

The Insolvency Act 1986
Administrator's progress report

Name of Company

HMV Group Plc

Company number

03412290

In the
High Court of Justice

(full name of court)

Court case number
323 of 2013

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

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administrator(s) of the above company attach a progress report for the period

From

To

(b) Insert date

(b) 15 July 2013

(b) 30 November 2013

Signed

Joint Administrator

Dated

7/1/14

THURSDAY



A09 *A2Z6QS9V* 09/01/2014 #237
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HMV Group plc
Record Shop 1 Limited, formerly HMV UK Limited
Record Shop 2 Limited, formerly HMV Music Limited
Record Shop 3 Limited, formerly HMV (IP) Limited
Record Shop 4 Limited, formerly FOPP Entertainments Limited
(All in Administration) (together "the Companies")

Court Case Numbers 321, 322, 323, 325 and 326 of 2013

**PROGRESS REPORT TO CREDITORS FOR THE PERIOD 15 JULY 2013 TO 30 NOVEMBER 2013
PURSUANT TO RULE 2.47 AND RULE 2 112 OF THE INSOLVENCY RULES 1986 AND THE
INSOLVENCY (AMENDMENT) RULES 2010**

19 December 2013

This report has been prepared for the sole purpose of updating the 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 1, Record Shop 2, Record Shop 3 and Record Shop 4
"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
"'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), AbbeyNational 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 3"	Record Shop 3 Limited, formerly HMV (IP) Limited (In Administration)
"Record Shop 4"	Record Shop 4 Limited, formerly Fopp Entertainments Limited (In Administration)
"the Rules"	Insolvency Rules 1986 and the Insolvency (Amendment) Rules 2010
"ROT"	Retention of Title
"SIP2 (E&W)"	Statement of Insolvency Practice 2 (England & Wales)
"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

HMV Group plc, Record Shop 1 Limited, formerly HMV UK Limited, Record Shop 2 Limited, formerly HMV Music Limited, Record Shop 3 Limited, formerly HMV (IP) Limited and Record Shop 4 Limited, formerly Fopp Entertainments Limited (all in administration) – Second Progress Report to Creditors for the period to 30 November 2013

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 on the progress of the administrations of the Companies since our last report dated 14 August 2013 and in accordance with Rule 2.112 of the Rules for the extension of the period of the administration by six months by consent of the secured creditor and preferential creditors (where applicable)

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 (as deemed approved on 20 March 2013 following the issue of a notice under paragraph 52(1) of Schedule B1 of the Act on 11 March 2013 and the expiry of 8 business days thereafter) 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 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 (case 321, 322, 323, 325 and 326 of 2013)

For the purposes of Paragraph 100(2) of Schedule B1 of the Act, the Joint Administrators confirm that they are 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 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 the 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. Given Record Shop 3 and Record Shop 4 have limited assets, the Joint Administrators consider that for Record Shop 3 and Record Shop 4 the purpose of the administrations may be to 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 continue 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 have been submitted to The Insolvency Service
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 Joint Administrators' expenses 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 creditors and the 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 duties, will take steps to finalise the administrations in the most expedient and cost effective manner</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 and powers either jointly or severally</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 15 July 2013 to 30 November 2013, 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

Please note, whilst Record Shop 1 has received monies in respect of a number of assets (as shown in Appendix 2), due to the existence of an agency agreement between Record Shop 1 and Record Shop 2, these sums are due to Record Shop 2 and will be transferred in due course

3.2 Asset realisations

As previously reported, following an initial assessment of the Companies' financial position and on-going business prospect, 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

At the date of the Joint Administrators' appointment, Record Shop 2 held c £85m of retail stock (at cost) in its stores and warehouse location. 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 business were not financially viable. Accordingly, between 15 January 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 from 15 July to 30 November 2013 and from the appointment date (15 January) to 30 November 2013, is attached at Appendix 2. The Joint Administrators are still in the process of settling trading costs which will further reduce the current trading surplus. There has been a reduction in the trading surplus of £3.5m between 15 July and 30 November 2013 due to liabilities being settled

Record Shop 1 – Other asset realisations

Following a review of the store portfolio, the Joint Administrators identified a number of leases which could be assigned or surrendered for value. In the period to 30 November 2013, a total of £145k has been received in consideration of lease surrenders or assignments to third parties. There has also been an insurance refund of £78k received during the period.

Both amounts will be transferred to Record Shop 2 in accordance with the agency agreement detailed above.

Record Shop 2 – Other asset realisations

As previously reported, it was agreed between the Joint Administrators and the Companies' merchant services provider, that all but £1.5m of previously withheld amounts would be transferred to the Companies to cover future chargebacks and fees falling due in or relating to the administration trading account. To date, £1m of chargebacks and fees have been set off against the £1.5m of sale receipts held by the merchant provider and the Joint Administrators have recently secured a cash receipt of £0.4m from the remaining £0.5m balance.

Following a review of the store portfolio, the Joint Administrators identified a number of leases which could be assigned or surrendered for value. In the period to 30 November 2013, a total of £2.6m has been received in consideration of lease surrenders or assignments to third parties.

Rates refunds of £99k (in addition to a further £422k in Record Shop 1) have been received during the period 15 July to 30 November 2013.

