and 326 of 2013

**PROGRESS REPORT TO CREDITORS FOR THE PERIOD 1 DECEMBER 2013 TO 31
MAY 2014 PURSUANT TO RULE 2.47 OF THE INSOLVENCY RULES 1986 AND THE
INSOLVENCY (AMENDMENT) RULES 2010**

27 June 2014

This report has been prepared for the sole purpose of updating creditors for information purposes. The report may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than updating them for information purposes, or by any other person for any purpose whatsoever

Nicholas Guy Edwards, Robert James Harding and Neville Barry Kahn were appointed Joint Administrators of the Companies on 15 January 2013. The affairs, business and property of the Companies are managed by the Joint Administrators. The Joint Administrators act as agents of the Companies and contract without personal liability

All licensed Insolvency Practitioners of Deloitte LLP are licensed in the UK to act as Insolvency Practitioners

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ABBREVIATIONS

For the purpose of this report the following abbreviations shall be used

"the Act"	Insolvency Act 1986 (as amended)
"the Companies"	HMV Group, Record Shop 2 and Record Shop 4 (in Administration)
"the Court"	The High Court of Justice, Chancery Division
"Deloitte"	Deloitte LLP
"GCIL"	Goodmans Capital Investments Limited, the current first ranking secured creditor of the Group
"the Group"	HMV Group plc and its subsidiaries
"Hilco UK"	Hilco UK Limited, retail restructuring specialists
"HMV"	The main brand under which the Group and its predecessor entities has traded since 1900
"HMV Group"	HMV Group plc (In Administration)
"the Joint Administrators"	Nicholas Guy Edwards, Robert James Harding and Neville Barry Kahn of Deloitte LLP
"k"	Thousand
"m"	Million
"the Previous Lending Group"	The Royal Bank of Scotland plc, Lloyds TSB Bank plc, Santander UK plc, The Governor and Company of the Bank of Ireland, DBS Bank Limited (London Branch), Svenska Handelsbanken AB (publ), Abbey National Treasury Services plc, Credit Suisse International and Apollo Special Opportunities Managed Account, L B (being the secured creditors of the Companies at the date of appointment)
"PP"	The Prescribed Part of the company's net property subject to section 176A of the Insolvency Act 1986 (as amended)
"Record Shop 1"	Record Shop 1 Limited, formerly HMV UK Limited (In Administration)
"Record Shop 2"	Record Shop 2 Limited, formerly HMV Music Limited (In Administration)
"Record Shop 4"	Record Shop 4 Limited, Fopp Entertainments Limited (In Administration)
"the Rules"	Insolvency Rules 1986 and the Insolvency (Amendment) Rules 2010
"ROT"	Retention of Title
"SIP7 (E&W)"	Statement of Insolvency Practice 7 (England & Wales)
"SIP9 (E&W)"	Statement of Insolvency Practice 9 (England & Wales)
"SIP13 (E&W)"	Statement of Insolvency Practice 13 (England & Wales)
"SoA"	Statement of Affairs
"SPV"	Special Purpose Vehicle
"Winterhill Largo"	Largo Collections Limited

1. INTRODUCTION

1.1 Introduction

This report has been prepared in accordance with Rule 2.47 of the Rules to provide the creditors with an update of the progress of the administrations of the Companies since our last report dated 19 December 2013

Given the information previously provided to creditors in our earlier reports, we have not included detailed background information in respect of the Companies and have focused on the progress of the administrations subsequent to those reports

The Joint Administrators' proposals together with a summary of progress in respect of them, are detailed in Section 2.1 below

A schedule of statutory information in respect of the Companies is attached at Appendix 1

1.2 Details of the appointment of the Joint Administrators

Nicholas Guy Edwards, Robert James Harding and Neville Barry Kahn of Deloitte were appointed Joint Administrators of the Companies by their directors on 15 January 2013

The Court having conduct of the proceedings is the High Court Justice, Chancery Division (cases 322, 323 and 326 of 2013)

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

1.3 Electronic communication with creditors

In an effort to reduce the costs of the administrations, all future communications with creditors, including updates and progress reports will be posted onto a website, which has been set up specifically for this purpose. The web address is <http://www.deloitte.com/uk/hmv>

In respect of Record Shop 2, consent of the Court has been obtained to enable the website to be updated without the need for further postal communication to be given. All creditors' statutory notices will be retained on the website for at least 12 months from being uploaded to the site. Hard copies of any of the correspondence on the website are available on written request

2. ADMINISTRATORS' PROPOSALS

2.1 Introduction

At the date of the appointment, the Joint Administrators had concluded that the Companies had significant secured and unsecured creditor liabilities and the first purpose of an administration, as described under paragraph 3(1)(a) of Schedule B1 of the Act of rescuing the company as a going concern (in other words, a restructuring which keeps the actual entity whole) was not achievable

Consequently, the Joint Administrators have performed their functions in accordance with the second objective as set out in paragraph 3(1)(b) of Schedule B1 of the Act, which is to achieve a better result for creditors than would be obtained through an immediate liquidation of the Companies. The Joint Administrators consider that for Record Shop 4, the purpose of the administration is the third objective, being to make a distribution to a secured creditor

2.2 Progress on and achievement of the approved proposals

We have summarised below the progress and current status in respect of each of the approved proposals

Proposal	Current status
1 The Joint Administrators continue to manage the affairs and any remaining assets of the Companies and the settlement of all administrative expenses	The Joint Administrators have continued to manage the affairs and remaining assets of the Companies
2 The Joint Administrators continue with their enquiries into the conduct of the directors of the Companies and continue to assist any regulatory authorities with their investigation into the affairs of the Companies	As part of the Joint Administrators' statutory duties, an investigation into the conduct of the Companies' directors was completed and confidential reports were submitted to The Insolvency Service on 12 July 2013
3 The Joint Administrators be authorised to agree the claims of the secured, preferential and unsecured creditors against each of the Companies unless the Joint Administrators conclude, in their reasonable opinion, that a company will have no assets available for distribution	The Joint Administrators have now agreed the claim made by GCIL (see section 4). The preferential creditors in HMV Group and Record Shop 2 have not yet been agreed. There are no preferential creditors in the remaining companies. The unsecured creditor claims in respect of the Companies have also not yet been agreed
4 The Joint Administrators be authorised to distribute funds to the secured and preferential creditors as and when claims are agreed and funds permit and, in relation to distributions to unsecured creditors, if the Court gives permission following an appropriate application	

