

The Insolvency Act 1986

**Administrator's progress report**

Name of Company Deep Purple (Overseas) Limited	Company number 01016257
In the High Court of Justice, London  [full name of court]	Court case number 315 of 2016

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

We (a) Mark Supperstone and Simon Harris of ReSolve Partners Limited, 48 Warwick Street, London, W1B5NL

administrators of the above company attach a progress report for the period

from

to

(b) 19 July 2016

(b) 28 November 2016

(b) Insert dates

Signed

Joint Administrators

Dated

28/11/16.

**Contact Details**

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

ReSolve Partners Limited

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COMPANIES HOUSE

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**Deep Purple (Overseas) Limited and HEC Enterprises Limited**  
**Administrators' progress report**  
**28 November 2016**

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**Deep Purple (Overseas) Limited (DPO) and HEC Enterprises Limited (HEC)**  
**In Administration (together the Company)**

**Administrators' progress report**  
**For the period 19 July 2016 to 28 November 2016**

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## 1 INTRODUCTION

As you may be aware, Simon Harris and I were appointed as Administrators of the Companies on 19 January 2016. This report is the Administrators' second report on the progress of the Administrations for the period 19 July 2016 to 28 November 2016 (the Reporting Period) and should be read in conjunction with the Administrators' proposals dated 10 March 2016 and progress report dated 17 August 2016, copies of which are available on request to this office free of charge.

I note that definitions regarding the Settlement Agreement, Freezing Order and Rao Recoveries will not be re-defined in this report as the relevant background to these definitions were provided in the Administrators' report and proposals dated 10 March 2016.

Please find attached the statutory information relating to the Companies at *Appendix I*.

## 2 ADMINISTRATORS' ACTIONS SINCE THE LAST REPORT

As previously reported, the Administrators continued to trade the Companies with the assistance of the Companies' pre-appointment royalty administration agent, Wixen Music UK Limited (Wixen) until April 2016. It is considered that by allowing the Companies to continue trading the Companies' goodwill will be preserved, whilst simultaneously maintaining on-going royalty streams for the benefit of the Companies and the beneficiaries entitled to same (the Beneficiaries). Due to the level of fees that Wixen wished to charge for the on-going trade activities, the majority of the general trade since April 2016 and during the course of the Reporting Period has been undertaken by the Administrators.

During the Reporting Period the following matters have been completed (not exhaustive)

- Corresponded with the Companies' pre-appointment bankers, National Westminster Bank plc (NatWest) regarding incoming credits
- Complied with the terms of the Order of Registrar Baister sealed on 19 July 2016 including making the distribution of the December 2015 quarter royalty entitlements
- Retained solicitors, Fieldfisher LLP (Fieldfisher) to provide legal advice on all aspects of the Administrations. Fieldfisher is continuing to also provide specific assistance with the following (not exhaustive)
  - Advice pertaining to various trust matters
  - Comments generally on pre-appointment litigation matters
  - Continuous liaising with the Beneficiaries and their advisors
  - Liaising with Counsel regarding post Court hearing matters
  - Corresponding with the Beneficiaries and their advisors following the Court hearing on 15 July 2016
  - Assisting with the drafting of the Administrators' proposals in accordance with the Order of Registrar Baister dated 15 July 2016
  - Drafting the Administrators' multiple witness statements ahead of a Court hearing commencing on 28 September 2016
  - Preparation and attendance at the Court hearing on 28 September and 29 September 2016
- Retained, via Fieldfisher, Counsel, Andrew Sutcliffe QC to advise on various trust matters and to seek his assistance with correspondence with the Beneficiaries and their advisors
- Dealings with Mr Sutcliffe QC following the Court hearing on 15 July 2016
- Dealings with Mr Sutcliffe QC in the preparation for the Court hearing commencing on 28 September 2016 along with input into the skeleton argument
- Attendance at a Court hearing between 28 September 2016 and 29 September 2016
- Complied with the terms of a Court Order dated 29 September 2016 made by Mr Justice Morgan, including, but not limited to, facilitating the transfer of DPO's shareholding in Purpletuity Limited (Purpletuity)
- Corresponded with HM Revenue & Customs (HMRC) in respect of a pre-appointment investigation into the Companies' historic tax returns

- Liaised with HMRC and addressed their queries in respect of a pre-appointment VAT refund due to HEC
- Recovered a pre-appointment VAT refund due to HEC
- Liaised with parties who have expressed an interest in DPO's "Whitesnake" music catalogue (the Whitesnake Catalogue) and invited offers for same
- Instructed Skeet and Kaye Media Limited (SKM) to provide comments on the proposed sale of the Whitesnake Catalogue
- Liaised with unsecured creditors regarding claims and enquiries
- Drafted and issued the Administrators' progress report to creditors dated 17 August 2016
- Dealing with licensing requests/approvals and liaising with certain Beneficiaries advisors in respect of same, and
- Addressed the Administrators' statutory duties associated with these Administrations

### 3. RECEIPTS AND PAYMENTS

The Administrators' receipts and payments (R&P) accounts for the Reporting Period (being 19 July 2016 to 28 November 2016) are attached at **Appendix II**

Please note amounts recorded in the R&Ps are held in various locations, as follows

- The Companies' pre-appointment NatWest accounts
- Fieldfisher's client account, and
- Administration bank accounts

The quantum of funds held in respect in the above locations is recorded in the "represented by" section of the R&P

In respect of the Rao Recoveries, the funds have been recorded on both R&P's until such time as an agreed split of the funds is determined

### 4 ASSETS

Please note the below section details assets dealt with during the Reporting Period or those yet to be realised. For details of the Companies' assets dealt with in previous reporting periods please refer to the Administrators' previous report

#### *DPO*

##### Future royalty income

During the Reporting Period £284,098 and \$62,876 has been received into the Company's pre-appointment bank accounts which, once processed should be DPO's or possibly HEC's royalties for the defined period. During the reporting period £356 was received directly into the DPO Administration bank account. It is anticipated that once the processing has occurred, the total royalty income received during the course of the Administration will be circa £530,000 and \$114,000 respectively. Amounts continue to be received into the Companies' pre-appointment bank accounts which are periodically swept into the Administration bank accounts.

It is anticipated that DPO will continue to receive ongoing royalty income from various parties although the amount will be less due to the Deep Purple catalogue being transferred to Purpletury. Please note that as a result of a Court Order dated 29 September 2016, any future income received from the Clause 2 Assets will be passed to Purpletury.

It should also be noted that certain income is not subject to the Settlement Agreement and accordingly, is not confined to the terms of the Order of Mr Justice Morgan above. Unfortunately it is not possible to forecast future income as this depends on several factors mainly the level of exploitation that occurs during each quarter.

#### Intellectual property – Music catalogue

By way of background, DPO holds the copyright in various Deep Purple and other compositions. At this stage, it is uncertain what value the intellectual property holds.

Following advice provided on our appointment by Fieldfisher and Counsel, the Administrators wrote to the Beneficiaries in respect of various matters, amongst which was the transfer of certain intellectual property to Purpletuit. Due to the passage of time since the Settlement Agreement which included the Clause 2 Assets, it was the Administrators' continued stance to seek a commercial resolution.

As previously reported, there has been a volume of correspondence with the Beneficiaries and their advisors and accordingly, the background surrounding the 2005 Agreement and trust accounts will not be expanded upon again in this report. Due to Russells (certain beneficiaries' advisors) seeking to re-list proceedings from 2015, all matters surrounding the 2005 Agreement have ended up in the judicial system with an initial hearing in front of Mr Registrar Baister on 15 July 2016. An Order was sealed on 19 July 2016 instructing the Administrators to send written proposals (the Administrators' Proposals) to the defined list in the Order as to how the Administrators intend to address the disputes raised by Russells on behalf of their clients in the 2015 applications by 12 August 2016. The Administrators complied with same by the set deadline of 12 August 2016 and the Administrators' Proposals were served on all the relevant parties.

