

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

From

To

(b) Insert date

(b) 1 June 2014

(b) 30 June 2014

Signed

Joint / Administrator(s)

Dated

22/7/14

WEDNESDAY

\*A3CP8JMV\*  
A35 23/07/2014 #173  
COMPANIES HOUSE

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

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

**Court Case Numbers 322, 323 and 326 of 2013**

**FINAL PROGRESS REPORT TO CREDITORS  
FOR THE PERIOD TO 30 JUNE 2014  
PURSUANT TO RULE 2.110 OF THE INSOLVENCY RULES 1986 AND THE INSOLVENCY  
(AMENDMENT) RULES 2010**

**8 July 2014**

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

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

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

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## **APPENDICES**

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## ABBREVIATIONS

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

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

## **1. INTRODUCTION**

### **1.1 Introduction**

This report has been prepared in accordance with Rule 2.110 of the Rules to provide creditors with a summary of the administrations of the Companies

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

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

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

### **1.2 Details of the appointment of the 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 of Justice, Chancery Division (cases 322, 323 and 326 of 2013)

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

### **1.3 Electronic communication with creditors**

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

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

## **2. ADMINISTRATORS' PROPOSALS**

### **2.1 Introduction**

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

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

### **2.2 Progress on and achievement of the approved proposals**

We have summarised below the outcome in respect of each of the approved proposals

<b>Proposal</b>	<b>Current status</b>
1 The Joint Administrators continue to manage the affairs and any remaining assets of the Companies and the settlement of all administrative expenses	The Joint Administrators have continued to manage the affairs and remaining assets of the Companies
2 The Joint Administrators continue with their enquiries into the conduct of the directors of the Companies and continue to assist any regulatory authorities with their investigation into the affairs of the Companies	As part of the Joint Administrators' statutory duties, an investigation into the conduct of the Companies' directors was completed and confidential reports were submitted to The Insolvency Service on 12 July 2013
3 The Joint Administrators be authorised to agree the claims of the secured, preferential and unsecured creditors against each of the Companies unless the Joint Administrators conclude, in their reasonable opinion, that a company will have no assets available for distribution	The Joint Administrators have now agreed the claim made by GCIL (see section 4). The preferential creditors in HMV Group and Record Shop 2 have not yet been agreed. There are no preferential creditors in Record Shop 4. The unsecured creditor claims in respect of the Companies have 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 and preferential (where applicable) creditors have fixed the basis of the Joint Administrators' remuneration in accordance with Rule 2 106(5A)(b) of the Rules by reference to the time properly given by the Joint Administrators and their staff</p>
<p>7 That, if a Creditors' Committee is not appointed, the Joint Administrators' pre administration costs, as detailed in section 5 of the Joint Administrators' Proposals be approved</p>	<p>The secured and preferential (where applicable) creditors have approved the Joint Administrators' pre-administration costs</p>

<p>8 That, following the realisation of assets and resolution of all matters in the administrations, and as quickly and efficiently as is reasonably practicable, the Joint Administrators implement the most cost effective steps to formally conclude the administrations. This may include the distribution of funds to unsecured creditors (provided Court permission is obtained) and then the dissolution of the Companies or alternatively, seeking to put each or any of the Companies into Creditors' Voluntary Liquidation ("CVL") or Compulsory Liquidation, depending on which option will result in a better realisation for creditors</p>	<p>HMV Group and Record Shop 2 are moving to CVL following the filing of this final report and Record Shop 4 will be dissolved three months following the filing of this report</p> <p>Nicholas Guy Edwards, Robert James Harding and Neville Barry Kahn will become the Joint Liquidators of HMV Group and Record Shop 2</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. STEPS TAKEN DURING THE ADMINISTRATIONS**

#### **3.1 Securing assets**

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

#### **3.2 Sale of business and realisation of assets**

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

#### **3.3 Meeting of creditors**

No meetings of creditors were held. The Administrators' proposals were deemed approved following the issue of the notice under Paragraph 52(1) of Schedule 31 of the Act on 11 March 2013 and the expiry of 8 business days thereafter

#### **3.4 Distributions to creditors**

Distributions totalling £45.9m have been made to the secured creditor, GCIL. It is anticipated that the preferential creditors in Record Shop 2 and HMV Group will be paid in full in the liquidation. Record Shop 4 has no preferential creditors and there are no funds available to distribute to unsecured creditors

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

#### **3.5 Exit**

HMV Group and Record Shop 2 will be moving into CVL, following the filing of this final report and Record Shop 4 will be dissolved