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, 69 lease assignments have been completed and 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 £6.1m in licence fee income.

HMV Group – Shareholdings

As previously reported, at the date of appointment, HMV Group held a number of shareholdings. The Administrators continue to assess possible options for HMV Group's shareholding in 7Digital Limited, which continues to trade.

3.3 Estimated future realisations

Actions to realise additional assets, such as outstanding claims against third parties and deferred consideration in respect of the sale of the Group's shareholdings, continue to be investigated.

The deferred consideration of c. £3.3m due in respect of the sale of MAMA Group is payable in December 2013.

4. DISTRIBUTIONS 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.

Please note that that File Figure 30 Limited is the security trustee for GCIL, not the first ranking secured creditor as indicated in our previous report.

Since our last report, further distributions totalling £3.4m have been made to GCIL as detailed at Appendix 2.

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	406,777

It is currently forecast that the preferential creditors of HMV Group and Record Shop 2 will be paid in full. Record Shop 1, Record Shop 3 and Record Shop 4 do 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 fund may

also be available in HMV Group, however, whether this will be the case cannot yet be estimated as the level of floating charge realisations is unknown

It is unlikely that there will be sufficient floating charge realisations to enable a distribution under the PP in respect of Record Shop 1, Record Shop 3 or 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' Statements 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*	1,920,893
Record Shop 1	-	8,575,980
Record Shop 2	146,573,000	151,947,030
Record Shop 3	23,000	111
Record Shop 4	1,630,000	518,103
Total	237,069,000	162,962,117

*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 the possibility of distributions to unsecured creditors under the PP from HMV Group and Record Shop 2, in the event you may 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 Joint Administrators are seeking the consent of the secured and preferential creditors (where applicable) to extend the administrations for a period of six months from 14 January 2014. The extensions will allow negotiations to continue regarding the realisation of shareholdings and other assets, and facilitate the completion of various lease assignments.

5.2 SIP2 – 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.

As 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 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 SIP13 (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 between 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 (EU) 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 (where applicable), which was granted by the secured creditors and the preferential creditors on 9 April 2013. This remuneration has not yet been drawn.

Company	Time Costs (£)	Expenses (£)
HMV Group	16,120	-
Record Shop 1	2,770	-
Record Shop 2	58,633	1,925
Record Shop 3	570	-
Record Shop 4	570	-
Total	78,753	1,925

7. ADMINISTRATORS' REMUNERATION AND EXPENSES

7.1 Administrators' Remuneration

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

	15 July to 30 November 2013				15 January to 30 November 2013	
Company	Time costs incurred (£)	Hours	Average charge out rate (£)	Fees drawn	Total time costs (£)	Total fees drawn (£)
HMV Group plc	116,811	216	540	Nil	835,464	Nil
Record Shop 1	19,559	51	381	Nil	120,514	Nil
Record Shop 2	1,220,207	2,493	489	Nil	9,894,829	4,528,809
Record Shop 3	13,125	25	534	Nil	35,661	Nil
Record Shop 3	8,617	20	435	Nil	29,151	Nil

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

- **Administration and planning** includes case planning, case set-up, notification of appointment, maintenance of our case files and insolvency case record, statutory reporting, compliance, cashing 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

Expenses

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

Nature of Expense	Total Incurred (£)
Accommodation	799 53
Subsistence	3,286 86
Third Party Recharges	29,100 88
Travel - Taxi	1,165 18
Travel - Train	539 58
Total	34,892 03

All expenses have been incurred in Record Shop 2

No expenses or disbursements have been billed and 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 Deloitte Restructuring Services department partners and staff. In certain circumstances the use of a specialist from other Deloitte departments such as Tax/VAT, Corporate Finance or Deloitte Real Estate, may be required on a 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.

7.3 Other professional costs

As previously advised, Linklaters LLP and Simmons & 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 £495,246 (including disbursements). Linklaters LLP advised the Administrators throughout the administration trading period dealing with Retention of Title issues, employee matters and general trading queries. Simmons & Simmons LLP has assisted the 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, was 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 is a provider of commercial real estate services and has been assisting on the assignment of various leasehold properties including Oxford Street. CBRE Limited has to date, been paid £246,425. Other agents fees of £4,375, relate to amounts paid to Smithfield Consultants who provided assistance 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.

Twice 2Much 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 £550,276, 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)(a) 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.