<p>5 That, in the event the creditors of each company so determines, at meetings of creditors, a Creditors' Committee be appointed in respect of each or any company comprising of not more than five or not less than three creditors of that company or Companies</p>	<p>No Creditors' Committee was appointed in respect of any of the Companies</p>
<p>6 That, if a Creditors' Committee is not appointed, the secured and preferential creditors (where applicable) of each company shall be asked to fix the basis of the Joint Administrators' remuneration in accordance with Rule 2 106(5A)(b), to be fixed by reference to the time properly given by the Joint Administrators and their staff in attending to matters arising in the administrations, calculated at the prevailing standard hourly charge out rates used by Deloitte at the time when the work was performed, plus VAT In addition, those creditors shall also be asked to agree the Joint Administrators' expenses of which the</p> <p style="text-align: center;">↑ ↓</p> <p>es for mileage be calculated by reference to mileage properly incurred by the Joint Administrators and their staff in attending to matters arising in the administrations at the prevailing standard mileage rate used by Deloitte at the time when the mileage is incurred, plus VAT where applicable</p>	<p>The secured and preferential (where applicable) creditors have fixed the basis of the Joint Administrators' remuneration in accordance with Rule 2 106(5A)(b) of the Rules by reference to the time properly given by the Joint Administrators and their staff</p>
<p>7 That, if a creditors Committee is not appointed, the Joint Administrators' pre administration costs, as detailed in section 5 of the Joint Administrators' Proposals be approved</p>	<p>The secured and preferential (where applicable) creditors have approved the Joint Administrators pre-administration costs</p>

<p>8 That, following the realisation of assets and resolution of all matters in the administrations, and as quickly and efficiently as is reasonably practicable, the Joint Administrators implement the most cost effective steps to formally conclude the administrations. This may include the distribution of funds to unsecured creditors (provided Court permission is obtained) and then the dissolution of the Companies or alternatively, seeking to put each or any of the Companies into Creditors' Voluntary Liquidation ("CVL") or Compulsory Liquidation, depending on which option will result in a better realisation for creditors</p>	<p>The Joint Administrators, on conclusion of their obligations, will take steps to finalise the administrations in the most expedient and cost effective manner</p> <p>It is envisaged that both HMV Group and Record Shop 2 will be put into CVL and the Joint Administrators will become the Joint Liquidators</p> <p>Record Shop 4 will be dissolved</p>
<p>9 That, if each or any of the Companies were to be placed into CVL, the Joint Administrators propose to be appointed Joint Liquidators and any Creditors' Committee appointed will become the Liquidation Committee pursuant to Rule 4.174A of the Rules and that the basis of the Joint Liquidators' remuneration be fixed by reference to the time given in attending to matters arising in the Liquidations. As per paragraph 83(7) of Schedule B1 of the Act and Rule 2.117(A)(2)(b) of the Rules, the creditors may nominate a different person to be Joint Liquidator(s) provided the nomination is made before the proposals are approved by creditors. For the purpose of Section 231 of the Act, the Joint Liquidators will be authorised to carry out all functions, duties</p>	
<p>10 In the absence of a Creditors' Committee, the secured and preferential creditors of each company agree that the Joint Administrators be discharged from liability per Paragraph 98 of Schedule B1 of the Act immediately upon the Joint Administrators filing their final report to creditors and vacating office</p>	<p>The secured and preferential creditors (where applicable) have approved that the Joint Administrators be discharged from liability in accordance with Paragraph 98 of Schedule B1 of the Act, immediately upon the Joint Administrators' filing their final report to creditors and vacating office</p>

Further information in respect of the realisation of assets, the status of liabilities and the estimated outcome for creditors is contained in the following sections of this report

3. ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNTS

3.1 Introduction

Attached at Appendix 2 are receipts and payments accounts for each company covering the period from 1 December 2013 to 31 May 2014, together with cumulative details of the transactions from the date of appointment in accordance with SIP7 (E&W)

In this section, we have summarised the main asset realisations during the period covered by this report and the assets yet to be realised

3.2 Asset realisations

As previously reported, following an initial assessment of the Companies' financial position and on-going business prospects, the Joint Administrators decided to continue to trade the business in the short term in order to facilitate a sale of the business to maximise realisations for the benefit of creditors

Following their appointment, it became apparent to the Joint Administrators that although the HMV-branded stores and Fopp-branded stores were purportedly traded by different legal entities, in practice, all trade of the Companies was transacted through Record Shop 2. Accordingly, throughout the appointment, the Joint Administrators have treated all trade related assets and transactions as originating in Record Shop 2, as reflected in the receipts and payments account provided at Appendix 2

As previously reported, at the date of the Joint Administrators' appointment, Record Shop 2 held c £85m of retail stock (at cost) in its stores and warehouse locations, a significant proportion of this stock was either subject to retention of title claims or to consignment terms and conditions. Immediately following their appointment, the Joint Administrators entered into negotiations with the relevant suppliers which enabled them to continue to trade the business whilst a sale of the business was sought

During the trading period, the Joint Administrators undertook a review of the performance of the stores and concluded that certain stores within the businesses were not financially viable. Accordingly, between 15 January 2013 and 5 April 2013, 84 stores were closed

On 5 April 2013, the vast majority of the business and assets of the Companies were sold to HMV Retail Limited and the Joint Administrators ceased to trade the business. As part of the sale, 2,643 employees were transferred to HMV Retail Limited

A trading account prepared on a cash flow basis, for the period 1 December 2013 to 31 May 2013, is attached at Appendix 2. The Joint Administrators are still in the process of settling trading costs which will decrease the current trading surplus

HMV Group plc

HMV Group's shareholding in 7Digital Limited was sold for £5.0m

The deferred consideration of £3.4m due in respect of the sale of MAMA Group was received in the period

Rates refunds totalling £40k have been received during the period

An amount totalling £1.7m was received during the period in relation to the third party tax claim, along with the £75k initially provided security for litigation costs

Record Shop 2 Limited – Other asset realisations

The Joint Administrators consider the vast majority of asset realisations in Record Shop 2 to have been completed. As part of the sale of the business and assets to HMV Retail Limited on 5 April 2013, a number of store leases required assignment to the purchaser. To date, 113 lease assignments have been completed. Record Shop 2 will continue to charge HMV Retail Limited a licence fee for their occupation of the stores where an assignment is still being negotiated. During the period, Record Shop 2 has received £5.96m in licence fee income.

Rates refunds totalling £10k was received during this period.

Bank interest received for the period totalled £33k.

Book debt totalling £28k have been collected during the period.

3.3 Estimated future realisations

The only remaining asset realisation is the transfer of funds received into Record Shop 1, which due to the existence of the agency agreement between Record Shop 1 and Record Shop 2 will be transferred to Record Shop 2 in due course.

In addition, actions to realise additional assets of HMV Group in relation to claims against third parties continue to be investigated.

4. DISTRIBUTION TO CREDITORS

4.1 Secured Creditors

As previously reported, the claim of the Previous Lending Group was £127.2m which was reduced to £110.3m after set off of the £16.9m cash balances on appointment. The Joint Administrators have agreed the Previous Lending Group's claim at £110.3m (shown as £109.6m in the directors' Statement of Affairs).

In February 2013, the Previous Lending Group's secured debt was purchased by GCIL.

In addition to GCIL, there are two other secured creditors, the Group's defined benefit pension fund and EMI Group plc, both of whom benefit from subordinated security rights in respect of the Group. These secured creditors rank behind GCIL for the purposes of distributions and the Joint Administrators do not estimate that either creditor will receive a distribution.