#### **3.6 Investigations**

As part of the Administrator's statutory duties, an investigation into the conduct of the Companies' directors was completed and confidential reports were submitted to The Insolvency Service on 12 July 2013

#### **3.7 EC regulations**

As stated in the administration appointment documents in respect of the Companies, Council Regulation (EC) No 1346/2000 applies and these are the main proceedings as defined in Article 391) of that regulation

#### **4. ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT**

##### **4.1 Introduction**

Attached at Appendix 2 are receipts and payments accounts for each company covering the period 1 June 2014 to 30 June 2014, together with cumulative details of the transactions from the date of appointment in accordance with SIP7 (E&W)

In this section, we have summarised the main asset realisations during the period since our last progress report to creditors

##### **4.2 Asset realisations**

###### **HMV Group**

Bank interest received for the period totalled £642

###### **Record Shop 2**

Bank interest received for the period totalled £3k.

##### **4.3 Unrealised assets**

The only remaining asset is the transfer of funds received from Record Shop 1 into Record Shop 2 as a result of the existence of the agency agreement between Record Shop 1 and Record Shop 2

Actions to realise possible future assets within HMV Group which relate to potential claims against third parties continue to be investigated

##### **4.4 Outcome for creditors**

The secured creditor has received £45.9m to date. It is anticipated that the preferential creditors in HMV Group and Record Shop 2 will be paid in full in the liquidation. It is also anticipated that a distribution will be made to the unsecured creditor of HMV Group and Record Shop 2 under the PP

Other than to the secured creditors, no distributions have been made in respect of Record Shop 4

Consequently, the Administrators have performed their functions in relation to HMV Group and Record Shop 2 with the objective 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 achieved through and immediate liquidation of the Companies

In respect of Record Shop 4, the Administrators have performed their functions with the objectives set out in paragraph 3(1)(c) of the Schedule B1 of the Act, which is to make a distribution to the secured creditor

## **5 DISTRIBUTIONS TO CREDITORS**

### **5.1 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.

To date, distributions of £45.9m have been made to GCIL.

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

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

### **5.2 Preferential creditors**

Preferential claims are currently estimated to be as follows:

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

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

### **5.3 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 equates to:

- 50% of net property up to £10,000,
- plus, 20% of net property in excess of £10,000, and
- subject to a maximum of £600,000.

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

There have been insufficient floating charge realisations in Record Shop 4 to enable a distribution under the PP

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 5.5 of this report.

#### 5.4 Unsecured creditors

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

Company	Directors' SoA (£)	Claims received to date (£)
HMV Group	88,843,000*	2,387,677
Record Shop 2	146,573,000	157,173,628
Record Shop 4	1,630,000	518,103
<b>Total</b>	<b>237,046,000</b>	<b>160,079,408</b>

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

No distributions have been made to the unsecured creditors of any of the Companies.

#### 5.5 Claims process

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

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

As detailed in section 5.3, 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.

## **6. OTHER MATTERS AND INFORMATION TO ASSIST CREDITORS**

### **6.1 Extensions to initial appointment period**

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

### **6.2 Administrators' Discharge**

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

### **6.3 SIP 2 – Initial Assessment of Potential Recoveries**

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

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

### **6.4 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 of Record Shop 2 and Record Shop 1, the Joint Administrators are not aware of any additional transactions that have taken place that should be disclosed to creditors in accordance with SIP13 (E&W)

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

## 7. PRE-ADMINISTRATION COSTS

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

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

Company	Time Costs (£)	Expenses (£)
HMV Group	16,120	-
Record Shop 2	58,633	1,925
Record Shop 4	570	-
<b>Total</b>	<b>75,323</b>	<b>1,925</b>

## 8. ADMINISTRATORS' REMUNERATION AND EXPENSES

### 8.1 Administrators' Remuneration and Expenses

#### 8.1.1 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 administrations, calculated at the prevailing standard hourly charge out rates used by Deloitte at the time when the work is performed plus VAT

#### 8.1.2 Remuneration

	1 June 2014 to 30 June 2014				15 January 2013 to 30 June 2014	
Company	Time costs incurred (£)	Hours	Average charge out rate (£)	Fees drawn (£)	Total time costs (£)	Total fees drawn (£)
HMV Group plc	25,399	41	619	Nil	1,059,131	Nil
Record Shop 2	67,695	155	435	600,000	10,535,707	6,247,849
Record Shop 4	4,532	14	332	8,836	35,871	8,836