STATUTORY INFORMATION

Company Name	HMV Group Plc	Record Shop 1 Ltd	Record Shop 2 Ltd	Record Shop 3 Ltd	Record Shop 4 Ltd
Previous Name	N/A	HMV (UK) Limited (in Administration)	HMV Music Limited (in Administration)	HMV(IP) Limited (in Administration)	Fopp Entertainments Limited (in Administration)
Proceedings			Administration		
Court Reference	323	321	322	325	326
Date of Appointment			15 January 2013		
Joint Administrators		<p>Nicholas Guy Edwards, Robert James Harding and Neville Barry Kahn of Deloitte LLP</p> <p>Athene Place 66 Shoe Lane London EC4A 3BQ</p> <p>c/o Deloitte LLP Hill House 1 Little New Street London EC4A 3TR</p>			
Registered Office Address					
Company Number	3412290	805812	229249	3702240	3702240
Incorporation Date	31-Jul-97	20-May-64	29-Mar-13	27-Jan-99	31-Mar-95
Company Secretary		<p>Ms Elaine Marnier (Resigned save for HMV Group Plc)</p>			
Bankers	Lloyds TSB Bank Plc	None specified	National Westminster Bank Plc	None specified	None specified
Auditors		Ernst & Young LLP			
Appointment by		The directors			
Directors (Note - no directors hold shares in any of the Companies)	David Adams John Durcan Ian Kenyon Trevor Moore Orna Ni-Chionnra Philip Rowley	Shaun Caney Mark Hodgkinson Michael Neil Neil Taylor Stephen West	Ian Kenyon Trevor Moore	Ian Kenyon Trevor Moore	Ian Kenyon Trevor Moore Neil Taylor

This information has been provided by management and not confirmed by the Joint Administrators

HMV Group Plc
(In Administration)

Summary of Receipts & Payments
15 January 2013 to 30 November 2013

SoA Balances		15 January 2013 to 14 July 2013	15 July 2013 to 30 November 2013	TOTAL
£	RECEIPTS	£	£	£
4,232,827 00	Shares - Heaven Limited	2,950,000	nil	2,950,000
	Shares - Hong Kong & Singapore	3,059,975	nil	3,059,975
nil	Unclaimed shareholder dividends	12,174	nil	12,174
nil	Rates refunds	34,739	24,693	59,432
nil	Bank Interest Gross	2,297	1,351	3,647
nil	Tax Refund	285	nil	285
3,500,000 00	Insurance Refund	nil	8,258	8,258
3,500,000 00	Investments in joint venture	nil	nil	nil
	MAMA deferred consideration	nil	nil	nil
	Total Receipts	6,059,469	34,302	6,093,771
	PAYMENTS			
	Singapore Staff	52,430	nil	52,430
	Hong Kong Staff	456,276	nil	456,276
	Distribution to Secured Creditor	4,850,000	nil	4,850,000
	Security for litigation costs	75,000	nil	75,000
	Postage & Redirection	nil	1,257	1,257
	Legal Fees - Heaven Limited	17,173	nil	17,173
	Legal Fees - Property	0	5,540	5,540
	Legal Fees - General	91,471	62,228	153,699
	Legal Disbursements	4,606	17,615	22,221
	Bank Charges	nil	30	30
	Total Payments	5,546,956	86,671	5,633,627
	Balance In Hand	512,512	(52,369)	460,144
		6,059,469	34,302	6,093,771

**Record Shop 1 Limited, formerly HMV UK Limited
(In Administration)**

**Receipts & Payments from
15 January 2013 to 30 November 2013**

	15 January 2013 to 14 July 2013	15 July 2013 to 30 November 2013	TOTAL
	£	£	£
RECEIPTS			
Bank Interest Gross	1,156	3,148	4,304
Book Debts	193,331	39	193,370
Rates refund	654,560	422,133	1,076,693
Heat & Rate Refund	nil	5,359	5,359
Sundry refunds	6,525	2,685	9,210
Opening WIP	nil	3,791	3,791
Lease Premium	nil	145,007	145,007
Landlord Contribution to Costs	nil	2,500	2,500
Tax Refund	10	3,720	3,730
Insurance Refund	48,524	77,979	126,503
HMCS Payments Received	728	821	1,549
Repayment Season Ticket Loan	6,833	nil	6,833
Total Receipts	911,666	667,182	1,578,848
PAYMENTS			
Realisation Cost	nil	5,035	5,035
Bank Charges	nil	30	30
Total Payments	0	5,065	5,065
Balance In Hand	911,666	662,118	1,573,784
	911,666	667,182	1,578,848

Note - The directors' statement of affairs showed no estimated asset values

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

Trading Account from
15 January 2013 to 30 November 2013

RECEIPTS	15 January 2013 to 14 July 2013	15 July 2013 to 30 November 2013	TOTAL
	£	£	£
Sales	84,967,242	384,492	85,351,733
Concession Income	68,155	nil	68,155
Total trading income	85,035,396	384,492	85,419,888
PAYMENTS			
Purchases	21,111,938	(212,705)	20,899,233
ROT Settlements	9,276,999	1,280	9,278,279
Stock Settlement Purchases	12,718,231	1,050,429	13,768,660
Augment	26,448	1,768,488	1,794,935
Worldpay chargebacks	6,418	54	6,472
Sub Contractors	152,706	543	153,249
Wages & Salaries	16,385,054	74,912	16,459,966
Employee Costs & Expenses	325,779	nil	325,779
Other Payroll Costs	13,115	63	13,178
Ransom Payments	566,354	nil	566,354
Telephony & Networking	155,879	1	155,880
Heat, Light and Water	1,240,296	15,408	1,255,704
Cleaning	624,798	32,487	657,285
Security	242,255	485	242,741
Store Consumables	285,172	4	285,176
Cash Collection	808,973	(692,213)	116,760
Trading Licences	22,684	nil	22,684
Distribution Costs	291,839	nil	291,839
Merchant Services	465,727	692,593	1,158,321
Non-Store Consumables	74,693	nil	74,693
IT Suppliers	954,679	2,003	956,682
Change Orders	807,642	nil	807,642
Repairs & Maintenance	402,736	15,424	418,160
Leased Vehicles	70,463	4,681	75,144
Postage, Printing and Stationery	23,204	nil	23,204
Consultant Fees	53,561	3,500	57,061
Website Costs	20,166	nil	20,166
Call Centre	23,780	nil	23,780
Storage Costs	39,156	23,998	63,154
Charity Settlements	110,593	nil	110,593
Marketing Costs	173,651	(1,761)	171,891
Store Rent	4,834,081	249,284	5,083,365
Rates	2,918,293	817,301	3,735,594
Guernsey store costs	4,475	nil	4,475
Other Occupancy Costs	59,432	512	59,944
Closure costs	148,843	37,552	186,395
Concession Costs	104,098	nil	104,098
Retail Agent's fees	2,084,078	nil	2,084,078
Retail Agent's expenses	633,851	nil	633,851
Total trading payments	78,262,141	3,884,324	82,146,465
Trading surplus to 30 November 2013	6,773,255	(3,499,832)	3,273,423