It is currently considered unlikely that GCIL will be repaid in full from asset realisations.

4.2 Preferential Creditors

Preferential claims are currently estimated to be as follows:

Company	Directors' SoA (£)	Estimated (£)
HMV Group	40,000	54,584
Record Shop 2	1,400,000	405,901

The preferential creditors of HMV Group and Record Shop 2 will be paid in full. Record Shop 4 does not have any preferential creditors.

4.3 Prescribed Part

The Prescribed Part (section 176A of the Insolvency Act 1986 (Prescribed Part) Order 2003) applies where there are floating charge realisations, net of costs to be set aside for unsecured creditors. For any company, the prescribed part fund equates to:

- 50% of net property up to £10,000,
- Plus, 20% of net property in excess of £10,000,
- Subject to a maximum of £600,000.

The Joint Administrators anticipate that there could potentially be the maximum PP (£600,000) available for distribution to unsecured creditors in Record Shop 2. A PP distribution may also be available in HMV Group, however, the quantum cannot yet be estimated as the total level of floating charge realisations is uncertain.

There will not be sufficient floating charge realisations to enable a distribution under the PP in respect of Record Shop 4

As detailed in the Joint Administrators' proposals dated 11 March 2013, there is an agency agreement between Record Shop 1 and Record Shop 2. The effect of the agency agreement is that liabilities that purport to be owed by Record Shop 1 under contracts with third parties are likely to be liabilities of Record Shop 2. If a person/company with a claim against Record Shop 1 was unaware of the agency agreement that person/company may elect to claim against Record Shop 2 (as principle under the agency agreement). Further information on how to submit a claim can be found at Section 4.5 of this report.

4.4 Unsecured Creditors

The Companies' unsecured creditors as at 15 January 2013, per the directors' Statement of Affairs (excluding any shortfall to floating charge holders), together with details of the claims received to date is summarised in the table below.

Company	Directors' SoA (£)	Claims received to date (£)
HMV Group	88,843,000*	2,387,677
Record Shop 2	146,573,000	157,164,078
Record Shop 4	1,630,000	518,103
Total	237,046,000	160,069,858

**Amount includes liabilities to the Group's estimated pension deficit and intercompany balances.*

It is not anticipated that a dividend to the unsecured creditors of any of the Companies will be possible with the exception of the PP detailed above.

4.5 Claims process

Due to possible distributions to unsecured creditors under the PP from HMV Group and Record Shop 2, in the event that you have a claim, you are requested to submit the relevant Proof of Debt form(s) to the address on the front of this report.

Proof of Debt forms are available to download from <http://www.deloitte.com/uk/hmv>

As detailed in section 4.3, if you believe you have a claim against Record Shop 1, you may elect to claim against Record Shop 2 and, as such, you should complete the Record Shop 2 Proof of Debt form.

5. OTHER MATTERS AND INFORMATION TO ASSIST CREDITORS

5.1 Extensions to the initial appointment period

The secured and preferential creditors approved an extension of the administrations for a period of six months from 14 January 2014 to allow negotiations to continue regarding the realisation of shareholdings and other assets, and facilitate the completion of various lease assignments

5.2 SIP 2 – Initial Assessment of Potential Recoveries

As previously advised, we are obliged to review all of the information available to us and conduct an initial assessment of whether there are any matters that might lead to a recovery for the benefit of creditors of the Companies. This initial assessment includes making enquiries into any potential claims that may be brought against parties either connected to or who have had past dealings with the Companies.

Having completed this review, we identified no further avenues of recovery. If you have any information that you feel we should be made aware of in relation to the above, please contact us as a matter of urgency.

5.3 Exit

The Joint Administrators, on conclusion of their obligations, will take steps to finalise the administrations in the most expedient and cost effective manner. Record Shop 2 and HMV Group plc will be going into CVL and Record Shop 4 will be dissolved.

Since there will be no distribution to unsecured creditors (other than by virtue of the PP), the Joint Administrators have sought their discharge from liability in respect of any actions as Joint Administrators pursuant to paragraph 98(1) of Schedule B1 of the Act from the secured creditor and preferential creditors (where applicable), which has been granted, and will take effect immediately upon the Joint Administrators' filing their final report to creditors.

5.4 SIP 13 (E&W) – Transactions with connected parties

As previously reported, save for the intercompany relationship potentially arising from the trading of the Record Shop 4 stores by Record Shop 2 and interaction caused by the agency agreement of Record Shop 2 and Record Shop 1, the Joint Administrators are not aware of any additional transactions that have taken place that should be disclosed to creditors in accordance with SIP13 (E&W).

Should creditors have information regarding transactions with connected parties, they should forward details in writing to the Joint Administrators to the address on the front of this report.

5.5 EC Regulations

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

6. PRE-ADMINISTRATION COSTS

Included within the Joint Administrators' proposals dated 11 March 2013 was a Statement of Pre-Administration Costs, in accordance with rule 2.33(2)(ka) of the Rules

The Joint Administrators sought approval of these costs from the secured and preferential creditors, which was granted 9 April 2013. This remuneration has not yet been drawn.

Company	Time Costs	Expenses
HMV Group	16,120	-
Record Shop 2	58,633	1,925
Record Shop 4	570	-
Total	75,323	1,925

7. ADMINISTRATORS REMUNERATION AND EXPENSES

7.1 Administrators' Remuneration and Expenses

7.1.1 Basis of Remuneration

The basis of the Joint Administrators' remuneration, per company, was fixed on 9 April 2013 by the secured and preferential creditors (where applicable) by reference to the time properly given by the Joint Administrators and their staff in attending to matters arising in the administration, calculated at the prevailing standard hourly charge out rates used by Deloitte at the time when the work is performed plus VAT

7.1.2 Remuneration

	1 December 2013 to 31 May 2014				15 January to 31 May 2014	
Company	Time costs incurred (£)	Hours	Average charge out rate (£)	Fees drawn	Total time costs (£)	Total fees drawn (£)
HMV Group plc	198,269	352	563	Nil	1,033,732	Nil
Record Shop 2	573,184	1,155	496	1,119,040	10,468,013	5,647,849
Record Shop 4	2,188	7	319	Nil	31,339	Nil

Please refer to Appendix 3 where the work, for all Companies, has been categorised into the following task headings

- **Administration and planning** includes case planning, case set-up, notification of appointment, maintenance of our case files and insolvency case record, statutory reporting, compliance, cashiering and accounting
- **Investigations** includes investigating the Company's affairs and in particular any antecedent transactions and also reporting on the conduct of its directors
- **Realisation of Assets** includes identifying, securing and insuring assets, sale of business, transition of contracts, property issues, collection of debts, and realisation of other assets
- **Trading** includes planning, identifying strategy, preparation of trading forecasts, monitoring of performance against the forecasts, managing operations, dealing with retention of title claims, dealing with supplier and landlord issues to ensure continuity of operations, accounting and employees (including pensions and other staff benefits)
- **Creditors** includes set-up of creditor records, creditor communications, preferential claims, unsecured claims, secured and employee claims

- **Case specific matters** includes pensions, VAT and taxation matters

"A Creditors' Guide to Remuneration" is available for download at www.deloitte.com/uk/sip-9-england-and-wales

Should you require a paper copy, please send your request in writing to the Joint Administrators at the address on the front of this report and this will be provided to you at no cost

7.1.3 Expenses

All expenses have been incurred in Record Shop 2

The Joint Administrators' expenses and category 1 disbursements incurred during the period of this report are as follows

Nature of expenses	Total Incurred £
Subsistence	105 79
Third Party Recharges	11,577 19
Travel - Mileage	18 97
Travel - Taxi	550 10
Travel - Train	558 41
Total	12,810 46

Expenses and disbursements totalling £40,682 have been paid during the period

7.2 Charge out rates

The range of charge out rates for the separate categories of staff in force during the appointment period summarised below. Manager rates include all grades of assistant manager.