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

- **Administration and planning** includes case planning, case set-up, notification of appointment, maintenance of our case files and insolvency case records, statutory reporting, compliance, cashiering and accounting
- **Investigations** includes investigating the Company's affairs and in particular any antecedent transactions and also reporting on the conduct of its directors
- **Realisation of Assets** includes identifying, securing and insuring assets, sale of business, transition of contracts, property issues, collection of debts, and realisation of other assets

- **Trading** includes planning, identifying strategy, preparation of trading forecasts, monitoring of performance against the forecasts, managing operations, dealing with retention of title claims, dealing with supplier and landlord issues to ensure continuity of operations, accounting and employees (including pensions and other staff benefits)
- **Creditors** includes set-up of creditor records, creditor communications, preferential claims, unsecured claims, secured and employee claims
- **Case specific matters** includes pensions, VAT and taxation matters

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

### 8.1.3 Expenses

All expenses have been incurred in Record Shop 2

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

Nature of Expense	Total Incurred (£)
Third Party Recharges	2,250
<b>Total</b>	<b>2,250</b>

## 8.2 Charge out rates

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

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



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

### **8.3 Other professional costs**

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

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

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

~~Winterhill-Largo has been engaged to assist with the recovery of book debt realisations primarily in relation to Record Shop 2. To date, Winterhill Largo has been paid £39,511 (the debt collection fees quoted in our previous report were incorrect and have now been amended accordingly).~~

Twice2Much Limited, a property audit firm, has been engaged to identify potential realisations resulting from potential overcharging on property costs by the Companies' historic suppliers. To date, Twice2Much Limited has been paid £722,422, primarily relating to the recovery of rates refunds (rate refunds agent's fees).

### **8.4 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.

## **8.5 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 Administrators are entitled to charge or otherwise challenging some or all of the expenses incurred

Such applications must be made within 8 weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 2 109 of the Rules

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

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

HMV Group Plc  
(In Administration)

Summary of Receipts & Payments  
For the period 15 January 2013 to 30 June 2014

SoA Balance		15 January 2013 to 31 May 2014	1 June 2014 to 30 June 2014	Total
£	RECEIPTS	£	£	£
4,232,827 00	Shares - Heaven Limited	2,950,000	-	2,950,000
	Shares - Hong Kong & Singapore	3,059,975	-	3,059,975
	7Digital Sale	5,000,000	-	5,000,000
	Business Claim	1	-	1
	Fixtures and Fittings	1	-	1
	Commercial Records	1	-	1
	Contracts	1	-	1
	Goodwill	1	-	1
nil	Unclaimed shareholder dividends	12,174	-	12,174
nil	Rates refunds	100,012	-	100,012
nil	Bank Interest Gross	8,135	642	8,777
nil	Tax Refund	285	-	285
3,500,000 00	Insurance Refund	8,258	-	8,258
3,500,000 00	Investments in joint venture	-	-	-
	Third Party Tax Claim	1,685,000	-	1,685,000
	MAMA deferred consideration	3,380,587	-	3,380,587
	<b>Total Receipts</b>	<b>16,204,430</b>	<b>642</b>	<b>16,205,072</b>
	<b>PAYMENTS</b>			
	Singapore Staff	52,430	-	52,430
	Hong Kong Staff	456,276	-	456,276
	Security for litigation costs	-	-	-
	Postage & Redirection	1,257	-	1,257
	Legal Fees - Heaven Limited	17,173	-	17,173
	Legal Fees - Property	32,532	-	32,532
	Legal Fees - General	198,899	500	199,399
	Legal Fees - Litigation	43,466	-	43,466
	Legal Disbursements	22,490	-	22,490
	Bank Charges	212	-	212
	Net VAT Receivable	3,989	160	4,149
	Secured Creditor Distribution	14,365,592	-	14,365,592
	<b>Total Payments</b>	<b>15,194,317</b>	<b>660</b>	<b>829,385</b>
	<b>Balance In Hand</b>	<b>1,010,113</b>	<b>(18)</b>	<b>1,010,095</b>
		<b>16,204,430</b>	<b>642</b>	<b>1,839,480</b>