HMV Group plc, Record Shop 1 Limited, formerly HMV UK Limited, Record Shop 2 Limited, formerly HMV Music Limited, Record Shop 3 Limited, formerly HMV (IP) Limited and Record Shop 4 Limited, formerly Fopp Entertainments Limited (all in administration) – Second Progress Report to Creditors for the period to 30 November 2013

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

**Receipts & payments account from
15 January 2013 to 30 November 2013**

SoA Balance		15 July 2013 to 14 July 2013	15 July 2013 to 30 November 2013	TOTAL
£	RECEIPTS	£	£	£
7,500,000	Trading surplus to 14 July 2013	6,773,255	(3,499,832)	3,273,423
nil	Leasehold Premium	1,908,840	2 612 322	4,521,162
nil	Sale of Business	40,092,617	nil	40 092,617
nil	Cash in Transit	4,500,401	nil	4 500,401
nil	Secured creditor funding	2,154,876	nil	2,154,876
nil	Worldpay Pre Appt Deposit Refund	2,500,000	nil	2,500,000
nil	Unidentified Receipts (pre-appt)	639,206	(9,341)	629 865
5,000,000	Book Debts	1,934 052	(38,145)	1,895,907
nil	Rates Refunds	470,530	99 246	569,776
nil	Sundry Refunds	292,629	10,534	303,163
nil	Insurance Refunds	nil	9,990	9,990
nil	Fixtures & Fittings	7,000	nil	7,000
nil	Compensation Payments Received	1,778	nil	1 778
nil	Employee related refunds	12,252	nil	12,252
nil	Bank Interest Gross	146,787	38,453	185,240
nil	Licence Fee - Rents	8,470,203	6 087 904	14 558 108
nil	Sale of faulty stock	40,000	nil	40 000
	Total Receipts	69,944,426	5,311,133	75,255,559
	PAYMENTS			
	Rents recoverable under licence fee	10,789,807	11,777,713	22,567,520
	US Subsidiary costs	5,289	nil	5 289
	Legal fees/Property	29,553	147 636	177 189
	Rate refunds agents fees	294,377	255 898	550 276
	Administrators' Fees	4 528,809	nil	4 528 809
	Administrators' Expenses	189,331	nil	189 331
	Debt Collection Fees	39,511	nil	39,511
	Agents/Valuers Fees	27,232	246,425	273,657
	Legal Fees - General	2,419,706	207 669	2 627 376
	Legal fees - disbursements	41,541	9,011	50,552
	Postage & Redirection	15,572	4 587	20,159
	Statutory Advertising	308	nil	308
	Insurance of Assets	207,472	nil	207,472
	Bank Charges	8,253	1,797	10,050
	Repayment of Secured Creditor Funding	2,154,876	nil	2 154 876
	Secured Creditor Distribution	33 710,615	3 400,000	37,110 615
	Total Payments	54,462,252	16,050,737	70,512,988
	Balance In Hand	15,482,174	(10,739,604)	4,742,570
		69,944,426	5,311,133	75,255,559

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

Note 2 - Certain transactions have been reallocated to more accurately reflect the nature of the transactions however this has not affected the over result of the administration

**Record Shop 3 Limited, formerly HMV (IP) Limited
(In Administration)**

**Receipts & payments account from
15 January 2013 to 30 November 2013**

SoA Balance		15 January 2013 to 14 July 2013	15 July 2013 to 30 November 2013	TOTAL
£	RECEIPTS	£	£	£
300,000 00	Trademarks	nil	nil	nil
	Balance In Hand	0	0	0

Note - the HMV and Fopp trademarks were sold as part of the sale of business transaction within Record Shop 2

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

**Receipts & payments from
15 January 2013 to 30 November 2013**

SoA Balance		15 January 2013 to 14 July 2013	15 July 2013 to 30 November 2013	TOTAL
£	RECEIPTS	£	£	£
123,000	Stock	nil	nil	nil
40,000	Debtors	nil	nil	nil
nil	Rates refund	8,071	703	8,774
nil	Bank Interest	2	22	24
	Balance in Hand	8,073	725	8,798