Grade	£/Hour
Partners/Directors	605 to 950
Managers	305 to 720
Assistants and Support Staff	155 to 305

The above bands are specific to the Restructuring Services department partners and staff. In certain circumstances the use of specialists from other Deloitte departments such as Tax/VAT, Corporate Finance or Deloitte Real Estate may be required on the case. These departments may charge rates that fall outside the Restructuring Services department bands quoted above so, where such specialists have performed work on the case, average rates may also fall outside the Restructuring Services department bands.

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

Charge out rates have not changed since those advised as at 1 September 2012. These will be subject to review from 1 September 2014.

7.3 Other professional costs

As previously advised, Linklaters LLP and Simmons and Simmons LLP were instructed by the Joint Administrators to advise on appropriate legal matters. To date, Linklaters LLP has been paid £2,341,322 (including disbursements) and Simmons & Simmons LLP has been paid £1,082,625 (including disbursements). Linklaters LLP advised the Joint Administrators throughout the administration trading period dealing with Retention of Titles issues, employee matters and general trading queries. Simmons & Simmons LLP has assisted the Joint Administrators since April 2013 in relation to on-going employee matters, on-going litigation and other general matters. Other legal fees, as detailed at Appendix 2, relate to property transactions such as surrenders or assignments of leaseholds.

Retail Agents 260 Limited, a consultancy company specialising in retail businesses, were instructed by the Joint Administrators to advise on the trading of the business prior to its sale. To date Retail Agents 260 Limited has been paid £2,717,929 (including disbursements).

Wyles Hardy & Co Limited, a firm of chattel agents, were instructed by the Joint Administrators to undertake inventories and valuations of plant and equipment, fixtures and fittings and other chattel assets where appropriate. To date, Wyles Hardy & Co Limited has been paid £22,857. CBRE Limited and Savills (UK) Limited are providers of commercial real estate services and have been assisting on the assignment of various leasehold properties including the Oxford Street lease. They have, to date, been paid £217,025 and £37,500 respectively. Other agents fees paid to Smithfield Consultants totalling £4,375, relate to assistance provided with media enquiries.

Winterhill Largo has been engaged to assist the recovery of book debt realisations primarily in relation to Record Shop 2. To date, Winterhill Largo has been paid £39,511.

Twice2Much Limited, a property audit firm, has been engaged to identify potential realisations resulting from potential overcharging on property costs by the Companies' historic suppliers. To date, Twice2Much Limited has been paid £702,422, primarily relating to the recovery of rates refunds (rate refunds agent's fees).

7.4 Creditors' right to request information

Any secured creditor or, unsecured creditor with the support of at least 5% in value of the unsecured creditors or, with leave of the Court, may, in writing, request the Joint Administrators to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 2.47(1)(fa) and 2.48A of the Rules.

7.5 Creditors' right to challenge Remuneration and/or Expenses

Any secured creditor or, unsecured creditor with the support of at least 10% in value of the unsecured creditors or, with leave of the Court, may apply to the Court for one or more orders (in accordance with Rule 2.109(4) of the Rules), reducing the amount or the basis of remuneration which the Joint Administrators are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within 8 weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 2.109 of the Rules.

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.

Company Name	HMV Group Plc	Record Shop 2 Limited	Record Shop 4 Limited
Previous Name	N/A	HMV Music Limited (In Administration)	Fopp Entertainments Limited (In Administration)
Proceedings		Administration	
Court Reference	323	322	326
Date of Appointment		15 January 2013	
Joint Administrators	Nicholas Guy Edwards, Robert James Harding and Neville Barry Kahn of Deloitte LLP Athene Place 66 Shoe Lane London EC4A 3BQ		
Registered Office Address	c/o Deloitte LLP Hill House 1 Little New Street London EC4A 3TR		
Company Number	3412290	229249	3702240
Incorporation Date	31-Jul-97	29-Mar-13	31-Mar-95
Company Secretary	Ms Elaine Mariner (Resigned save for HMV Group Plc)		
Bankers	Lloyds TSB Bank Plc	National Westminster Bank Plc	None specified
Auditors	Ernst & Young LLP		
Appointment by	The directors		
Directors (Note- no directors hold shares in any of the Companies)	David Adams John Duncan Ian Kenyon Trevor Moore Oma Ni-Chionna Philip Rowley	Ian Kenyon Trevor Moore	Ian Kenyon Trevor Moore Neil Taylor

HMV Group Plc
(In Administration)

Summary of Receipts & Payments
For the period 15 January 2013 to 31 May 2014

SoA Balance		15 January 2013 to 30 November 2013	1 December 2013 to 31 May 2014	Total
£	RECEIPTS	£	£	£
4,232,827 00	Shares - Heaven Limited	2,950,000	-	2,950,000
	Shares Hong Kong & Singapore	3,059,975	-	3,059,975
	7Digital Sale	-	5,000,000	5,000,000
	Business Claim	-	1	1
	Fixtures and Fittings	-	1	1
	Commercial Records	-	1	1
	Contracts	-	1	1
	Goodwill	-	1	1
nil	Unclaimed shareholder dividends	12,174	-	12,174
nil	Rates refunds	59,432	40,580	100,012
nil	Bank Interest Gross	3,647	4,487	8,135
nil	Tax Refund	285	-	285
3,500,000 00	Insurance Refund	8,258	-	8,258
3,500,000 00	Investments in joint venture	-	-	-
	Third Party Tax Claim	-	1,685,000	1,685,000
	MAMA deferred consideration	-	3,380,587	3,380,587
	Total Receipts	6,093,771	10,110,659	16,204,430
	PAYMENTS			
	Singapore Staff	52,430	-	52,430
	Hong Kong Staff	456,276	-	456,276
	Distribution to Secured Creditor	4,850,000	9,515,592	14,365,592
	Security for litigation costs	75,000	(75,000)	-
	Postage & Redirection	1,257	-	1,257
	Legal Fees - Heaven Limited	17,173	-	17,173
	Legal Fees - Property	5,540	26,992	32,532
	Legal Fees - General	153,699	45,200	198,899
	Professional Fees - litigation	-	43,466	43,466
	Legal Disbursements	22,221	269	22,490
	Bank Charges	30	182	212
	Net VAT Receivable	-	3,989	3,989
	Total Payments	5,633,627	9,560,690	15,194,317
	Balance in Hand	460,144	549,969	1,010,113
		6,093,771	10,110,659	16,204,430