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

Trading Account from  
15 January 2013 to 30 June 2014

RECEIPTS	15 January 2013 to 31 May 2014	1 June 2014 to 30 June 2014	TOTAL
	£	£	£
Sales	85,351,733	-	85,351,733
Concession Income	68,155	-	68,155
<b>Total trading income</b>	<b>85,419,887 98</b>	<b>-</b>	<b>85,419,887 98</b>
<b>PAYMENTS</b>			
Purchases	21,048,532	-	21,048,532
ROT Settlements	11 880 427	-	11 880 427
Stock Settlement Purchases	13 796 854	-	13 796 854
Augment	26 448	-	26 448
Worldpay chargebacks	6 472	-	6,472
Sub Contractors	153 249	-	153,249
Wages & Salaries	16,460,212	-	16,460,212
Employee Costs & Expenses	325,779	-	325,779
Other Payroll Costs	13,178	-	13,178
Ransom Payments	566 354	-	566 354
Telephony & Networking	155,880	-	155 880
Heat, Light and Water	1,256 539	55	1 256,594
Cleaning	657 321	-	657,321
Security	242 741	-	242,741
Store Consumables	285,176	-	285,176
Cash Collection	116,760	-	116,760
Trading Licences	22 684	-	22,684
Distribution Costs	291 839	-	291 839
Merchant Services	1 158 321	-	1 158 321
Non-Store Consumables	74,693	-	74,693
IT Suppliers	956,682	-	956,682
Change Orders	807,642	-	807 642
Repairs & Maintenance	418 884	-	418,884
Leased Vehicles	75 144	-	75 144
Postage, Printing and Stationery	23,204	-	23,204
Consultant Fees	57 061	-	57,061
Website Costs	20,166	-	20,166
Call Centre	23 780	-	23 780
Storage Costs	81 357	2,631	83 988
Charity Settlements	110,593	-	110 593
Marketing Costs	171 891	-	171 891
Store Rent	5 500 693	-	5 500,693
Rates	3 822 829	16,054	3 838,882
Guernsey store costs	4,475	-	4 475
Other Occupancy Costs	59 944	-	59,944
Closure costs	188 330	401	188 731
Concession Costs	104 098	-	104,098
Retail Agent's fees	2 084 078	-	2 084 078
Retail Agent's expenses	633 851	-	633,851
<b>Total trading payments</b>	<b>83,684,168</b>	<b>19,141</b>	<b>83,703,299</b>
<b>Trading surplus to 30 June 2014</b>	<b>1,735,730</b>	<b>(19,141)</b>	<b>1,716,589 *</b>

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

Receipts & Payments account from  
15 January 2013 to 30 June 2014

SoA Balance		15 January 2013 to 31 May 2014	1 June 2014 to 30 June 2014	TOTAL
£	RECEIPTS	£	£	£
7,500,000	Trading surplus to 30 November 2013	1,735,730	(19,141)	1,716,589
nil	Leasehold Premium	4,521,162	-	4,521,162
nil	Sale of Business	-	-	-
nil	Cash in Transit	4,500,401	-	4,500,401
nil	Secured creditor funding	16,954,876	-	16,954,876
nil	Worldpay Pre Appt Deposit Refund	2,500,000	-	2,500,000
nil	Unidentified Receipts (pre-appt)	629,865	-	629,865
5,000,000	Book Debts	1,924,243	-	1,924,243
nil	Business Stock	12,043,260	-	12,043,260
nil	Sale of Painting	30,000	-	30,000
nil	Chattels and Equipment	13,757,839	-	13,757,839
nil	Business Claims	1	-	1
nil	Database IPR	1,500,005	-	1,500,005
nil	Commercial Records	1	-	1
nil	Contracts	1	-	1
nil	Business Properties	3,368,000	-	3,368,000
nil	Rates Refunds	579,411	-	579,411
nil	Sundry Refunds	309,154	-	309,154
nil	Insurance Refunds	9,990	-	9,990
nil	Fixtures & Fittings	7,001	-	7,001
nil	Compensation Payments Received	1,778	-	1,778
nil	Employee related refunds	12,252	-	12,252
nil	Bank Interest Gross	218,496	3,037	221,533
nil	Licence Fee - Rents	25,513,428	-	25,513,428
nil	Goodwill	3,000,000	-	3,000,000
nil	Sale of faulty stock	40,000	-	40,000
	<b>Total Receipts</b>	<b>93,156,895</b>	<b>(16,104)</b>	<b>93,140,791</b>
	<b>PAYMENTS</b>			
	Rents recoverable under licence fee	28,523,468	50,830	28,574,297
	US Subsidiary costs	5,289	-	5,289
	Rate refunds agents fees	702,422	20,000	722,422
	Administrators' Fees	5,647,849	600,000	6,247,849
	Administrators' Expenses	230,013	-	230,013
	Debt Collection Fees	354,098	(314,587)	39,511
	Ratings Agent Fees	3,499	-	3,499
	Agents/Valuers Fees	273,657	8,100	281,757
	Legal Fees - General	3,123,383	2,415	3,125,799
	Legal fees - Property	277,447	-	277,447
	Legal fees - disbursements	127,240	45	127,285
	Postage & Redirection	21,848	-	21,848
	Statutory Advertising	308	-	308
	Insurance of Assets	214,054	-	214,054
	Corporation Tax	2,549	-	2,549
	Bank Charges	10,936	19	10,955
	Repayment of Secured Creditor Funding	16,954,876	-	16,954,876
	Secured Creditor Distribution	31,260,693	-	31,260,693
	<b>Total Payments</b>	<b>87,733,630</b>	<b>366,822</b>	<b>88,100,452</b>
	<b>Balance In Hand</b>	<b>5,423,265</b>	<b>(382,926)</b>	<b>5,040,339</b>
		<b>93,156,895</b>	<b>(16,104)</b>	<b>93,140,791</b>