* As noted within this report trading realisations in respect of Record Shop 4 have been realised within Record Shop 2

HMV Group Plc
(In Administration)
Time costs for the period 15 July 2013 to 30 November 2013

	Administrative & Directors' Management		Administrative & Support		TOTAL		Average Hourly Rate
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Cost (£)
Administration and Planning							
Cashiering and Statutory Filing	1 45	1,092 50	5 80	2,384 00	3 60	988 50	419 25
Case Supervision, Management and Closure	11 00	10 050 00	4 27	1,980 65	1 70	379 00	731 27
Initial Actions (e.g. Notification of Appointment, Securing Assets)	-	-	-	-	-	-	-
General Reporting	-	-	12 30	6,576 50	3 10	744 00	475 36
Liaison with Other Insolvency Practitioners	-	-	-	-	-	-	-
	12 45	11,142 50	22 17	10,941 15	8 40	2,111 50	562 42
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)	9 50	5,747 50	-	-	-	-	605 00
Plant and Equipment, Fixtures and Fittings and Vehicles	-	-	-	-	-	-	-
Property - Freehold and Leasehold	-	-	-	-	-	-	-
Retention of Title	-	-	-	-	-	-	-
Sale of Business / Assets	-	-	1 00	635 00	-	-	635 00
Third Party Assets	-	-	-	-	-	-	-
	9 50	5,747 50	1 00	635 00	-	-	607 86
Creditors							
Employees	57 00	47,025 00	4 80	2,136 00	76 75	22,641 25	518 24
Preferential	-	-	-	-	-	-	-
Secured	-	-	1 00	720 00	-	-	720 00
Shareholders	-	-	4 00	2,540 00	-	-	635 00
Unsecured	-	-	10 70	5,296 50	-	-	495 00
	57 00	47,025 00	20 50	10,692 50	76 75	22,641 25	520 96
Other Matters Include							
Litigation	-	-	-	-	2 00	480 00	240 00
Pensions	-	-	-	-	-	-	-
Tax and VAT	2 70	2,928 50	2 50	2,154 00	1 30	312 00	829 92
	2 70	2,928 50	2 50	2,154 00	3 30	792 00	691 12
	-	-	-	-	-	-	-
TOTAL HOURS & COST	81 65	66,843 50	46 17	24,422 65	88 45	25,544 75	540 12
TOTAL FEES DRAWN TO DATE							0 00

HMV Group Plc
(In Administration)
Time costs for the period 15 January 2013 to 30 November 2013

	Partners & Directors		Managers		Assistants & Support		TOTAL		Average Hourly Rate
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Cost (£)
Administration and Planning									
Castling and Statutory Filing	3 15	2,537 50	28 40	13,604 00	12 80	3,604 50	44 35	19,746 00	445 23
Case Supervision, Management and Closure	1 00	850 00	6 97	3,244 15	12 30	2,602 50	20 27	6,696 65	330 37
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 75	77,608 50	700 75
General Reporting	-	-	15 80	7 914 00	16 60	3,704 00	32 40	11,618 00	358 58
Liaison with Other Insolvency Practitioners	-	-	-	-	-	-	207 77	115,669 15	556 72
Investigations									
Investigations	-	-	6 00	2 970 00	-	-	6 00	2,970 00	495 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	850 00
Ongoing Trading	-	-	-	-	-	-	-	-	-
Monitoring Trading	-	-	-	-	-	-	-	-	-
Closure of Trade	-	-	-	-	-	-	-	-	-
	1 00	850 00	-	-	-	-	1 00	850 00	850 00
Realisation of Assets									
Book Debts	-	-	-	-	-	-	-	-	-
Other Assets (e.g. Stock)	89 00	56 605 00	41 10	16 639 50	-	-	130 10	73,244 50	562 99
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 45	342,685 50	818 94
Third Party Assets	-	-	-	-	-	-	-	-	-
	184 00	148,547 50	356 50	266,074 00	8 05	1,308 50	548 55	415,930 00	758 24
Creditors									
Employees	57 00	47 025 00	40 80	16,556 00	130 20	38 257 75	228 00	101,838 75	446 66
Preferential	-	-	-	-	-	-	-	-	-
Secured	-	-	5 00	3,600 00	0 50	120 00	5 50	3,720 00	676 36
Shareholders	-	-	12 50	7 937 50	0 40	96 00	12 90	8,033 50	622 75
Unsecured	-	-	21 50	10,642 50	67 00	16,003 50	88 50	26,646 00	301 08
	57 00	47,025 00	79 80	38,736 00	198 10	54,477 25	334 90	140,238 25	418 75
Other Matters Include									
Litigation	-	-	-	-	2 00	480 00	2 00	480 00	240 00
Pensions	14 50	12,356 62	8 10	4,629 73	-	-	22 60	16,986 35	751 61
Tax and VAT	65 20	74,048 50	56 35	54,847 25	11 75	2,907 75	133 30	131,803 50	988 77
	79 70	86,405 12	64 45	59,476 98	13 75	3,387 75	157 90	149,269 85	945 34
TOTAL HOURS & COST	396 10	352,427 62	594 42	410,062 63	278 30	72,973 50	1,268 82	835,463 75	658 46