Record Shop 2 Limited, formerly HMV Music Limited
(In Administration)

Trading Account from
15 January 2013 to 31 May 2014

RECEIPTS	15 July 2013 to 30 November 2013	1 December 2013 to 31 May 2014	TOTAL
	£	£	£
Sales	85,351,733 17	-	85,351,733 17
Concession Income	68,154 81	-	68,154 81
Total trading Income	85,419,887 98	-	85,419,887 98
PAYMENTS			
Purchases	20,899,233 42	149,298 48	21,048,531 90
ROT Settlements	9 278 279 38	2 602 147 23	11 880 426 61
Stock Settlement Purchases	13,768 660 24	28,193 53	13 796,853 77
Augment	1,794,935 13	(1,768,487 50)	26,447 63
Worldpay chargebacks	6 472 02	-	6 472 02
Sub Contractors	153,249 00	-	153,249 00
Wages & Salaries	16,459,965 67	246 59	16,460,212 26
Employee Costs & Expenses	325,778 74	-	325,778 74
Other Payroll Costs	13 178 19	-	13 178 19
Ransom Payments	566,353 65	-	566,353 65
Telephony & Networking	155 879 96	-	155 879 96
Heat Light and Water	1 255 703 99	834 59	1 256,538 58
Cleaning	657,285 13	35 40	657,320 53
Security	242,740 76	-	242,740 76
Store Consumables	285,176 13	-	285,176 13
Cash Collection	118,760 19	-	118,760 19
Trading Licences	22,684 11	-	22,684 11
Distribution Costs	291,839 06	-	291,839 06
Merchant Services	1 158 320 95	-	1 158 320 95
Non-Store Consumables	74,693 06	-	74 693 06
IT Suppliers	956,682 43	-	956,682 43
Change Orders	807 641 89	-	807 641 89
Repairs & Maintenance	418 159 85	723 69	418,883 54
Leased Vehicles	75 143 91	-	75,143 91
Postage, Printing and Stationery	23,204 03	-	23,204 03
Consultant Fees	57 061 49	-	57 061 49
Website Costs	20 165 51	-	20 165 51
Call Centre	23,779 64	-	23,779 64
Storage Costs	63 154 00	18 203 21	81 357 21
Charity Settlements	110 592 61	-	110 592 61
Marketing Costs	171 890 55	-	171,890 55
Store Rent	5,083,365 05	417,328 09	5,500,693 14
Rates	3 735 594 47	87 234 25	3 822 828 72
Guernsey store costs	4,475 09	-	4,475 09
Other Occupancy Costs	59,943 92	-	59 943 92
Closure costs	186,394 59	1,935 50	188 330 09
Concession Costs	104 098 00	-	104,098 00
Retail Agent's fees	2,084,078 15	-	2,084,078 15
Retail Agent's expenses	633,850 79	-	633 850 79
Total trading payments	82,148,464 75	1,537,693 06	83,684,157 81
Trading surplus to 31 May 2014	3,273,423 23	(1,537,693 06)	1,735,730 *

Record Shop 2 Limited, formerly HMV Music Limited
(In Administration)

Receipts & Payments account from
15 January 2013 to 31 May 2014

SoA Balance	Notes	15 July 2013 to 30 November 2013	1 December 2013 to 31 May 2014	TOTAL
£		£	£	£
RECEIPTS				
7 500,000	Trading surplus to 30 November 2013	3 273 423	(1 537 693)	1 735 730 *
nil	Leasehold Premium	4 521 182		4,521 182
nil	Sale of Business	40 092 617	(40 092 617)	-
nil	Cash in Transit	4 500 401		4,500,401
nil	Secured creditor funding	2 154,876	14 800 000	16 954 876
nil	Worldpay Pre Appt Deposit Refund	2,500 000		2 500 000
nil	Unidentified Receipts (pre-appt)	629 865		629 865
5,000,000	Book Debts	1,895,907	28 337	1 924,243
nil	Business Stock		12,043 260	12 043 260
nil	Sale of Painting	-	30 000	30 000
nil	Chattels and Equipment	-	13,757 839	13 757 839
nil	Business Claims	-	1	1
nil	Database IPR	-	1,500 005	1 500 005
nil	Commercial Records	-	1	1
nil	Contracts	-	1	1
nil	Business Properties		3 368 000	3 368,000
nil	Rates Refunds	569 776	9 635	579 411
nil	Sundry Refunds	303,163	5 990	309 154
nil	Insurance Refunds	9 990		9 990
nil	Fixtures & Fittings	7,000	1	7,001
nil	Compensation Payments Received	1,778		1 778
nil	Employee related refunds	12 252		12,252
nil	Bank Interest Gross	185 240	33 256	218 496
nil	Licence Fee - Rents	14,558 108	10 955 321	25 513 428
nil	Goodwill	-	3 000 000	3 000 000
nil	Sale of faulty stock	40 000	-	40 000
Total Receipts		75,258,559	17,901,336	93,158,895
PAYMENTS				
	Rents recoverable under licence fee	22 567 520	5 955 948	28,523,468
	US Subsidiary costs	5 289	-	5 289
	Legal fees/Property	177 189	100 258	277,447
	Rate refunds agents fees	550 276	152 147	702 422
	Administrators' Fees	4 528 809	1 119 040	5 647,849
	Administrators' Expenses	189 331	40 682	230 013
	Debt Collection Fees	39 511	314 587	354,098
	Ratings Agent Fees	-	3 499	3 499
	Agents/Valuers Fees	273 657		273 657
	Legal Fees - General	2,627,376	496 006	3 123 383
	Legal fees - disbursements	50,552	76 688	127 240
	Postage & Redirection	20 159	1 689	21 848
	Statutory Advertising	308		308
	Insurance of Assets	207 472	6 583	214,054
	Corporation Tax	-	2 549	2 549
	Bank Charges	10 050	886	10 936
	Repayment of Secured Creditor Funding	2,154,876	14,800 000	16 954 876
	Secured Creditor Distribution	37,110,615	(5 849 922)	31 260 693
Total Payments		70,612,988	17,220,641	87,733,630
Balance In Hand		4,742,570	680,695	5,423,265
		75,258,559	17,901,336	93,158,895

Note - The variance in the amounts received and paid under the licence fee is due to timing differences only

Note 1 13 - certain transactions have been reallocated to more accurately reflect the nature of the transactions however this has not affected the overall result of the administration

Note 14 The reduction in the distribution paid to the secured creditor is to accurately reflect the allocation of the sale of the business and assets of the Companies, as previously they have been shown solely in Record Shop 2. Distributions across the Group have not changed since our last report to creditors.