HMV Group plc, Record Shop 2 Limited (formerly HMV Music Limited) and Record Shop 4 Limited (formerly Fopp Entertainments Limited) (all in Administration) Final Progress Report to Creditors for the period to 30 June 2014

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

**Summary of Receipts & Payments  
For the period 15 January 2013 to 30 June 2014**

SoA Balance		15 January 2013 to 31 May 2014	1 June 2014 to 30 June 2014	Total
£	RECEIPTS	£	£	£
123,000 00	Stock	-	-	-
40,000 00	Debtors	-	-	-
nil	Chattals and Equipments	246,478	-	246,478
nil	Business Claims	1	-	1
nil	Fixtures and Fittings	1	-	1
nil	Commercial Records	1	-	1
nil	Contracts	1	-	1
nil	Business Properties	1	-	1
nil	Goodwill	1	-	1
nil	Rates refund	8,774	-	8,774
nil	Bank Interest	57	5	62
		<b>255,315</b>	<b>5</b>	<b>255,320</b>
	<b>PAYMENTS</b>			
	Secured Creditor Distribution	246,484	-	246,484
	Administrators' Fees	-	8,836	8,836
	<b>Total Payments</b>	<b>246,484</b>	<b>8,836</b>	<b>255,320</b>
	<b>Balance In Hand</b>	<b>8,831</b>	<b>(8,831)</b>	<b>-</b>
		<b>255,315</b>	<b>5</b>	<b>255,320</b>

Time costs for the period 01 June 2014 to 30 June 2014

HMV Group Plc  
(In Administration)

	Salaried Directors		Managers		Administrative Support		TOTAL		Average Hourly Rate Cost (£)
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
<b>Administration and Planning</b>									
Cashiering and Statutory Filing	-	-	1 20	576 00	0 80	177 00	1 80	763 00	418 33
Case Supervision, Management and Closure	-	-	-	-	0 50	49 50	0 50	49 50	99 00
Initial Actions (e.g. Notification of Appointment, Securing Assets)	-	-	-	-	-	-	-	-	-
General Reporting	-	-	2 00	880 00	10 25	3,023 75	12 25	4,013 75	327 66
Liaison with Other Insolvency Practitioners	-	-	-	-	-	-	-	-	-
	-	-	3 20	1,568 00	11 35	3,250 25	14 55	4,818 25	331 01
<b>Investigations</b>									
Investigations	-	-	-	-	-	-	-	-	-
Reports on Directors' Conduct	-	-	-	-	-	-	-	-	-
<b>Trading</b>									
Day 1 Control of Trading	-	-	-	-	-	-	-	-	-
Ongoing Trading	-	-	-	-	-	-	-	-	-
Monitoring Trading	-	-	-	-	-	-	-	-	-
Closure of Trade	-	-	-	-	-	-	-	-	-
<b>Realisation of Assets</b>									
Book Debts	-	-	-	-	-	-	-	-	-
Other Assets (e.g. Stock)	23 00	19,550 00	-	-	-	-	23 00	19,550 00	850 00
Plant and Equipment, Fixtures and Fittings and Vehicles	-	-	-	-	-	-	-	-	-
Property - Freehold and Leasehold	-	-	-	-	-	-	-	-	-
Retention of Title	-	-	-	-	-	-	-	-	-
Sale of Business / Assets	-	-	-	-	-	-	-	-	-
Third Party Assets	-	-	-	-	-	-	-	-	-
	23 00	19,550 00	-	-	-	-	23 00	19,550 00	850 00
<b>Creditors</b>									
Employees	-	-	-	-	-	-	-	-	-
Preferential	-	-	-	-	-	-	-	-	-
Secured	-	-	-	-	-	-	-	-	-
Shareholders	-	-	-	-	-	-	-	-	-
Unsecured	-	-	-	-	-	-	-	-	-
<b>Other Matters Include</b>									
Litigation	-	-	-	-	-	-	-	-	-
Pensions	-	-	-	-	-	-	-	-	-
Tax and VAT	-	-	-	-	3 50	1,032 50	3 50	1,032 50	295 00
	-	-	-	-	3 50	1,032 50	3 50	1,032 50	295 00
<b>TOTAL HOURS &amp; COST</b>	23 00	19,550 00	3 20	1,568 00	14 85	4,282 75	41 05	25,398 75	618 73