0 00

TOTAL FEES DRAWN TO DATE

TOTAL FEES DRAWN TO DATE

0.00

Record Shop 1 Limited (formerly HMV UK Limited)
(In Administration) Time costs for the period 15 January 2013 to 30 November 2013

	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 10	85 00	23 40	10,501 00	28 40	6,491 50	51 90	17,077 50	329 05
Case Supervision, Management and Closure	11 50	9,775 00	13 54	5,633 30	12 75	2,204 50	37 79	17,612 80	466 07
Initial Actions (e.g. Notification of Appointment, Securing Assets)	42 00	39,600 00	16 30	8,143 50	6 80	1,632 00	65 10	49,375 50	758 46
General Reporting	-	-	12 60	6,455 00	8 50	2,040 00	21 10	8,495 00	402 61
Liaison with Other Insolvency Practitioners	-	-	-	-	-	-	-	-	-
	53 60	49,460 00	65 84	30,732 80	56 45	12,368 00	175 89	92,560 80	526 24
Investigations									
Investigations	-	-	-	-	-	-	-	-	-
Reports on Directors' Conduct	-	-	2 70	1,336 50	-	-	2 70	1,336 50	495 00
	-	-	2 70	1,336 50	-	-	2 70	1,336 50	495 00
Trading									
Day 1 Control of Trading	-	-	-	-	-	-	-	-	-
Ongoing Trading	-	-	1 00	495 00	-	-	1 00	495 00	495 00
Monitoring Trading	-	-	-	-	-	-	-	-	-
Closure of Trade	-	-	-	-	-	-	-	-	-
	-	-	1 00	495 00	-	-	1 00	495 00	495 00
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	10 50	6,352 50	-	-	-	-	10 50	6,352 50	605 00
Sale of Business / Assets	-	-	-	-	-	-	-	-	-
Third Party Assets	10 50	6,352 50	1 10	544 50	-	-	11 60	6,897 00	594 57
Creditors									
Employees	-	-	-	-	-	-	-	-	-
Preferential	-	-	-	-	-	-	-	-	-
Secured	-	-	-	-	-	-	-	-	-
Shareholders	-	-	-	-	-	-	-	-	-
Unsecured	-	-	-	-	10 40	2,300 00	10 40	2,300 00	221 15
	-	-	-	-	10 40	2,300 00	10 40	2,300 00	221 15
Other Matters Include									
Litigation	-	-	-	-	-	-	-	-	-
Pensions	-	-	-	-	-	-	-	-	-
Tax and VAT	-	-	17 00	16,620 00	1 00	305 00	18 00	16,925 00	940 28
	-	-	17 00	16,620 00	1 00	305 00	18 00	16,925 00	940 28
TOTAL HOURS & COST	64 10	55,812 50	87 64	49,728 80	67 85	14,973 00	219 59	120,514 30	548 82

TOTAL FEES DRAWN TO DATE

0 00

Record Shop 2 Limited (formerly HMV Music Limited) Time costs for the period 15 July 2013 to 30 November 2013

	Partners & Directors		Management		Administrative Support		TOTAL		Average Hourly Rate
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
Administration and Planning									
Cashiering and Statutory Filing	17 65	15 002 50	138 60	58 238 50	83 60	24 319 00	239 85	97 560 00	406 75
Case Supervision, Management and Closure	35 20	29 920 00	39 91	16 658 45	121 01	33 021 45	196 12	79 599 90	405 87
Initial Actions (e.g. Notification of Appointment, Securing Assets)	-	-	-	-	-	-	-	-	-
General Reporting	27 00	22 275 00	20 50	11 013 50	21 48	6 122 10	68 98	39 410 60	571 33
Liaison with Other Insolvency Practitioners	79 85	67 197 50	199 01	85 910 45	226 09	63 462 55	504 95	216 570 50	428 89
Investigations									
Investigations	-	-	-	-	-	-	-	-	-
Reports on Directors' Conduct	-	-	-	-	-	-	-	-	-
Trading									
Day 1 Control of Trading	25 50	21 675 00	186 10	76 099 50	219 84	34 087 80	431 44	131 862 30	305 63
Ongoing Trading	-	-	-	-	-	-	-	-	-
Monitoring Trading	93 00	76 725 00	130 90	67 725 50	3 20	320 00	227 10	144 770 50	637 47
Closure of Trade	118 50	98 400 00	317 00	143 825 00	223 04	34 407 80	658 54	276 632 80	420 07
Realisation of Assets									
Book Debts	-	-	-	-	-	-	-	-	-
Other Assets (e.g. Stock)	9 00	7 475 00	10 00	4 950 00	-	-	19 00	12 425 00	653 95
Plant and Equipment, Fixtures and Fittings and Vehicles	-	-	-	-	-	-	-	-	-
Property - Freehold and Leasehold	184 70	150 844 50	492 00	276 235 00	125 50	30 742 50	802 20	457 822 00	570 71
Retention of Title	-	-	-	-	-	-	-	-	-
Sale of Business / Assets	-	-	0 50	317 50	-	-	0 50	317 50	635 00
Third Party Assets	193 70	158 319 50	502 50	281 502 50	125 50	30 742 50	821 70	470 564 50	572 67
Creditors									
Employees	13 00	10 925 00	99 00	53 313 00	180 75	53 321 25	292 75	117 559 25	401 57
Preferential	-	-	-	-	-	-	-	-	-
Secured	6 50	5 437 50	1 50	1 080 00	-	-	8 00	6 517 50	814 69
Shareholders	2 00	1 650 00	2 30	1 656 00	26 00	5 764 00	30 30	9 070 00	299 34
Unsecured	21 50	18 012 50	102 80	56 049 00	206 75	59 085 25	331 05	133 146 75	402 20
Other Matters Include									
Litigation	25 50	22 312 50	-	-	41 00	7 995 00	66 50	30 307 50	455 75
Pensions	-	-	1 50	952 50	-	-	1 50	952 50	635 00
Tax and VAT	34 50	36 397 50	71 20	54 812 50	3 50	822 50	109 20	92 032 50	842 79
	60 00	58 710 00	72 70	55 765 00	44 50	8 817 50	177 20	123 292 50	695 78
TOTAL HOURS & COST	473 55	400 639 50	1,194 01	623,051 95	825 88	196,515 60	2,493 44	1,220,207 05	489 37