Mr Registrar Baister had adjourned the applications to be heard in front of a Judge, which was held on 28 September 2016 and 29 September 2016 in front of Mr Justice Morgan. An order of Mr Justice Morgan dated 29 September 2016 ordered, amongst other things, the transfer of the Clause 2 Assets held by the Companies to Purpletuit.

In view of the above, no future recoveries are anticipated for the benefit of DPO from the Clause 2 Assets.

It should be noted that Mr Justice Morgan has yet to rule on certain matters, significantly in respect of costs under the Berkley Applegate principal (BA) (together the Outstanding Matters). Mr Justice Morgan's ruling in this regard is expected in due course and the Administrators will update creditors in their subsequent report the outcome of same.

Please note that certain intellectual property of DPO is not subject to the Settlement Agreement and in turn is therefore not a Clause 2 Asset. Accordingly, this intellectual property is not confined to the terms of the Order of Mr Justice Morgan above and they remain vested in the Company.

The Administrators have liaised with parties who have expressed an interest in the Whitesnake Catalogue. The Administrators invited offers for same and are currently liaising with interested parties. So as not to prejudice the outcome of negotiations an update will be provided following the conclusion of a sale of the Whitesnake Catalogue.

DPO also holds the copyright to various Rainbow compositions (the Rainbow Catalogue) which is also not subject to the Settlement Agreement. The Administrators anticipate commencing marketing of the Rainbow Catalogue in due course.

Realisations in respect of the Whitesnake Catalogue and Rainbow Catalogue are uncertain.

#### Shareholding in Purpletuit

DPO held the entire share capital of Purpletuit which was held on trust pursuant to the 2005 Agreement.

In accordance with the Order of Mr Justice Morgan dated 29 September 2016, DPO's entire shareholding in Purpletuit was transferred to certain parties in accordance with the Order. Accordingly, there are no recoveries available for the benefit of DPO's estate.

#### Dipak Rao

As advised previously, DPO's Statement of Affairs (SofA) indicates amounts owing from Mr Rao total in excess of £1million, with a contingent £1 estimated to realise figure.

Prior to Administration the Companies recovered circa £600,000 from Mr Rao. On Administration, these funds, less costs, resulted in net recoveries of approximately £477,000 (the Rao Recoveries) which were held in Sherwood's client account. Following Administration, the Rao Recoveries have been transferred to Fieldfisher's ADM – PRBWv2.

client account

In correspondence that has been circulated to the Beneficiaries, the money held is considered "mixed monies" as it contains both trust monies and non-trust monies that would have been misappropriated by Mr Rao. A percentage split between trust and non-trust was subject to discussion and outlined in the Administrators' Proposals.

Mr Justice Morgan ordered that 91.75 per cent of the Rao Recoveries be transferred to Purpletutty. The remaining funds (8.25 per cent) will be available to DPO and HEC. Please note the transfer of funds to Purpletutty has not yet been completed as the funds may be subject to Berkeley Appellate and hence awaiting the decision of Mr Justice Morgan.

Further recoveries from Mr Rao under the Freezing Order are dependent on the value of his remaining assets and the funds available in which to bring actions to recover those assets. Realisations are presently uncertain.

#### Book debts

The SofA indicates debtors totalling circa £19,000. The amounts outstanding are due from certain beneficiaries to DPO's royalty income.

The Administrators are collating information to support the book debt ledger and will then seek repayment from debtors shortly thereafter. As the debtors are also beneficiaries it may be possible to recoup funds directly from the debtors' respective royalty income. As advised previously, realisations are currently uncertain although entitlements from the March 2016 quarter have been segregated where relevant.

#### Manuela Edwards – Unauthorised payments

DPO's SofA indicates a contingency sum of £1 relating to "unauthorised payments" being due from Mrs Edwards.

The directors have advised sums totalling in excess of £200,000 may be due from Mrs Edwards to DPO. The Administrators will seek to collate supporting documentation to support the directors' assertions and seek recovery of funds, if appropriate. Realisations are uncertain and until this matter is concluded, Mrs Edwards' royalty entitlements have been held by the Administrators, although segregated from general DPO funds.

#### VAT refund

The SofA details a VAT refund of £7,000 being due from HMRC.

The Administrators instructed Breckman to prepare and submit DPO's outstanding pre-appointment VAT returns. HMRC subsequently requested additional information to support the returns submitted by Breckman which was provided by the Administrators.

Please note that the VAT refund is subject to Crown setoff which may reduce the amount available to DPO. Based on present information it is not considered that any recovery will be received from this source.

#### EMI / Sony black box

DPO's SofA details a contingency sum of £1 for EMI / Sony black box.

It is understood this amount relates to a settlement that had been negotiated by the Companies prior to Administration.

As a result of the Order transferring the Clause 2 Assets to Purpletutty the settlement has not been progressed. Based on present information it is not considered that any recovery will be available to the DPO as the parties to which the income would be due is to various line ups of Deep Purple and therefore now collectible by Purpletutty.

## HEC

### Future royalty income

During the Reporting Period £264,460 has been received into the Company's pre-appointment bank account which, once processed should be HEC's or possibly DPO's royalties for the defined period

It is anticipated that once the processing has occurred, the total royalty income received during the course of the Administration will be circa £512,000. Amounts continue to be received into the Companies' pre-appointment bank accounts which are periodically swept into the Administration bank accounts.

It was anticipated that HEC would continue to receive on going royalty income from various parties. However, as with DPO above, as a result of a Court Order dated 29 September 2016 income received from the Clause 2 Assets will be passed to Purpletuit. As the intellectual property held by HEC is all considered to be Clause 2 Assets, there will be no further royalty income available to the estate of HEC.

### Intellectual property – Music catalogue

As with DPO above, HEC holds the copyright in various Deep Purple and other compositions.

As a result of the Order of Mr Justice Morgan dated 29 September 2016, the Court ordered, amongst other things, the transfer of the Clause 2 Assets held by the Companies to Purpletuit. Accordingly no recoveries are available to HEC from the Clause 2 Assets. For further details please refer to the DPO section above.

It should be noted that it is not considered that HEC holds any non-Clause 2 Assets.

### Dipak Rao

HEC's SofA indicates amounts owing from Mr Rao total in excess of £742,000, with a contingent £1 estimated to realise figure.

Please see comments made in respect of this asset as per DPO above.

### Unauthorised payments

HEC's SofA details several contingency sums of £1 for "unauthorised payments" to various parties.

The directors have advised sums totalling circa £362,000 may be due from these parties to HEC. The Administrators will seek to collate supporting documentation to support the directors' assertions and seek recovery of funds, if appropriate. Realisations are uncertain.

### VAT refund

The SofA details a VAT refund of £13,000 being due from HMRC.

As previously reported, the Administrators instructed Breckman to prepare and submit HEC's outstanding pre-appointment VAT returns. HMRC requested additional information to support the returns submitted by Breckman. Following protracted correspondence with HMRC a pre-appointment VAT refund of £36,282 was received during the Reporting Period from HMRC.

No further recoveries are expected from this source.

### EMI / Sony black box

DPO's SofA details a contingency sum of £1 for EMI / Sony black box. Please refer to the DPO comments regarding this above.

### *Both DPO & HEC*

### Negligence claim

As outlined in the Administrators' previous report, prior to Administration, the Companies identified a potential ADM – PRBWv2.



claim in negligence against the Companies' former accountant from 2014. A CFA has been entered into with Simons Muirhead & Burton (SMB) regarding pursuing a claim, although due to an objection being received in respect of SMB's instruction, no work has yet been commenced in relation to this action.

The Administrators are reviewing the basis of the Companies' claim and will discuss the merits of pursuing same with legal advice.

## **5. DIVIDEND PROSPECTS**

### **Secured creditors**

The records held at Companies House show that the Companies have no current charges over its assets.

The legislation requires that if a company has created a floating charge after 15 September 2003, a prescribed part of the company's net property (that is, the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. In this case there were no creditors secured by a floating charge such that the prescribed part provisions do not apply in these Administrations.