TOTAL FEES DRAWN TO DATE

0 00

HMV Group plc, Record Shop 2 Limited (formerly HMV Music Limited) and Record Shop 4 Limited (formerly Fopp Entertainments Limited) (all in Administration) Final Progress Report to Creditors for the period to 30 June 2014



Time costs for the period 15 January 2013 to 30 June 2014

HMV Group Plc  
(In Administration)

	Director's Director's		Manager		Assistant & Support		TOTAL		Average Hourly Rate Cost (£)
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
<b>Administration and Planning</b>									
Cashiering and Statutory Filing	3 90	3,175 00	39 80	18,881 00	20 48	5,747 80	64 18	27,603 60	430 10
Case Supervision, Management and Closure	11 00	9,350 00	8 97	4,108 15	15 88	3,541 10	35 85	16,997 25	472 80
Initial Actions (e.g. Notification of Appointment, Securing Assets)	80 25	57,012 50	33 80	18,707 00	18 70	3,889 00	110 75	77,608 50	700 75
General Reporting	-	-	17 80	8,904 00	34 08	8,880 80	51 88	17,784 80	342 42
Liaison with Other Insolvency Practitioners	-	-	-	-	-	-	-	-	-
	75 15	69,537 50	100 37	48,398 15	87 24	22,038 30	262 76	139,973 95	532 71
<b>Investigations</b>									
Investigations	-	-	8 00	2,970 00	-	-	8 00	2,970 00	495 00
Reports on Directors' Conduct	10 00	9,200 00	2 70	1,338 50	-	-	12 70	10,538 50	829 85
	10 00	9,200 00	8 70	4,308 50	-	-	18 70	13,508 50	722 27
<b>Trading</b>									
Day 1 Control of Trading	1 00	850 00	-	-	-	-	1 00	850 00	850 00
Ongoing Trading	-	-	-	-	-	-	-	-	-
Monitoring Trading	-	-	-	-	-	-	-	-	-
Closure of Trade	5 00	4,125 00	-	-	-	-	5 00	4,125 00	825 00
	6 00	4,975 00	-	-	-	-	6 00	4,975 00	829 17
<b>Realisation of Assets</b>									
Book Debts	-	-	-	-	-	-	-	-	-
Other Assets (e.g. Stock)	152 00	107,140 00	41 10	18,839 50	-	-	193 10	123,779 50	641 01
Plant and Equipment, Fixtures and Fittings and Vehicles	-	-	-	-	-	-	-	-	-
Property - Freehold and Leasehold	-	-	-	-	-	-	-	-	-
Retention of Title	-	-	-	-	-	-	-	-	-
Sale of Business / Assets	85 00	81,842 50	315 40	249,434 50	8 05	1,308 50	418 45	342,685 50	818 94
Third Party Assets	-	-	-	-	-	-	-	-	-
	237 00	189,082 50	356 50	266,074 00	8 05	1,308 50	611 55	486,485 00	762 76
<b>Creditors</b>									
Employees	152 00	125,800 00	62 40	29,328 00	281 70	77,050 25	476 10	231,978 25	487 25
Preferential	-	-	-	-	-	-	-	-	-
Secured	7 00	5,950 00	5 00	3,600 00	0 50	120 00	12 50	9,670 00	773 60
Shareholders	-	-	13 00	8,255 00	0 40	96 00	13 40	8,351 00	623 21
Unsecured	-	-	25 50	12,822 50	69 00	16,593 50	94 50	29,216 00	309 16
	159 00	131,550 00	105 90	53,803 50	331 60	93,859 75	596 50	279,215 25	468 09
<b>Other Matters Include.</b>									
Litigation	-	-	-	-	2 00	480 00	2 00	480 00	240 00
Pensions	14 50	12,358 82	9 10	5,284 73	-	-	23 60	17,621 35	748 87
Tax and VAT	68 20	77,453 50	57 55	55,500 25	15 25	3,940 25	141 00	136,894 00	970 88
	82 70	89,810 12	68 65	60,784 98	17 25	4,420 25	168 60	154,995 35	930 34
<b>TOTAL HOURS &amp; COST</b>									
	579 85	504,155 12	638 12	433,349 13	444 14	121,826 80	1,662 11	1,058,131 05	637 22