TOTAL FEES DRAWN TO DATE 0 00

Record Shop 2 Limited (previously HMV Music Limited)
(In Administration) Time costs for the period 15 January 2013 to 30 November 2013

	Partners & Directors		Managers		Administrative Support		TOTAL		Average Hourly Rate Cost (£)
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
Administration and Planning									
Cashiering and Statutory Filing	31.25	26,562.50	586.30	277,106.00	299.67	87,533.90	917.22	391,202.40	426.51
Case Supervision, Management and Closure	151.30	129,080.00	302.68	96,507.60	164.71	36,265.95	618.69	261,853.55	423.24
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	84,879.50	515.36
General Reporting	33.00	27,375.00	57.50	27,208.50	44.48	11,362.10	134.98	65,945.60	488.56
Liaison with Other Insolvency Practitioners	273.55	229,867.50	998.28	427,543.10	563.76	146,470.45	1,835.59	803,881.05	437.94
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	0.20	170.00	2.70	1,336.50	-	-	2.90	1,506.50	519.48
	55.20	47,795.00	126.20	48,701.50	43.00	6,882.50	224.40	103,379.00	460.69
Trading									
Day 1 Control of Trading	7.00	5,950.00	192.30	103,395.00	10.50	2,122.50	209.80	111,467.50	531.30
Ongoing Trading	979.20	735,986.00	3,569.84	1,775,188.80	922.74	175,468.80	5,471.78	2,686,623.60	491.00
Monitoring Trading	18.00	15,050.00	1,652.00	858,482.50	-	-	1,670.00	873,532.50	523.07
Closure of Trade	146.00	120,450.00	406.90	257,113.00	3.20	320.00	556.10	377,883.00	679.52
	1,150.20	877,436.00	5,821.04	2,994,159.30	936.44	177,911.30	7,907.68	4,049,506.60	512.10
Realisation of Assets									
Book Debts	-	-	13.00	6,045.00	14.80	3,034.00	27.80	9,079.00	326.58
Other Assets (e.g. Stock)	21.50	17,997.50	54.60	27,027.00	4.00	200.00	80.10	45,224.50	564.60
Plant and Equipment, Fixtures and Fittings and Vehicles	-	-	-	-	-	-	-	-	-
Property - Freehold and Leasehold	929.20	790,154.50	1,256.85	726,872.50	1,307.50	307,672.50	3,493.55	1,824,699.50	522.31
Retention of Title	478.00	289,190.00	1,761.80	586,874.00	2.50	512.50	2,242.30	876,576.50	390.83
Sale of Business / Assets	216.00	224,580.00	776.50	527,405.00	119.50	33,807.50	1,112.00	785,792.50	706.65
Third Party Assets	1,644.70	1,321,922.00	3,862.75	1,874,223.50	1,452.30	346,006.50	6,959.75	3,542,152.00	508.95
Creditors									
Employees	13.00	10,925.00	495.10	225,787.50	628.00	184,517.50	1,136.10	421,230.00	370.77
Preferential	-	-	-	-	1.20	234.00	1.20	234.00	195.00
Secured	6.50	5,437.50	2.50	1,800.00	-	-	9.00	7,237.50	804.17
Shareholders	-	-	-	-	-	-	-	-	-
Unsecured	2.00	1,650.00	874.70	381,955.00	567.05	115,249.25	1,443.75	498,854.25	345.53
	21.50	18,012.50	1,372.30	609,542.50	1,196.25	300,000.75	2,590.05	927,555.75	358.12
Other Matters Include									
Litigation	-	-	-	-	41.00	7,995.00	41.00	7,995.00	195.00
Pensions	2.00	1,468.90	20.60	13,236.49	-	-	22.60	14,705.39	650.68
Tax and VAT	197.60	208,434.00	294.75	232,717.75	19.50	4,502.50	511.85	445,654.25	870.67
	199.60	209,902.90	315.35	245,954.24	60.50	12,497.50	575.45	468,354.64	813.89
TOTAL HOURS & COST	3,344.75	2,704,935.90	12,495.92	6,200,124.14	4,252.25	989,769.00	20,092.92	9,894,829.04	492.45