### **Preferential creditors**

The Companies have no known preferential creditors.

### **Non-preferential unsecured creditors**

#### *DPO*

DPO's SofA includes unsecured creditors totalling circa £286,000. The SofA includes several creditors with contingency sums owing of £1. The directors have advised these relate to currently unquantified or unconfirmed amounts owing to various beneficiaries or associated companies.

The Administrators have received claims totalling circa £1.3 million and some of the claims received have been lodged with a £1 value as the value has not been able to be quantified.

Please note no adjudication on creditors' claims will be completed unless sufficient funds are held to allow a distribution to non-preferential unsecured creditors.

#### *HEC*

HEC's SofA includes unsecured creditors totalling circa £180,500. The SofA includes several creditors with contingency sums owing of £1. The directors have advised these relate to currently unquantified or unconfirmed amounts owing to various beneficiaries or associated companies.

The Administrators have received claims totalling £632,943 and some of the claims received have been lodged with a £1 value as the value has not been able to be quantified.

Please note no adjudication on creditors' claims will be completed unless sufficient funds are held to allow a distribution to non-preferential unsecured creditors.

## **6 INVESTIGATION INTO THE AFFAIRS OF THE COMPANY**

The Administrators undertook an initial investigation into the Companies' affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation. The Administrators took into account the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved.

Please note no further matters have been identified that justified further investigation in the circumstances of these appointments, save for those assets already outlined earlier in this report. These include, the Freezing Order obtained against Dipak Rao, his wife and his company, Rao & Partners Limited and the "unauthorised payments" made to Manuela Edwards outlined in DPO's statement of affairs (DPO) and the "unauthorised payments" made to various parties outlined in HEC's statement of affairs (HEC).

Within six months of the Administrators' appointments, they are required to submit a confidential report to the ADM – PRBWv2.

Department of Business, Innovation and Skills (DBIS) to include any matters which have come to their attention during the course of their work which may indicate that the conduct of any past or present director would make him unfit to be concerned with the management of a company. The Administrators confirm that the Administrators' reports have been submitted.

## 7. EXTENSION TO THE PERIOD OF ADMINISTRATION

As detailed above, there are several outstanding matters and assets that remain to be realised. In addition, the Companies are awaiting the ruling of Mr Justice Morgan in respect of the Outstanding Matters and at this time, neither Company can be dissolved or moved into creditors' voluntary liquidation.

In light of the above, the Administrators are seeking the approval of the unsecured creditors' consent to a twelve month extension to the period of the Administrations to conclude outstanding matters. Accordingly, I enclose, at *Appendix V*, notices of conduct of business by correspondence to be completed by the unsecured creditors and returned to me before 12 00 noon on 15 December 2016.

## 8. PRE-ADMINISTRATION COSTS

### *DPO*

On 29 March 2016 pre-appointment fees totalling £5,091 and pre-appointment expenses incurred of £53 were approved by creditors. The Administrators have not drawn any amounts in respect of their pre-appointment time costs or expenses.

### *HEC*

On 29 March 2016 pre-appointment fees totalling £2,920 and pre-appointment expenses incurred of £53 were approved by creditors. The Administrators have not drawn any amounts in respect of their pre-appointment time costs or expenses.

## 9. ADMINISTRATORS' REMUNERATION

The Administrators' remuneration was previously authorised at a meeting of creditors on 29 March 2016 to be drawn on a time cost basis.

Please note, the costs incurred in relation to dealing with the trust assets are being pursued for recovery under BA. As outlined earlier in this report, Mr Justice Morgan has yet to rule on the Outstanding Matters including the treatment of costs under BA.

The split between trust and non-trust time as at 25 September 2016 is £248,100.43 and £140,762.83 respectively.

The information below is split by company and reported pursuant to Statement of Insolvency Practice 9 as required.

### *DPO*

The Administrators' time costs for the Reporting Period amounts to £55,329, representing 149 hours' work at an average charge out rate of £373 per hour, bringing cumulative time costs to £221,167.

To date the Administrators have not been able to draw any remuneration in this matter.

### *HEC*

The Administrators' time costs for the Reporting Period amounts to £45,267, representing 122 hours' work at an average charge out rate of £371 per hour, bringing cumulative time costs to £206,000.

To date the Administrators have not been able to draw any remuneration in this matter.

### *DPO and HEC*

As previously advised, the remuneration anticipated to be charged by the Administrators is likely to exceed the fees estimate provided to creditors.

ADM – PRBWv2

The Administrators are continuing to charge for the work completed in excess of the original fee estimate based on the Administrators' firm's standard charge out rates. The Administrators consider that it may be necessary to seek further fee approval in excess of the estimate in due course. However, the Administrators do not propose to seek approval of a revised estimate at this stage and will revert to creditors further in this regard should they wish to do so.

A schedule of the Administrators' charge out rates, disbursement policy and a narrative description of the work undertaken in the Administration to date, together with the time costs incurred to date is attached as **Appendices III and IV**.

The relevant creditor's guide to Administrators' Fees can be found under the heading Creditor Guides on the Administrators' website at <http://www.resolvegroupuk.com/resources/>. Please note there are different versions of the guides, and in this case you should refer to the version for insolvencies after 1 October 2015. A hard copy can be obtained on request, free of charge, from this office.

#### 10. ADMINISTRATORS' EXPENSES

Please note, the costs incurred in relation to dealing with the trust assets are being pursued for recovery under BA. As outlined earlier in this report, Mr Justice Morgan has yet to rule on the Outstanding Matters including the treatment of costs under BA.

The expenses incurred in relation to non-trust matters as at 25 September 2016 are £15,323 (including the professional fees of Fieldfisher and Breckman that relate to non-trust matters).

The information below is split by company and reported pursuant to Statement of Insolvency Practice 9 as required.

##### DPO

The Administrators' expenses in the Reporting Period amount to £276, bringing the Administrators' cumulative expenses to £1,259. Of the total, £140 was incurred in respect to category two disbursements. The Administrators confirm the basis of charging category two disbursements was approved by creditors on 29 March 2016.

The Administrators have not yet drawn any expenses in this matter.

A schedule of the Administrators' expenses are detailed below.

	CATEGORY 1	CATEGORY 2	TOTAL	PAID TO DATE	OUTSTANDING
	Cost (£)	Cost (£)	Cost (£)	Cost (£)	Cost (£)
Insolv fee	110	-	110	-	110
Postage	-	140	140	-	140
Bonding- Insurance	528	-	528	-	528
Storage	286	-	286	-	286
Travel	9	-	9	-	9
General Expenses	34	-	34	-	34
Advertising	152	-	152	-	152
	<b>1,119</b>	<b>140</b>	<b>1,259</b>	<b>-</b>	<b>1,259</b>

##### HEC

The Administrators' expenses in the Reporting Period amount to £274, bringing the Administrators' cumulative expenses to £1,299. Of the total, £180 was incurred in respect to category two disbursements. The Administrators confirm the basis of charging category two disbursements was approved by creditors on 29 March 2016.

The Administrators have not yet drawn any expenses in this matter.

A schedule of the Administrators' expenses are detailed below

	CATEGORY 1	CATEGORY 2	TOTAL	PAID TO DATE	OUTSTANDING
	Cost (£)	Cost (£)	Cost (£)	Cost (£)	Cost (£)
Insolv fee	110	-	110	-	110
Postage	-	180	180	-	180
Bonding- Insurance	528	-	528	-	528
Storage	286	-	286	-	286
Travel	9	-	9	-	9
General Expenses	34	-	34	-	34
Advertising	152	-	152	-	152
	1,119	180	1,299	-	1,299

Both DPO & HEC

As previously reported, the expenses anticipated to be charged by the Administrators are likely to exceed the previous estimate provided to creditors. The reason for the excess are detailed below

- Increased need for service of documents on parties which has increased postage as many are international
- Costs of retrieving records from Sherwood Solicitors and getting them delivered to London, and
- Retrieval and storage of the Companies records that were once held by Wixen which were not anticipated when the estimate was completed

#### Professional fees

The following agents or professional advisors have been utilised in this matter

Professional Advisor	Nature of Work	Fee Arrangement	Fees incurred to date (£)	Paid
Fieldfisher LLP	Solicitors	Time Cost Basis	198,202*	No
Andrew Sutcliffe QC, including Paul Wee	Legal Counsel	Time Cost Basis	100,595*	No
Breckman & Company	Accountants	Fixed fee	4,000	No
Skeet and Kaye Media Limited	Royalty advisor	Fixed fee	1,000	No

\* Fees incurred are as at 31 October 2016

The choice of professionals was based on the Administrators' perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the Administrators' fee arrangement with them. The fees charged have been reviewed and the Administrators are satisfied that they are reasonable in the circumstances of this case.