TOTAL FEES DRAWN TO DATE

0 00

HMV Group plc, Record Shop 2 Limited (formerly HMV Music Limited) and Record Shop 4 Limited (formerly Fopp Entertainments Limited) (all in Administration) Final Progress Report to Creditors for the period to 30 June 2014

Time costs for the period 1 June 2014 to 30 June 2014

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

	Administrative Director			Manager			Assistant Support			TOTAL			Average Hourly Rate (Cost/£)
	Hours	Cost(£)	Cost(£)	Hours	Cost(£)	Cost(£)	Hours	Cost(£)	Cost(£)	Hours	Cost(£)	Cost(£)	
Administration and Planning													
Cashiering and Statutory Filing	0 10	85 00		12 00	5,020 00		3 90	1,150 50		16 00	6,265 50		390 97
Case Supervision, Management and Closure	-	-	-	-	-	-	25 05	7,267 25		25 05	7,267 25		290 11
Initial Actions (e.g. Notification of Appointment, Securing Assets)	-	-	-	-	-	-	-	-		-	-		-
General Reporting	2 00	1,650 00		2 00	990 00		37 00	10,915 00		41 00	13,555 00		330 61
Liaison with Other Insolvency Practitioners	-	-	-	-	-	-	-	-		-	-		-
	2 10	1,735 00		14 00	6,010 00		65 95	19,332 75		82 05	27,077 75		330 02
Investigations													
Investigations	-	-	-	-	-	-	-	-		-	-		-
Reports on Directors' Conduct	-	-	-	-	-	-	-	-		-	-		-
Trading													
Day 1 Control of Trading	-	-	-	-	-	-	-	-		-	-		-
Ongoing Trading	-	-	-	-	-	-	7 75	2,288 25		7 75	2,288 25		295 00
Monitoring Trading	-	-	-	-	-	-	-	-		-	-		-
Closure of Trade	-	-	-	7 00	3,485 00		-	-		7 00	3,485 00		495 00
	-	-	-	7 00	3,485 00		7 75	2,288 25		14 75	5,751 25		389 92
Realisation of Assets													
Book Debts	-	-	-	-	-	-	-	-		-	-		-
Other Assets (e.g. Stock)	-	-	-	3 00	1,485 00		-	-		3 00	1,485 00		495 00
Plant and Equipment, Fixtures and Fittings and Vehicles	-	-	-	-	-	-	-	-		-	-		-
Property - Freehold and Leasehold	-	-	-	10 00	4,950 00		-	-		10 00	4,950 00		495 00
Retention of Title	-	-	-	-	-	-	-	-		-	-		-
Sale of Business / Assets	-	-	-	-	-	-	-	-		-	-		-
Third Party Assets	-	-	-	-	-	-	-	-		-	-		-
	-	-	-	13 00	6,435 00		-	-		13 00	6,435 00		495 00
Creditors													
Employees	-	-	-	-	-	-	-	-		-	-		-
Preferential	-	-	-	-	-	-	-	-		-	-		-
Secured	-	-	-	-	-	-	-	-		-	-		-
Shareholders	-	-	-	-	-	-	-	-		-	-		-
Unsecured	-	-	-	-	-	-	3 00	885 00		3 00	885 00		295 00
	-	-	-	-	-	-	3 00	885 00		3 00	885 00		295 00
Other Matters Include													
Litigation	3 00	2,625 00		-	-	-	-	-		3 00	2,625 00		875 00
Pensions	-	-	-	-	-	-	-	-		-	-		-
Tax and VAT	14 90	15,719 50		9 50	4,702 50		15 25	4,498 75		39 65	24,920 75		628 52
	17 90	18,344 50		9 50	4,702 50		15 25	4,498 75		42 65	27,545 75		645 86
TOTAL HOURS & COST	20 00	20,079 50		43 50	20,612 50		91 86	27,002 75		155 45	67,894 75		435 48

TOTAL FEES DRAWN TO DATE

6,247,849 00

HMV Group plc, Record Shop 2 Limited (formerly HMV Music Limited) and Record Shop 4 Limited (formerly Fopp Entertainment Limited) (all in Administration) Final Progress Report to Creditors for the period to 30 June 2014