TOTAL FEES DRAWN TO DATE

4,528,809

Record Shop 3 Limited (formerly HMV (IP) Limited)
(In Administration) Time costs for the period 15 July 2013 to 30 November 2013

		Partners & Directors				Managers				Administrative Support				TOTAL				Average Hourly Rate	
		Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)		
Administration and Planning																			
Cashiering and Statutory Filing		-	-	-	-	1.00	395.00	0.80	236.00					1.80	631.00				
Case Supervision, Management and Closure		0.50	425.00			2.40	1,033.00	1.00	246.00					3.90	1,704.00				
Initial Actions (e.g. Notification of Appointment, Securing Assets)		-	-	-	-	-	-	-	-					-	-				
General Reporting		-	-	-	-	11.10	5,712.50	2.60	624.00					13.70	6,336.50				
Liaison with Other Insolvency Practitioners																			
		0.50	425.00			14.50	7,140.50	4.40	1,106.00					19.40	8,671.50				
Investigations																			
Investigations		-	-	-	-	-	-	-	-					-	-				
Reports on Directors' Conduct		-	-	-	-	-	-	-	-					-	-				
Trading																			
Day 1 Control of Trading		-	-	-	-	-	-	-	-					-	-				
Ongoing Trading		5.00	4,250.00			-	-	-	-					5.00	4,250.00				
Monitoring Trading		-	-	-	-	-	-	-	-					-	-				
Closure of Trade		-	-	-	-	-	-	-	-					-	-				
		5.00	4,250.00			-	-	-	-					5.00	4,250.00				
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		-	-	-	-	0.20	203.00	-	-					0.20	203.00				
Tax and VAT		-	-	-	-	0.20	203.00	-	-					0.20	203.00				
TOTAL HOURS & COST		5.50	4,675.00	14.70	7,343.50	4.40	1,106.00							24.60	13,124.50				

TOTAL FEES DRAWN TO DATE

0.00

Record Shop 3 Limited (formerly HMV (IP) Limited) Time costs for the period 15 January 2013 to 30 November 2013

	Partners & Directors		Managers		Administrative & Support		TOTAL		Average Hourly Rate
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
Administration and Planning									
Carrying and Statutory Filing	-	-	6 90	3 283 50	4 50	1 327 50	11 40	4 611 00	404 47
Case Supervision, Management and Closure	6 50	5 525 00	3 20	1 349 00	2 60	595 50	12 30	7 469 50	607 28
Initial Actions (e.g. Notification of Appointment, Securing Assets)	-	-	8 80	4 356 00	20 10	2 544 00	28 90	6 900 00	238 75
General Reporting	-	-	12 60	6 455 00	7 10	1 704 00	19 70	8 159 00	414 16
Liaison with Other Insolvency Practitioners	6 50	5 525 00	31 50	15 443 50	34 30	6 171 00	72 30	27 139 50	375 37
Investigations									
Investigations	-	-	-	-	-	-	-	-	-
Reports on Directors' Conduct	-	-	2 70	1 336 50	-	-	2 70	1 336 50	495 00
Trading									
Day 1 Control of Trading	-	-	-	-	-	-	-	-	-
Ongoing Trading	5 00	4 250 00	-	-	-	-	5 00	4 250 00	850 00
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
Other Matters Include									
Litigation	-	-	-	-	-	-	-	-	-
Pensions	-	-	1 70	1 725 50	1 00	305 00	2 70	2 030 50	752 04
Tax and VAT	-	-	1 70	1 725 50	1 00	305 00	2 70	2 030 50	752 04
TOTAL HOURS & COST	11 50	9 775 00	37 00	19 050 00	36 80	6 836 00	85 30	35 661 00	418 07

TOTAL FEES DRAWN TO DATE

0 00

Record Shop 4 Limited (formerly FOPP Entertainment Ltd)

(In Administration)

Time costs for the period 15 July 2013 to 30 November 2013

	Partners & Directors		Managers		Assistants & Support		TOTAL		Average Hourly Rate
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
Administration and Planning									
Cashiering and Statutory Filing	-	-	0.90	365.50	1.40	388.50	2.30	754.00	327.83
Case Supervision, Management and Closure	-	-	2.50	1,072.50	1.10	251.00	3.60	1,323.50	367.64
Initial Actions (e.g. Notification of Appointment, Securing Assets)	-	-	-	-	-	-	-	-	-
General Reporting	-	-	11.10	5,712.50	2.60	624.00	13.70	6,336.50	462.52
Liaison with Other Insolvency Practitioners	-	-	14.50	7,150.50	5.10	1,263.50	19.60	8,414.00	429.29
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	-	-	0.20	203.00	-	-	0.20	203.00	1,015.00
Tax and VAT	-	-	0.20	203.00	-	-	0.20	203.00	1,015.00
TOTAL HOURS & COST	-	-	14.70	7,353.50	5.10	1,263.50	19.80	8,617.00	435.20

TOTAL FEES DRAWN TO DATE

0.00