As outlined in the Administrators' previous report, so far as the legal fees are concerned, as stated above, the costs incurred in relation to dealing with the trust assets are being pursued for recovery under the BA. As outlined earlier in this report, Mr Justice Morgan has yet to rule on the Outstanding Matters including the treatment of costs under BA.

#### Fieldfisher

Fieldfisher is instructed to provide legal advice in respect of all matters relating to the Administrations. Fieldfisher has also provided specific advice in respect of the following matters (not exhaustive)

- Various "trust" matters
- The Settlement Agreement and its implications against the Companies
- Correspondence with Beneficiaries and their advisors
- Reviewing the terms of undertakings proposed by the Beneficiaries' advisors, and
- Preparation and attendance at Court hearings

Ongoing legal advice is required in respect of litigation matters and correspondence with the Beneficiaries. To date the split between trust and non-trust as at 31 October 2016 is £189,167 and £9,035 respectively. There have also been £5,425.08 of disbursements. In the Administrators' previous report an estimated minimum additional legal fees of £25,000 were envisaged. The Administrators consider that £15,000 further legal fees may be incurred.

This legal fee estimate is likely to be exceeded should further litigation be against the Companies and/or is commenced by the Administrators, together the length of ongoing correspondence with the Beneficiaries' advisors.

*Andrew Sutcliffe QC*

Mr Sutcliffe QC has been providing advice on the specific matters detailed above in cooperation with Fieldfisher.

Ongoing Counsel's advice is required in respect of litigation matters and correspondence with the Beneficiaries. In the Administrators' previous report an estimated minimum additional legal fees of £25,000 were envisaged. The Administrators consider that £15,000 further Counsel's fees may be incurred.

Counsel's fee estimate is likely to be exceeded should litigation be commenced against the Companies and/or is commenced by the Administrators, together the length of ongoing correspondence with the Beneficiaries' advisors.

*Breckman*

Breckman were instructed to assist a director with preparation of the Companies' SoFA. Breckman has also been engaged to complete the Companies' outstanding pre-appointment VAT returns.

At this stage it has not been necessary to engage Breckman on further accounting matters, however it may be necessary in due course. The Administrators will provide an update in their subsequent report.

*SKM*

SKM were instructed to provide commentary on the offers received in respect of the Whitesnake Catalogue.

At this stage it has not been necessary to engage SKM further, however it may be necessary in due course, in respect of the Rainbow Catalogue. The Administrators will provide an update in their subsequent report.

#### **Subcontractor fees**

As reported earlier in this report, the Administrators sub-contracted the day-to-day management of the Companies' business, including dealing with all exploitation of rights, licencing requests and processing of royalty statements to Wixen until April 2016.

Prior to Administration, Wixen were engaged by the Companies to complete the above tasks. Given Wixen's in depth knowledge of the Companies' music catalogue and industry experience generally it was considered the most appropriate and commercial approach to allow the continuation of the Companies' business.

Following Administration, the Administrators renegotiated Wixen's fee arrangement on a percentage basis of the Companies' entitlement to net royalties (i.e. after the Beneficiaries' share has been paid) rather than the pre-appointment fixed monthly sum. A summary of Wixen's fee arrangement is below.

Company	Sub-contractor name	Fee Arrangement	Fees incurred to date (£)	Paid
DPO	Wixen Music UK Limited	60 per cent of the Companies' net royalty entitlement	17,917	Yes
HEC	Wixen Music UK Limited	As above	9,194	Yes

At present it is not considered that Wixen will be engaged further. Should this situation change the Administrators will update creditors in their subsequent report.

## 11 FURTHER INFORMATION AND COMPLAINTS

An unsecured creditor may, with the permission of the court or with the concurrence of five per cent in value of the unsecured creditors (including the creditor in question) request further details of the Administrators' remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of ten per cent in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Administrators' fees and the amount of any proposed expenses or expenses already incurred, within eight weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

Should you have any comments or complaints regarding this Administration, please contact Cameron Gunn in the first instance. If you consider that we have not dealt with your comment or complaint appropriately, you may request we perform an internal independent review of your complaint. This review would be undertaken by a person within ReSolve not involved in the Administration. A request for a review can be made in writing to the Compliance Manager, ReSolve Partners Limited, 48, Warwick Street, London, W1B 5NL or by email to [simon.harris@resolvegroupuk.com](mailto:simon.harris@resolvegroupuk.com).

If you still feel that you have not received a satisfactory response then you may be able to make a complaint to the Complaints Gateway operated by the Insolvency Service. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, or you may email [ip.complaints@insolvency.gov.uk](mailto:ip.complaints@insolvency.gov.uk), or you may phone 0845 602 9848. The Complaints Gateway will in turn determine if such complaint should be addressed by Mr Harris' or Mr Woodthorpe's regulatory body.

## 12. SUMMARY


As outlined earlier in this report, there remain assets outstanding to be realised for the benefit of the Companies' estates. Furthermore, the Administrators are awaiting the ruling of Mr Justice Morgan in respect of the Outstanding Matters.

In view of the above, the Administrators consider it necessary to request an extension to the period of Administration to deal with the outstanding matters outlined earlier in this report.

An update on the Companies' exit strategy from Administration will be provided in the Administrators' subsequent report.

Should you have any queries in relation to this matter please do not hesitate to contact Nathan Bickley-May of this office.

Yours faithfully  
For and on behalf of  
Deep Purple (Overseas) Limited  
HEC Enterprises Limited



Mark Supperstone  
Joint Administrator

*For enquiries regarding this correspondence please contact*

Contact name: Nathan Bickley-May  
Phone number: 020 7702 9775  
Email: [nathan.bickley-may@resolvegroupuk.com](mailto:nathan.bickley-may@resolvegroupuk.com)

The affairs, business and property of the Company are being managed by the joint administrators.  
Principals, Partners, Directors and staff acting as administrators, administrative receivers or supervisors act as agents of the company over which they are appointed at all times and without personal liability.  
Cameron Gunn, Mark Supperstone, Simon Harris and Ben Woodthorpe are licensed in the United Kingdom by the Institute of Chartered Accountants in England and Wales.