Record Shop 4 Limited, formerly Fopp Entertainments Limited
(In Administration)

Summary of Receipts & Payments
For the period 15 January 2013 to 31 May 2014

SoA Balance		15 January 2013 to 30 November 2013	1 December 2013 to 31 May 2014	Total
£	RECEIPTS	£	£	£
123,000 00	Stock	-	-	-
40,000 00	Debtors	-	-	-
nil	Chattals and Equipments	-	246,478	246,478
nil	Business Claims	-	1	1
nil	Fixtures and Fittings	-	1	1
nil	Commercial Records	-	1	1
nil	Contracts	-	1	1
nil	Business Properties	-	1	1
nil	Goodwill	-	1	1
nil	Rates refund	8,774	-	8,774
nil	Bank Interest	24	33	57
		8,798	246,517	255,315
	PAYMENTS			
	Secured Creditor	-	246,484	246,484
	Total Payments	-	246,484	246,484
	Balance In Hand	8,798	33	8,831
		8,798	246,517	255,315

HMV Group plc
(In Administration)
Time costs for the period 1 December 2013 to 31 May 2014

	Partners & Directors		Managers		Assistants & Support		TOTAL		Average Hourly Rate Cost (£)
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
Administration and Planning									
Cashiering and Statutory Filing	0.75	637.50	10.20	4,501.00	7.08	1,966.10	18.03	7,104.60	394.04
Case Supervision, Management and Closure	10.00	8,500.00	2.00	862.00	3.18	889.10	15.18	10,251.10	676.30
Initial Actions (e.g. Notification of Appointment, Securing Assets)	-	-	-	-	-	-	-	-	-
General Reporting	-	-	-	-	7.23	2,132.85	7.23	2,132.85	295.00
Liaison with Other Insolvency Practitioners	10.76	9,137.50	12.20	5,363.00	17.49	4,988.05	40.44	19,488.55	481.91
Investigations									
Investigations	-	-	-	-	-	-	-	-	-
Reports on Directors' Conduct	-	-	-	-	-	-	-	-	-
Trading									
Day 1 Control of Trading	-	-	-	-	-	-	-	-	-
Ongoing Trading	-	-	-	-	-	-	-	-	-
Monitoring Trading	-	-	-	-	-	-	-	-	-
Closure of Trade	5.00	4,125.00	-	-	-	-	5.00	4,125.00	825.00
	5.00	4,125.00	-	-	-	-	5.00	4,125.00	825.00
Realisation of Assets									
Book Debts	-	-	-	-	-	-	-	-	-
Other Assets (e.g. Stock)	40.00	30,985.00	-	-	-	-	40.00	30,985.00	774.63
Plant and Equipment, Fixtures and Fittings and Vehicles	-	-	-	-	-	-	-	-	-
Property - Freehold and Leasehold	-	-	-	-	-	-	-	-	-
Retention of Title	-	-	-	-	-	-	-	-	-
Sale of Business / Assets	-	-	-	-	-	-	-	-	-
Third Party Assets	40.00	30,985.00	-	-	-	-	40.00	30,985.00	774.63
Creditors									
Employees	95.00	78,575.00	21.60	12,772.00	131.50	38,792.50	248.10	130,139.50	524.64
Preferential	-	-	-	-	-	-	-	-	-
Secured	7.00	5,950.00	-	-	-	-	7.00	5,950.00	850.00
Shareholders	-	-	0.50	317.50	-	-	0.50	317.50	635.00
Unsecured	-	-	4.00	1,980.00	2.00	590.00	6.00	2,570.00	428.33
	102.00	84,525.00	26.10	15,069.50	133.50	39,382.50	261.60	138,977.00	531.26
Other Matters Include									
Litigation	-	-	-	-	-	-	-	-	-
Pensions	-	-	1.00	635.00	-	-	1.00	635.00	635.00
Tax and VAT	3.00	3,405.00	1.20	653.00	-	-	4.20	4,058.00	966.19
	3.00	3,405.00	2.20	1,288.00	-	-	5.20	4,693.00	902.50
TOTAL HOURS & COST	160.76	132,177.50	40.60	21,720.50	150.99	44,370.55	352.24	198,268.55	562.88

TOTAL FEES DRAWN TO DATE

0.00

HMV Group Plc
(In Administration)
Time costs for the period 15 January 2013 to 31 May 2014

	Partners & Directors		Managers		Assessors & Support		TOTAL		Average Hourly Rate Cost (£)
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
Administration and Planning									
Cashiering and Statutory Filing	3 90	3 175 00	38 60	16 105 00	19 88	5 570 60	62 38	26 850 60	430 44
Case Supervision, Management and Closure	11 00	9 350 00	8 97	4 106 15	15 48	3 491 60	35 45	16 947 75	478 07
Initial Actions (e.g. Notification of Appointment, Securing Assets)	60 25	57 012 50	33 80	16 707 00	16 70	3 889 00	110 76	77 608 50	700 76
General Reporting	-	-	15 80	7 914 00	23 83	5 836 85	39 63	13 760 86	346 98
Liaison with Other Insolvency Practitioners	76 16	69 537 50	97 17	46 832 15	76 89	18 788 06	248 21	135 167 70	544 53
Investigations									
Investigations	-	-	6 00	2 970 00	-	-	6 00	2 970 00	496 00
Reports on Directors' Conduct	10 00	9 200 00	2 70	1 336 50	-	-	12 70	10 536 50	829 65
	10 00	9 200 00	8 70	4 306 50	-	-	18 70	13 506 50	722 27
Trading									
Day 1 Control of Trading	1 00	850 00	-	-	-	-	1 00	850 00	860 00
Ongoing Trading	-	-	-	-	-	-	-	-	-
Monitoring Trading	-	-	-	-	-	-	-	-	-
Closure of Trade	5 00	4 125 00	-	-	-	-	5 00	4 125 00	826 00
	6 00	4 975 00	-	-	-	-	6 00	4 975 00	829 17
Realisation of Assets									
Book Debts	-	-	-	-	-	-	-	-	-
Other Assets (e.g. Stock)	129 00	87 590 00	41 10	16 639 50	-	-	170 10	104 229 50	612 75
Plant and Equipment, Fixtures and Fittings and Vehicles	-	-	-	-	-	-	-	-	-
Property - Freehold and Leasehold	-	-	-	-	-	-	-	-	-
Retention of Title	-	-	-	-	-	-	-	-	-
Sale of Business / Assets	95 00	91 942 50	315 40	249 434 50	8 05	1 308 50	418 46	342 685 50	818 94
Third Party Assets	224 00	179 532 50	356 50	266 074 00	8 05	1 308 50	588 56	446 915 00	769 35
Creditors									
Employees	152 00	125 600 00	62 40	29 328 00	261 70	77 050 25	476 10	231 978 25	487 26
Preferential	-	-	-	-	-	-	-	-	-
Secured	7 00	5 950 00	5 00	3 600 00	0 50	120 00	12 50	9 670 00	773 60
Shareholders	-	-	13 00	8 255 00	0 40	96 00	13 40	8 351 00	623 21
Unsecured	169 00	131 650 00	106 90	63 806 50	331 60	93 858 75	596 50	279 215 25	309 16
Other Matters Include									
Litigation	-	-	-	-	2 00	480 00	2 00	480 00	240 00
Pensions	14 50	12 356 62	9 10	5 264 73	-	-	23 60	17 621 35	746 67
Tax and VAT	68 20	77 453 50	57 55	55 500 25	11 75	2 907 75	137 50	136 861 50	988 08
	82 70	89 810 12	66 65	60 764 98	13 75	3 387 75	163 10	153 962 86	943 98
TOTAL HOURS & COST	566 66	484 606 12	634 92	431 783 13	429 29	117 344 06	1 621 06	1 033 732 30	637 69