APPENDIX I

STATUTORY INFORMATION

*DPO*

Company name	Deep Purple (Overseas) Limited
Previous company name	N/A
Registered office	c/o ReSolve Partners Limited, 48 Warwick Street, London, W1B 5NL
Former registered office	49 South Molton Street, London, W1K 5LH
Registered number	01016257
Date of incorporation	30 June 1971
Trading address	49 South Molton Street, London, W1K 5LH
Principal trading activity	Other service activities not elsewhere classified
Administrators' name	Mark Supperstone      IP Number      9734 Simon Harris          IP Number      11372
Administrators' address	ReSolve Partners Limited, 48 Warwick Street, London, W1B 5NL
Administrators' date of appointment	19 January 2016
Court name and reference	High Court of Justice No 315 of 2016
Appointment made by	The Directors
Administrators' actions	Any act required or authorised under any enactment to be done by an Administrator may be done by either or both of the Administrators acting jointly or alone

## STATUTORY INFORMATION

### HEC

Company name	HEC Enterprises Limited		
Previous company name	N/A		
Registered office	c/o ReSolve Partners Limited, 48 Warwick Street, London, W1B 5NL		
Former registered office	49 South Molton Street, London, W1K 5LH		
Registered number	00928491		
Date of incorporation	8 March 1968		
Trading address	49 South Molton Street, London, W1K 5LH		
Principal trading activity	Other service activities not elsewhere classified		
Administrators' name	Mark Supperstone	IP Number	9734
	Simon Harris	IP Number	11372
Administrators' address	ReSolve Partners Limited, 48 Warwick Street, London, W1B 5NL		
Administrators' date of appointment	19 January 2016		
Court name and reference	High Court of Justice No 314 of 2016		
Appointment made by	The Directors		
Administrators' actions	Any act required or authorised under any enactment to be done by an Administrator may be done by either or both of the Administrators acting jointly or alone		



Deep Purple (Overseas) Limited and HEC Enterprises Limited  
Administrators' progress report  
28 November 2016

APPENDIX II

RECEIPTS AND PAYMENTS ACCOUNTS

DPO

DEEP PURPLE (OVERSEAS) LIMITED

SUMMARY OF JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT  
FOR THE PERIOD 19 JANUARY 2016 TO 28 NOVEMBER 2016

	Notes	Statement of Affairs, Estimated to Realise	STERLING		Total Receipts/ Payments To Date	US DOLLAR		Total Receipts/ Payments To Date
			19-Jan-16 to 18-Jul-16 GBP Sterling	19-Jul-16 to 28-Nov-16 GBP Sterling		19-Jan-16 to 18-Jul-16 USD Dollar	19-Jul-16 to 28-Nov-16 USD Dollar	
<b>RECEIPTS</b>								
Cash at bank (potential third party funds) (held by NatWest)	1	-8,328						
Cash at bank (transferred by NatWest to Administration Account)			20,353		20,353	39,606		39,606
Interest on cash at bank (held by NatWest)				10	10			
Interest on cash at bank (transferred by NatWest to Administration Account)								
Future royalty income (potential third party funds) (held by NatWest)	2	Uncertain	58,293	284,098	343,390	1,920	67,876	64,796
Future royalty income (potential third party funds) (transferred by NatWest to Administration Account)			185,353	356	185,709	49,113		49,113
Intellectual property - music catalogue		Uncertain						
Dipak Rao recoveries (potential third party funds)	3	19,414	477,299		477,299			
Book Debts (Held by NatWest)								
Book Debts (transferred by NatWest to Administration Account)			28,254		28,254			
Unauthorised payments to Manuela Edwards								
VAT Ireland		7,000						
EMI / Sony black box								
Transfer from \$ to £ account			36,149	28,501	65,650			
Transfer of funds from HEC for December 2015 Quarter				18,228	18,228			
			<u>74,745</u>	<u>607,710</u>	<u>332,183</u>	<u>90,843</u>	<u>62,876</u>	<u>153,519</u>
<b>PAYMENTS</b>								
Agents/Valuers Fees			17,917		17,917			
Bank Charges			37	205	243	28	27	56
Beneficiary Distributions			56,634	80,690	137,525			
3rd Party Royalties			92		92			
Transfer of Intercompany funds				93,018	93,018			
Transfer from \$ to £ account						49,113	39,654	88,658
			<u>74,680</u>	<u>154,113</u>	<u>228,794</u>	<u>49,142</u>	<u>39,682</u>	<u>88,724</u>
Balance (Receipts less Payments)					<u>911,099</u>			<u>64,796</u>
Represented by								
Administration current account - non interest bearing, Sterling					90,521			
Administration current account - non interest bearing, US Dollar								(1)
Fieldfisher client account					477,299			
NatWest pre-appointment accounts - Sterling					343,390			
NatWest pre-appointment accounts - US Dollar								64,796
VAT receivable								
VAT payable					(111)			
VAT control account								
TOTAL CASH IN HAND					<u>911,099</u>			<u>64,796</u>

Mark Supperstone  
Joint Administrator  
28 November 2016

Notes

- Funds held in US Dollars were converted into Pounds Sterling at a rate of 1.4235 as at 10 March 2016 for the previous reporting period however are shown separately and not converted for this period
- Majority of licensees continue to remit payments into the Company's pre-appointment bank account. This sum is the gross receipts received into the Company's account and may include an element of VAT payable (to be determined on completion of royalty statements review by Woken Music UK Limited)
- Funds recovered from M/ Rao prior to Administration are presently held in Fieldfisher LLP's client account and are subject to third party trust claims. This figure is shown as the full amount on Deep Purple (Overseas) Limited and HEC Enterprises Limited's receipts and payments accounts pending determination of split

**Deep Purple (Overseas) Limited and HEC Enterprises Limited**  
**Administrators' progress report**  
**28 November 2016**

HEC

HEC ENTERPRISES LIMITED

SUMMARY OF JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT  
FOR THE PERIOD 10 JANUARY 2016 TO 28 NOVEMBER 2016

	Notes	Statement of Affairs Estimated to Realise	STERLING		Total Receipts/ Payments To Date	US DOLLAR		Total Receipts/ Payments To Date
			10-Jan-16 to 10-Jul-16 GBP	10-Jul-16 to 28-Nov-16 Sterling		10-Jul-16 to 21-Nov-16 USD Dollar	10-Jul-16 to 28-Nov-16 USD Dollar	
<b>RECEIPTS</b>								
Cash at bank (potential third party funds) (held by NatWest)	1	70,641						
Cash at bank (transferred by NatWest to Administration Account)			77,914		77,914	2,412		2,412
Interest on cash at bank (held by NatWest)								
Interest on cash at bank (transferred by NatWest to Administration Account)				10	10			
Future royalty income (potential third party funds) (held by NatWest)	2	Uncertain	13,715	264,460	278,175			
Future royalty income (potential third party funds) (transferred by NatWest to Administration Account)			232,994		232,994	-		-
Intellectual property - music catalogue		Uncertain						
Opak Rao recoveries (potential third party funds)	3	1	477,299		477,299			
Unauthorised payments to Andrea Cabale		2	-					
Unauthorised payments to Derek Lawrence		1	-					
Unauthorised payments to Cloud Airport Spa		1	-					
VAT refund (pre-appointment)		13,000		36,282	36,282	-		-
EMI / Sony black box		1						
Transfer of intercompany funds				93,018	93,018	-		-
Transfer from S to C account				1,771	1,771			
			82,647	401,932	395,531	2,412		2,412
<b>PAYMENTS</b>								
Agents/Valuers Fees			9,194		9,194			
Bank Charges			30	102	132		37	37
Beneficiary Distributions			255,483	57,338	352,820	-		-
Transfer of funds to DPO for December 2015 Quarter				18,225	18,225			
Conversion Account							2,375	2,375
			304,707	75,668	380,374		2,412	2,412
<b>Balance (Receipts less Payments)</b>					<b>817,089</b>			<b>(0)</b>
Represented by								
Administration current account - non interest bearing, Sterling					81,615			
Administration current account - non interest bearing, US Dollar								(0)
Fieldfisher client account					477,299			
NatWest pre-appointment accounts - Sterling					278,175			
NatWest pre-appointment account - US Dollar								
VAT receivable								
VAT Payable								
<b>TOTAL CASH IN HAND</b>					<b>817,089</b>			<b>(0)</b>

Mark Supperstone  
Joint Administrator  
28 November 2016

**Notes**

- Funds held in US Dollars were converted into Pounds Sterling at a rate of 1.4235 as at 10 March 2016 for the previous reporting period however are shown separately and not converted for this period.
- Majority of licensees continue to remit payments into the Company's pre-appointment bank account. This sum is the gross receipts received into the Company's account and may include an element of VAT payable (to be determined on completion of royalty statement review by Wixen Music UK Limited).
- Funds recovered from Mr Rao prior to Administration are presently held in Fieldfisher LLP's client account and are subject to third party trust claims. This figure is shown as the full amount on Deep Purple (Overseas) Limited and HEC Enterprises Limited's receipts and payments accounts pending determination of split.

## APPENDIX III

### ADMINISTRATORS' CHARGE OUT RATES, DISBURSEMENT POLICY AND NARRATIVE

#### Administrators' charge out rates

The Administrators are remunerated on a time cost basis. Charge-out rates used are appropriate to the skills and experience of a member of staff and the work that they perform. Time is recorded in six minute units. Narrative is recorded to explain the work undertaken and the time spent is analysed into different categories of work.

The hourly charge-out rates used on this case are as follows. Please note that the rates increased on 1 January 2016.

Staff grade	Rate per hour from 1 January 2016 (£)
Principal	510
Director	415
Senior Manager	395
Manager	340
Assistant Manager	305
Senior Administrator	255
Administrator	195
Junior Administrator	145

Secretarial and support staff are not charged to the cases concerned, being accounted for as an overhead of ReSolve Partners Limited.

#### Disbursement policy

Separate charges are made in respect of directly attributable expenses (category one disbursements) such as travelling (non-mileage), postage, photocopying, statutory advertising and other expenses made on behalf of the assignment.

Indirect charges (category two disbursements) require separate approval and the basis of charging these is as follows:

- Photocopying 20 pence per sheet
- Mileage 45 pence per mile

**Summary narrative of work carried out (not exhaustive):**

Administration and Planning

*Case planning / monitoring*

- Case planning and Administration
- Review and storage
- Case bordereau
- Preparing the documentation and dealing with the formalities of appointment

*Cashiering*

- Maintaining and managing the Administrators' cashbook and bank account
- Ensuring statutory lodgements and tax lodgement obligations are met

*General administration*

- Statutory notifications and advertising
- Preparing documentation required
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details on Insolv
- Preparing reports to members and creditors
- Convening and holding meetings of members and creditors
- Liaised with the Companies' pre-appointment solicitors, Clintons and Sherwood regarding general matters
- Liaised with Breckman regarding the Companies' pre and post appointment tax affairs
- Instructing Breckman to complete the Companies' outstanding pre-appointment VAT returns
- Liaising with HMRC regarding pre-appointment investigations into the Companies historic tax returns
- Attending to queries raised by HMRC relating to the Companies' pre-appointment VAT returns submitted by Breckman
- Attended to meetings with the Companies' directors and Managers' successors in respect of numerous matters

Creditors

*Unsecured*

- Dealing with creditor correspondence and telephone conversations
- Correspondence with Deep Purple's advisors
- Correspondence with other beneficiaries and their advisors
- Instructing Fieldfisher to assist with liaising with Deep Purple's advisors and other beneficiaries and their advisors
- Review of draft correspondence between Fieldfisher and various parties
- Attending to telephone conversations, email and written correspondence with Fieldfisher
- Attending to telephone conversations, email and written correspondence with Andrew Sutcliffe QC
- Correspondence with creditors legal advisors
- Preparing reports to creditors
- Maintaining creditor information on Insolv
- Reviewing, and adjudicating on if necessary, proofs of debt received from creditors

Investigations

*General investigation*

- Review and storage of books and records
- Conduct investigations into suspicious transactions
- Writing to Directors asking them to complete Directors Questionnaires and reviewing the completed questionnaires

#### *D Reports*

- Completion of internal checklists
- Preparation and collation of investigation documentation
- Drafting reports to DBIS in respect of the directors' conduct
- Submitting reports to DBIS on the directors' conduct
- Liaising with DBIS regarding reports submitted on the directors' conduct

#### *Other investigation*

- Review books and records to identify any transactions or actions an Administrator may take against a third party in order to recover funds for the benefit of creditors

#### Realisation of Assets

##### *Dealing with royalties and trust matters*

- Instructing Fieldfisher to assist with advice relating to various trust matters
- Instructing, via Fieldfisher, Mr Sutcliffe QC's to provide advice in respect of trust assets
- Review of Andrew Sutcliffe QC's advice in respect of trust assets
- Liaising with Mr Sutcliffe QC in respect of his advice
- Preparation and attendance at without prejudice meeting regarding CFA with Beneficiaries' advisors
- Consideration and completion of a CFA with an advisor to one of the Beneficiaries
- Review and amendments to witness statement for proceedings
- Liaising with Fieldfisher regarding preparation and attendance at Court hearing on 15 July 2016
- Liaising with Mr Sutcliffe QC regarding preparation and attendance at Court hearing on 15 July 2016
- Review of witness statements of other side ahead of Court hearing
- Review and input into skeleton argument prepared by Mr Sutcliffe QC
- Preparation and attendance at Court hearing on 15 July 2016
- Drafting and issuing correspondence with Beneficiaries and all potential parties who may have interest in royalty income outlining the Administrators' stance on various matters and proposed strategy
- Liaising with Fieldfisher regarding the Administrators' correspondence to Beneficiaries and all potential interested parties outlining the Administrators' stance on various matters and proposed strategy
- Liaised with Sherwood regarding pre-appointment matters relating to royalties and trust matters
- Attended without prejudice meetings with the Beneficiaries' advisors
- Addressed, with the assistance of Fieldfisher and Mr Sutcliffe QC, significant correspondence with Russells LLP regarding their clients and the re-listing of pre-Administration litigation
- Preparation and attendance at Court hearing on 28 September 2016 and 29 September 2016
- Liaising with Fieldfisher regarding preparation and attendance at Court hearing on 28 September 2016 and 29 September 2016
- Liaising with Andrew Sutcliffe QC regarding preparation and attendance at Court hearing on 28 September 2016 and 29 September 2016
- Review of witness statements of other side ahead of Court hearing
- Review and input into skeleton argument prepared by Mr Sutcliffe QC
- Review and complying with Order of Mr Justice Morgan dated 29 September 2016
- Transfer of shareholding in Purpletunity to various parties

##### *General asset matters*

- Liaising with Sherwood regarding pre-litigation matters and Freezing Order
- Review and consideration of documentation provided by Sherwood regarding pre-litigation matters and Freezing Order
- Attended to meetings with Sherwood regarding pre-litigation matters and Freezing Order
- Liaising with interested parties

##### *Other assets*

- Review of pre-appointment litigation matters
- Liaising with Fieldfisher and Mr Sutcliffe QC in respect of pre-appointment litigation matters
- Liaising with Mr Sutcliffe QC in respect of his advice
- Corresponding with third parties who have expressed an interest in the Whitesnake Catalogue

- Inviting offers for the Whitesnake Catalogue
- Liaising with Skeet and Kaye Media Limited

### Statutory

#### *Statutory paperwork / form preparation*

- Statutory form preparation
- Dealing with statutory issues required under the Insolvency Act 1986, the Insolvency Rules 1986 and the Statements of Insolvency Practice
- Liaising with Breckman regarding completion of the Companies' Statements of Affairs for a director, Abigail Flanagan

#### *Reporting to creditors*

- Filing documents with the Registrar of Companies and Court
- Reporting to members, creditors, employees and other stakeholders

#### *Remuneration applications*

- Liaising with Fieldfisher regarding remuneration application relating to Berkeley Applegate principals
- Liaising with Mr Sutcliffe QC regarding remuneration application relating to Berkeley Applegate principals
- Review and preparation of documentation relating to application

### Trading

#### *Day one matters*

- Dealing with day one trading matters
- Liaising with Wixen regarding their instruction

#### *Ongoing trading administration*

- Agreeing Wixen's continued instruction
- Issuing amendments to Companies' invoices to include Administration wording
- Reviewing and agreeing ongoing licencing requests
- Liaising with certain of the Beneficiaries' advisors relating to licencing requests
- Liaising with Wixen regarding EMI / Sony black box income
- Addressing ongoing correspondence with Wixen
- Allocated and processed the March 2016 quarter royalty entitlements to the Beneficiaries with Wixen's assistance
- Distributed the March 2016 quarter royalty entitlements to the Beneficiaries
- Distributed the December 2015 quarter royalty entitlements to the Beneficiaries in accordance with the Order made by Mr Registrar Baister