TOTAL FEES DRAWN TO DATE

0 00

Record Shop 2 Limited (formerly HMV Music Limited)
(In Administration) Time costs for the period 1 December 2013 to 31 May 2014

	Partners & Directors		Managers		Solicitors & Counsel		TOTAL		Average Hourly Rate (Cost (£))
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
Administration and Planning									
Cashiering and Statutory Filing	4 60	3 910 00	91 55	39,412 25	68 79	20 288 55	164 94	63,590 80	385 54
Case Supervision, Management and Closure	36 00	31 175 00	24 10	13,930 50	207 97	59 773 65	268 07	104,879 15	391 24
Initial Actions (e.g. Notification of Appointment, Securing Assets)	-	-	-	-	-	-	-	-	-
General Reporting	15 00	12 375 00	21 50	12,562 50	25 66	7 569 70	62 16	32,507 20	522 96
Liaison with Other Insolvency Practitioners	56 60	47,460 00	137 15	65,906 25	302 42	87,611 90	495 17	200,977 15	405 88
Investigations									
Investigations	-	-	-	-	-	-	-	-	-
Reports on Directors' Conduct	-	-	-	-	-	-	-	-	-
Trading									
Day 1 Control of Trading	-	-	-	-	-	-	-	-	-
Ongoing Trading	11 50	9 775 00	5 10	2 301 50	23 08	6 808 60	39 68	18,885 10	475 93
Monitoring Trading	41 00	32 725 00	22 00	11 902 50	2 40	295 00	65 40	44,922 50	686 89
Closure of Trade	62 60	42,600 00	27 10	14,204 00	25 48	7,103 60	105 08	63,807 60	607 23
Realisation of Assets									
Book Debts	-	-	1 00	495 00	-	-	1 00	495 00	495 00
Other Assets (e.g. Stock)	4 00	3 300 00	21 50	10,642 50	-	-	25 50	13,942 50	648 76
Plant and Equipment, Fixtures and Fittings and Vehicles	-	-	-	-	-	-	-	-	-
Property - Freehold and Leasehold	7 50	6,187 50	135 00	66 895 00	-	-	142 50	73,082 50	512 86
Retention of Title	5 50	3 327 50	-	-	-	-	5 50	3,327 50	605 00
Sale of Business / Assets	-	-	-	-	-	-	-	-	-
Third Party Assets	17 00	12,815 00	157 50	76,032 50	-	-	174 50	90,847 50	520 62
Creditors									
Employees	64 00	53 325 00	51 60	27 278 00	104 42	30,803 90	220 02	111,406 90	506 35
Preferential	-	-	-	-	-	-	-	-	-
Secured	18 00	15 200 00	-	-	-	-	18 00	15,200 00	844 44
Shareholders	-	-	-	-	-	-	-	-	-
Unsecured	1 00	825 00	2 70	1 719 00	52 20	14,783 50	55 90	17,327 50	309 97
Other Matters Include									
Litigation	83 00	69,350 00	54 30	26,997 00	156 62	45,687 40	293 92	143,934 40	489 71
Pensions	-	-	-	-	-	-	-	-	-
Tax and VAT	54 20	57 181 00	26 30	14 327 00	3 92	1 156 40	84 42	72,664 40	860 76
	54 20	57,181 00	27 80	15,279 50	3 92	1,156 40	85 92	73,616 90	856 81
TOTAL HOURS & COST	262 30	229,306 00	403 85	202,418 25	488 44	141,459 30	1,164 59	573,183 65	496.44
TOTAL FEES DRAWN TO DATE								5,847,849 00	

Time costs for the period 15 January 2013 to 31 May 2014

Record Shop 2 Limited (previously HMV Music Limited)
(In Administration)

	Partners & Directors		Managers		Assessors & Support		TOTAL		Average Hourly Rate Cost (£)
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
Administration and Planning									
Cashiering and Statutory Filing	35 85	30 472 50	677 85	316 518 25	368 46	107 802 45	1,082 16	454,793 20	420 28
Case Supervision, Management and Closure	187 30	160 255 00	326 78	110 438 10	372 68	96 039 60	886 76	366,732 70	413 66
Initial Actions (e.g. Notification of Appointment, Securing Assets)	58 00	46 850 00	51 80	26,721 00	54 90	11,308 50	164 70	84,878 50	615 36
General Reporting	48 00	39 750 00	79 00	39 771 00	70 14	18 931 80	197 14	98,452 80	499 41
Liaison with Other Insolvency Practitioners	329 16	277 327 60	1,135 43	493,448 35	886 18	234,082 35	2,330 76	1,004,858 20	431 13
Investigations									
Investigations	55 00	47 625 00	123 50	47 365 00	43 00	6 882 50	221 50	101,872 50	459 92
Reports on Directors' Conduct	66 20	47,795 00	126 20	48,701 50	43 00	6,882 50	224 40	103,379 00	519 48
Trading									
Day 1 Control of Trading	7 00	5,950 00	192 30	103 395 00	10 50	2 122 50	209 80	111,487 50	531 30
Ongoing Trading	990 70	745,761 00	3,574 94	1,777,470 30	945 82	182,277 40	5,611 46	2,705,608 70	490 89
Monitoring Trading	18 00	15 050 00	1 652 00	858 482 50	-	-	1,670 00	873,632 50	523 07
Closure of Trade	187 00	153 175 00	428 90	269 015 50	5 60	615 00	621 60	422,808 50	680 30
	1,202 70	919,936 00	6,848 14	3,008,363 30	961 92	185,014 90	8,012 76	4,113,314 20	513 35
Realisation of Assets									
Book Debts	25 50	21 297 50	14 00	6 540 00	14 80	3 034 00	28 80	9,574 00	332 43
Other Assets (e.g. Stock)	-	-	76 10	37,669 50	4 00	200 00	106 60	69 187 00	660 29
Plant and Equipment, Fixtures and Fittings and Vehicles	936 70	796,342 00	1 391 85	793 767 50	1 307 50	307 672 50	3,636 05	1,897,782 00	621 94
Property - Freehold and Leasehold	483 50	292 517 50	1 761 80	586,874 00	2 50	512 50	2,247 80	879,904 00	391 45
Retention of Title	216 00	224 580 00	776 50	527 405 00	119 50	33,807 50	1,112 00	785 792 50	706 65
Sale of Business / Assets	-	-	-	-	4 00	780 00	4 00	780 00	195 00
Third Party Assets	1,661 70	1,334,737 00	4,020 26	1,962,256 00	1,452 30	348,008 50	7,134 26	3,632,995 50	509 23
Creditors									
Employees	77 00	64 250 00	546 70	253 065 50	732 42	215 321 40	1,356 12	532,636 90	392 77
Preferential	-	-	-	-	1 20	234 00	1 20	234 00	195 00
Secured	24 50	20,637 50	2 50	1,800 00	-	-	27 00	22,437 50	831 02
Shareholders	3 00	2 475 00	877 40	383 674 00	619 25	130 032 75	1,499 65	616,181 75	344 20
Unsecured	104 60	87 362 60	1,426 60	638,639 50	1,352 87	345,688 15	2,863 97	1,071,490 15	371 63
Other Matters Include:									
Litigation	-	-	-	-	41 00	7 995 00	41 00	7,995 00	195 00
Pensions	2 00	1 468 90	22 10	14 185 99	-	-	24 10	15 667 89	649 70
Tax and VAT	251 80	265 615 00	321 05	247,044 75	23 42	5 658 90	696 27	618,318 65	869 27
	253 80	267,083 90	343 15	261,233 74	64 42	13,653 90	661 37	641,971 64	819 47
TOTAL HOURS & COST	3,607 06	2,934,241 90	12,899 77	6,402,642 39	4,740 69	1,131,228 30	21,247 51	10,468,012 59	492 87