APPENDIX IV

ADMINISTRATORS' TIME COSTS SUMMARIES

DPO

A summary of the Administrators' time costs for the Reporting Period is below

	PARTNER / DIRECTOR		MANAGER		OTHER SENIOR PROFESSIONAL		TOTAL		AVERAGE RATE
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
Administration & Planning									
Case planning / monitoring			3.20	1,192.50	0.70	136.50	3.90	1,329.00	340.77
Cashiering			3.80	1,440.00	2.00	390.00	5.80	1,830.00	315.00
General administration	0.40	204.00	5.70	2,020.50	0.90	175.50	7.00	2,400.00	342.86
	0.40	204.00	12.70	4,653.00	3.60	702.00	16.70	5,559.00	332.90
Creditors									
Unsecured	1.20	612.00	14.20	5,565.00	2.10	433.50	17.50	6,610.50	377.74
	1.20	612.00	14.20	5,565.00	2.10	433.50	17.50	6,610.50	377.74
Investigations									
General investigation			1.40	503.50			1.40	503.50	359.64
Other investigation	0.50	255.00	0.50	175.50			1.00	430.50	430.50
	0.50	255.00	1.90	679.00			2.40	834.00	349.17
Realisation of Assets									
Dealing with royalties and trust matters	15.70	8,007.00	32.50	12,502.00			48.20	20,509.00	425.50
General asset matters			1.00	340.00			1.00	340.00	340.00
Other assets	1.20	612.00	21.10	8,109.00	1.30	253.50	23.60	8,974.50	380.28
	16.90	8,619.00	54.60	20,951.00	1.30	253.50	72.80	29,823.50	406.68
Statutory									
Statutory paperwork / form completion			13.70	4,982.50	1.90	370.50	15.60	5,353.00	342.86
Reporting to creditors			13.70	4,982.50	4.90	955.50	18.60	5,938.00	319.25
Trading									
Ongoing trading administration	0.40	204.00	12.80	4,836.00	7.30	1,423.50	20.50	6,463.50	315.29
	0.40	204.00	12.80	4,836.00	7.30	1,423.50	20.50	6,463.50	315.29
Total hours and cost	19.40	9,894.00	109.80	39,831.00	19.20	3,768.00	148.50	55,329.00	372.50

A summary of the Administrators' cumulative time costs is below

	PARTNER / DIRECTOR		MANAGER		OTHER SENIOR PROFESSIONAL		TOTAL		AVERAGE RATE
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
Administration & Planning									
Case planning / monitoring	4.80	2,052.00	23.60	8,672.00	3.20	660.00	31.60	11,384.00	357.99
Cashiering			8.60	3,058.50	4.20	831.00	12.80	3,889.50	303.71
General administration	12.10	6,171.00	41.20	13,020.00	5.15	1,004.25	58.45	20,195.25	345.51
	16.90	8,223.00	73.60	24,748.50	12.55	2,495.25	103.05	35,468.75	344.17
Creditors									
Unsecured	15.70	8,007.00	40.60	14,834.00	4.60	921.00	60.90	23,762.00	390.16
	15.70	8,007.00	40.60	14,834.00	4.60	921.00	60.90	23,762.00	390.16
Investigations									
General investigation			3.30	1,100.50	0.10	25.50	3.40	1,126.00	331.18
D returns	0.50	255.00	8.80	3,036.00	7.10	1,810.50	16.40	5,101.50	311.07
Other investigation	0.50	255.00	2.40	785.00			2.90	1,040.00	358.62
	1.00	510.00	14.30	4,921.50	7.20	1,836.00	22.70	7,267.50	320.15
Realisation of Assets									
Dealing with royalties and trust matters	69.10	35,241.00	106.70	40,871.00	3.60	702.00	179.40	76,814.00	428.17
General asset matters	1.20	612.00	1.50	492.50			2.70	1,104.50	409.07
Other assets	6.60	3,102.00	44.60	17,013.50	2.80	624.00	54.00	20,739.50	384.06
	76.90	38,955.00	152.80	58,377.00	6.40	1,326.00	236.10	96,658.00	417.87
Statutory									
Statutory paperwork / form completion			0.70	249.50	12.30	2,410.50	13.00	2,660.00	204.62
Reporting to creditors	0.90	459.00	32.00	11,311.00	12.10	2,399.50	45.00	14,129.50	313.99
Remuneration applications			10.60	4,082.50	3.80	741.00	14.40	4,823.50	334.97
	0.90	459.00	43.30	15,843.00	28.20	5,551.00	72.40	21,613.00	298.52
Trading									
Day one matters			0.50	152.50			0.50	152.50	305.00
Ongoing trading administration	14.60	7,215.00	63.40	22,569.50	21.80	4,443.00	99.80	34,227.50	343.16
	14.60	7,215.00	63.90	22,742.00	21.80	4,443.00	100.30	34,408.00	343.97
Total hours and cost	126.00	63,369.00	389.70	141,266.00	60.75	16,532.25	595.45	221,167.25	371.43

Deep Purple (Overseas) Limited and HEC Enterprises Limited  
Administrators' progress report  
28 November 2016

**HEC**

A summary of the Administrators' time costs for the Reporting Period is below

	PARTNER / DIRECTOR		MANAGER		OTHER SENIOR PROFESSIONAL		TOTAL		AVERAGE RATE
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
<b>Administration &amp; Planning</b>									
Case planning / monitoring			2.90	1,074.00	0.70	136.50	3.60	1,210.50	336.25
Cashiering			3.00	1,130.00	1.80	351.00	4.80	1,481.00	308.54
General administration	0.40	204.00	9.30	3,239.00	0.90	175.50	10.60	3,618.50	341.37
	0.40	204.00	15.20	5,443.00	3.40	663.00	19.00	6,310.00	332.11
<b>Creditors</b>									
Unsecured	1.20	612.00	2.90	1,118.00	1.40	273.00	5.50	2,003.00	364.18
	1.20	612.00	2.90	1,118.00	1.40	273.00	5.50	2,003.00	364.18
<b>Investigations</b>									
General investigation			1.40	503.50			1.40	503.50	359.64
Other investigation	0.60	306.00	0.30	102.00			0.90	408.00	453.33
	0.60	306.00	1.70	605.50			2.30	911.50	396.30
<b>Realisation of Assets</b>									
Dealing with royalties and trust matters	13.60	6,936.00	22.90	8,963.00			36.50	15,899.00	435.59
General asset matters			0.50	170.00			0.50	170.00	340.00
Other assets			19.40	7,470.50	1.70	234.00	20.60	7,704.50	374.00
	13.60	6,936.00	42.80	16,603.50	1.20	234.00	57.60	23,773.50	412.73
<b>Statutory</b>									
Statutory paperwork / form completion			0.30	102.00	1.90	370.50	1.90	370.50	195.00
Filing documents with CH / Court			13.60	4,943.00	2.80	546.00	16.40	5,489.00	334.70
Reporting to creditors			13.90	5,945.00	4.70	916.50	18.60	5,961.50	320.51
<b>Trading</b>									
Ongoing trading administration	0.40	204.00	13.40	5,089.50	5.70	1,034.00	19.00	6,307.50	331.97
	0.40	204.00	13.40	5,089.50	5.70	1,034.00	19.00	6,307.50	331.97
<b>Total hours and cost</b>	<b>16.70</b>	<b>8,262.00</b>	<b>89.90</b>	<b>28,815.00</b>	<b>15.90</b>	<b>3,105.50</b>	<b>122.00</b>	<b>45,267.00</b>	<b>371.04</b>