TOTAL FEES DRAWN TO DATE

5,647,848 00

Record Shop 4 Limited (formerly Fopp Entertainments Ltd) Time costs for the period 1 December 2013 to 31 May 2014
(In Administration)

	Partners & Directors		Managers		Assistants & Support		TOTAL	Average Hourly Rate
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)
Administration and Planning								
Cashiering and Statutory Filing	-	-	0.95	387.25	1.30	383.50	2.25	770.75
Case Supervision, Management and Closure	-	-	0.60	237.00	2.37	699.15	2.97	936.15
Initial Actions (e.g. Notification of Appointment, Securing Assets)	-	-	-	-	-	-	-	-
General Reporting	-	-	-	-	1.63	480.85	1.63	480.85
Liaison with Other Insolvency Practitioners	-	-	-	-	-	-	-	-
	-	-	1.55	624.25	5.30	1,563.50	6.85	2,187.75
Investigations								
Investigations	-	-	-	-	-	-	-	-
Reports on Directors' Conduct	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Trading								
Day 1 Control of Trading	-	-	-	-	-	-	-	-
Ongoing Trading	-	-	-	-	-	-	-	-
Monitoring Trading	-	-	-	-	-	-	-	-
Closure of Trade	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Realisation of Assets								
Book Debts	-	-	-	-	-	-	-	-
Other Assets (e.g. Stock)	-	-	-	-	-	-	-	-
Plant and Equipment, Fixtures and Fittings and Vehicles	-	-	-	-	-	-	-	-
Property - Freehold and Leasehold	-	-	-	-	-	-	-	-
Retention of Title	-	-	-	-	-	-	-	-
Sale of Business / Assets	-	-	-	-	-	-	-	-
Third Party Assets	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Creditors								
Employees	-	-	-	-	-	-	-	-
Preferential	-	-	-	-	-	-	-	-
Secured	-	-	-	-	-	-	-	-
Shareholders	-	-	-	-	-	-	-	-
Unsecured	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Other Matters Include								
Litigation	-	-	-	-	-	-	-	-
Pensions	-	-	-	-	-	-	-	-
Tax and VAT	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
TOTAL HOURS & COST	-	-	1.55	624.25	5.30	1,563.50	6.85	2,187.75
								319.38

TOTAL FEES DRAWN TO DATE 0.00

Record Shop 4 Limited (formerly Fopp Entertainments Ltd)
(In Administration) Time costs for the period 15 January 2013 to 31 May 2014

	Partners & Directors		Managers		Assistants & Support		TOTAL		Average Hourly Rate
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
Administration and Planning									
Cashiering and Statutory Filing	-	-	6 55	3 081 25	6 20	1 780 00	12 75	4,861 25	381 27
Case Supervision, Management and Closure	-	-	4 10	1 704 50	4 97	1,245 65	9 07	2,950 15	325 26
Initial Actions (e.g. Notification of Appointment, Securing Assets)	-	-	8 80	4 356 00	8 00	1 920 00	16 80	6,276 00	373 57
General Reporting	-	-	12 60	6 455 00	8 73	2 184 85	21 33	8,639 85	405 06
Liaison with Other Insolvency Practitioners	-	-	-	-	-	-	-	-	-
	-	-	32 05	15,586 75	27 90	7,130 50	59 95	22,727 25	379 10
Investigations									
Investigations	-	-	-	-	-	-	-	-	-
Reports on Directors' Conduct	2 00	1 700 00	2 70	1,336 50	-	-	4 70	3,036 50	646 06
	2 00	1,700 00	2 70	1,336 50	-	-	4 70	3,036 50	646 06
Trading									
Day 1 Control of Trading	-	-	-	-	-	-	-	-	-
Ongoing Trading	-	-	-	-	-	-	-	-	-
Monitoring Trading	-	-	-	-	-	-	-	-	-
Closure of Trade	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Realisation of Assets									
Book Debts	-	-	-	-	-	-	-	-	-
Other Assets (e.g. Stock)	-	-	1 10	544 50	-	-	1 10	544 50	495 00
Plant and Equipment, Fixtures and Fittings and Vehicles	-	-	-	-	-	-	-	-	-
Property - Freehold and Leasehold	-	-	-	-	-	-	-	-	-
Retention of Title	-	-	-	-	-	-	-	-	-
Sale of Business / Assets	-	-	-	-	-	-	-	-	-
Third Party Assets	-	-	-	-	-	-	-	-	-
	-	-	1 10	544 50	-	-	1 10	544 50	495 00
Creditors									
Employees	-	-	-	-	-	-	-	-	-
Preferential	-	-	-	-	-	-	-	-	-
Secured	-	-	-	-	-	-	-	-	-
Shareholders	-	-	-	-	-	-	-	-	-
Unsecured	-	-	-	-	1 50	360 00	1 50	360 00	240 00
	-	-	-	-	1 50	360 00	1 50	360 00	240 00
Other Matters Include									
Litigation	-	-	-	-	-	-	-	-	-
Pensions	-	-	-	-	-	-	-	-	-
Tax and VAT	-	-	4 70	4 365 50	1 00	305 00	5 70	4,670 50	819 39
	-	-	4 70	4,365 50	1 00	305 00	5 70	4,670 50	819 39
	-	-	-	-	-	-	-	-	-
TOTAL HOURS & COST	2 00	1,700 00	40 55	21,843 25	30 40	7,795 50	72 95	31,338 75	429 59

TOTAL FEES DRAWN TO DATE

0 00