A summary of the Administrators' cumulative time costs is below

	PARTNER / DIRECTOR		MANAGER		OTHER SENIOR PROFESSIONAL		TOTAL		AVERAGE RATE
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
<b>Administration &amp; Planning</b>									
Case planning / monitoring	4.50	1,932.00	22.50	8,348.50	3.20	600.00	30.20	10,840.50	358.96
Cashiering			7.20	2,554.00	3.80	753.00	11.00	3,307.00	300.64
General administration	11.80	6,018.00	43.50	13,858.00	5.00	975.00	60.30	20,851.00	345.79
	16.30	7,950.00	73.20	24,660.50	12.00	2,388.00	101.50	34,998.50	344.81
<b>Creditors</b>									
Unsecured	16.10	8,211.00	29.40	10,391.00	3.90	760.50	49.40	19,362.50	391.95
	16.10	8,211.00	29.40	10,391.00	3.90	760.50	49.40	19,362.50	391.95
<b>Investigations</b>									
General investigation			3.20	1,066.50	0.10	25.50	3.30	1,092.00	330.91
D returns	0.50	255.00	8.80	3,036.00	2.70	668.50	12.00	3,979.50	331.63
Other investigation	0.60	306.00	2.30	742.00			2.90	1,048.00	361.38
	1.10	561.00	14.30	4,844.50	2.80	714.00	18.20	6,119.50	336.24
<b>Realisation of Assets</b>									
Book debts									
Dealing with royalties and trust matters	66.40	33,864.00	98.10	37,685.50	3.40	663.00	167.90	72,212.50	430.09
General asset matters	1.30	663.00	1.00	312.50			2.30	985.50	428.48
Other assets	5.90	2,745.00	37.80	14,351.50	2.70	604.50	46.40	17,701.00	381.49
	73.60	37,272.00	136.90	52,359.50	6.10	1,267.50	216.60	90,899.00	419.66
<b>Statutory</b>									
Statutory paperwork / form completion			0.60	210.00	12.20	2,391.00	12.80	2,601.00	203.20
Filing documents with CH / Court			0.30	102.00			0.30	102.00	340.00
Reporting to creditors	0.90	459.00	32.00	11,311.00	11.90	2,320.50	44.80	14,090.50	314.52
Remuneration applications			10.60	4,082.50	3.90	760.50	14.50	4,843.00	334.00
	0.90	459.00	43.50	15,705.50	28.00	5,472.00	72.40	21,636.50	298.85
<b>Trading</b>									
Day one matters			0.70	213.50			0.70	213.50	305.00
Ongoing trading administration	13.70	6,745.00	61.80	22,140.00	19.00	3,885.00	94.50	32,770.00	346.77
	13.70	6,745.00	62.50	22,353.50	19.00	3,885.00	95.20	32,963.50	346.47
<b>Total hours and cost</b>	<b>121.70</b>	<b>61,198.00</b>	<b>359.80</b>	<b>130,314.50</b>	<b>71.80</b>	<b>14,487.00</b>	<b>553.30</b>	<b>205,999.50</b>	<b>372.31</b>



APPENDIX V

FORM 2.25B – NOTICES OF CONDUCT OF BUSINESS BY CORRESPONDENCE

DPO

Rule 2 48

Notice of conduct of business by correspondence

Name of Company Deep Purple (Overseas) Limited	Company number 01016257
Court name High Court of Justice, Chancery Division (full name of court)	Court case number 315 of 2016

Notice is hereby given by Mark Supperstone and Simon Harris of ReSolve Partners Limited to the creditors of Deep Purple (Overseas) Limited c/o 48 Warwick Street Limited, London, W1B 5NL that, pursuant to paragraph 58 of Schedule B1 to the Insolvency Act 1986, enclosed is one resolution for your consideration

Please indicate below whether you are in favour or against the single resolution below

This form must be received at ReSolve Partners Limited, 48 Warwick Street Limited, London, W1B 5NL **by 12.00 hours on 15 December 2016** in order to be counted. It must be accompanied by details in writing of your claim unless those details have already been submitted for the purpose of a meeting of creditors. Failure to do so will lead to your vote(s) being disregarded

Resolution (1)

For the extension of the Administrators appointment for a period of twelve months pursuant to paragraph 76 of Schedule B1 of the Insolvency Act 1986

I am \*in favour / against

(Delete as applicable)

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM

Name of creditor \_\_\_\_\_

Signature of creditor \_\_\_\_\_  
(If signing on behalf of a creditor, state capacity  
e.g. director / solicitor)

If you require any further details or clarification prior to returning your vote, please contact me at the address above

Signed

  
Joint Administrator

Dated 28 November 2016

HEC

ADM – PRBWv2

Rule 2 48

Notice of conduct of business by correspondence

Name of Company HEC Enterprises Limited	Company number 00928491
Court name High Court of Justice, Chancery Division (full name of court)	Court case number 314 of 2016

Notice is hereby given by Mark Supperstone and Simon Harris of ReSolve Partners Limited to the creditors of HEC Enterprises Limited c/o 48 Warwick Street Limited, London, W1B 5NL that, pursuant to paragraph 58 of Schedule B1 to the Insolvency Act 1986, enclosed is one resolution for your consideration

Please indicate below whether you are in favour or against the single resolution below

This form must be received at ReSolve Partners Limited, 48 Warwick Street Limited, London, W1B 5NL **by 12.00 hours on 15 December 2016** in order to be counted. It must be accompanied by details in writing of your claim unless those details have already been submitted for the purpose of a meeting of creditors. Failure to do so will lead to your vote(s) being disregarded

Resolution (1)

For the extension of the Administrators appointment for a period of twelve months pursuant to paragraph 76 of Schedule B1 of the Insolvency Act 1986

I am \*in favour / against

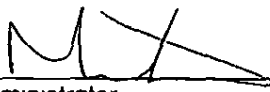
(Delete as applicable)

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM

Name of creditor \_\_\_\_\_

Signature of creditor \_\_\_\_\_  
(If signing on behalf of a creditor, state capacity  
e.g. director / solicitor)

If you require any further details or clarification prior to returning your vote, please contact me at the address above

Signed  \_\_\_\_\_  
Joint Administrator

Dated 28 November 2016

**APPENDIX VI**

**PROOF OF DEBT FORMS**

<b>DEEP PURPLE (OVERSEAS) LIMITED – IN ADMINISTRATION</b>		
Date of administration 19 January 2016		
1	Name of creditor (If a company please also give company registration number)	
2	Address of creditor for correspondence	
3	Total amount of claim, including any Value Added Tax and outstanding un-capitalised interest as at the date the company went into administration	
4	Details of any documents by reference to which the debt can be substantiated (Note There is no need to attach them now but the administrators may call for any document or evidence to substantiate the claim at his discretion as may the chairman or convenor of any meeting)	
5	If amount in 3 above includes outstanding un-capitalised interest please state amount	£
6	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)	
7	Particulars of any security held, the value of the security, and the date it was given	
8	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates	
9	Signature of creditor or person authorised to act on his behalf _____	
	Name in BLOCK LETTERS _____	
	Position with or in relation to creditor _____	
	Address of person signing (if different from 2 above) _____	
<b>For Administrators' Use only</b>		
Admitted to vote for		Admitted for dividend for
£		£
Date		Date
Joint Administrator		Joint Administrator

<b>HEC ENTERPRISES LIMITED – IN ADMINISTRATION</b>	
Date of administration 19 January 2016	
1	Name of creditor (If a company please also give company registration number)
2	Address of creditor for correspondence
3	Total amount of claim, including any Value Added Tax and outstanding un-capitalised interest as at the date the company went into administration
4	Details of any documents by reference to which the debt can be substantiated (Note There is no need to attach them now but the administrators may call for any document or evidence to substantiate the claim at his discretion as may the chairman or convenor of any meeting)
5	If amount in 3 above includes outstanding un-capitalised interest please state amount <span style="float: right;">£</span>
6	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)
7	Particulars of any security held, the value of the security, and the date it was given
8	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates
9	Signature of creditor or person authorised to act on his behalf _____
	Name in BLOCK LETTERS _____
	Position with or in relation to creditor _____ Address of person signing (if different from 2 above) _____
<b>For Administrators' Use only</b>	
Admitted to vote for	Admitted for dividend for
£	£
Date	Date
Joint Administrator	Joint Administrator