Time costs for the period 15 January 2013 to 30 June 2014

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

	Proctors & Directors		Manager		Assistants & Support		TOTAL		Average Hourly Rate Cost (£)
	Hour	Cost (£)	Hour	Cost (£)	Hour	Cost (£)	Hour	Cost (£)	
Administration and Planning									
Cashiering and Statutory Filing	35 05	30,557 50	689 85	321,538 25	372 36	108,952 95	1,098 16	461,048 70	419 84
Case Supervision, Management and Closure	187 30	180,255 00	326 78	110,438 10	387 73	103,306 85	911 81	373,989 95	410 17
Initial Actions (e.g. Notification of Appointment, Securing Assets)	58 00	46,850 00	51 80	26,721 00	54 90	11,308 50	164 70	84,878 50	516 38
General Reporting	50 00	41,400 00	81 00	40,781 00	107 14	29,846 80	238 14	112,007 80	470 34
Liaison with Other Insolvency Practitioners									
	331 25	279,062 50	1,149 43	499,458 35	832 13	253,416 10	2,412 81	1,031,935 95	427 69
Investigations									
Investigations	55 00	47,625 00	123 50	47,385 00	43 00	6,882 50	221 50	101,872 50	459 92
Reports on Directors' Conduct	0 20	170 00	2 70	1,338 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	980 70	745,781 00	3,574 94	1,777,470 30	953 57	184,583 65	5,619 21	2,707,784 95	490 61
Monitoring Trading	18 00	15,050 00	1,852 00	858,492 50	-	-	1,870 00	873,832 50	523 07
Closure of Trade	187 00	153,175 00	435 90	272,480 50	5 60	615 00	628 50	428,270 50	578 23
	1,202 70	919,896 00	5,855 14	3,011,828 30	969 67	187,301 15	8,027 51	4,119,065 45	513 12
Realisation of Assets									
Book Debts									
Other Assets (e.g. Stock)	25 50	21,297 50	14 00	6,540 00	14 80	3,034 00	28 80	9,874 00	332 43
Plant and Equipment, Fixtures and Fittings and Vehicles									
Property - Freehold and Leasehold	836 70	798,342 00	1,401 85	798,717 50	1,307 50	307,672 50	3,646 05	1,902,732 00	521 86
Retention of Title	483 50	292,517 50	1,781 80	588,874 00	2 50	512 50	2,247 80	878,904 00	391 45
Sale of Business / Assets	216 00	224,580 00	776 50	527,405 00	118 50	33,807 50	1,112 00	765,792 50	708 66
Third Party Assets									
	1,661 70	1,334,737 00	4,033 25	1,958,681 00	1,482 30	346,006 50	7,147 25	3,639,434 50	509 21
Creditors									
Employees	77 00	64,250 00	546 70	253,085 50	732 42	215,321 40	1,356 12	632,636 90	392 77
Preferential									
Secured	24 50	20,637 50	2 50	1,800 00	1 20	234 00	1 20	234 00	195 00
Shareholders									
Unsecured	3 00	2,475 00	877 40	383,674 00	822 25	130,917 75	1,502 65	617,066 75	344 10
	104 50	87,362 50	1,426 60	638,639 50	1,355 87	346,473 15	2,886 97	1,072,375 15	371 45
Other Matters Include									
Litigation	3 00	2,625 00	-	-	41 00	7,995 00	44 00	10,620 00	241 36
Pensions	2 00	1,468 90	22 10	14,188 99	-	-	24 10	15,657 89	649 70
Tax and VAT	286 70	281,334 50	330 55	251,747 25	38 67	10,157 65	655 92	643,239 40	854 26
	271 70	285,428 40	352 65	285,936 24	79 67	18,162 65	704 02	669,517 29	808 95
TOTAL HOURS & COST	3,627 05	2,954,321 40	12,943 27	6,423,164 89	4,832 84	1,158,231 05	21,402 96	10,535,707 34	492 25

TOTAL FEES DRAWN TO DATE

6,247,849 00

HMV Group plc, Record Shop 2 Limited (formerly HMV Music Limited) and Record Shop 4 Limited (formerly Fopp Entertainments Limited) (all in Administration) Final Progress Report to Creditors for the period to 30 June 2014

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

Time costs for the period 1 June 2014 to 30 June 2014

	Principal Director		Manager		Assistant Support		TOTAL		Average Hourly Rate Cost (£)
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
<b>Administration and Planning</b>									
Cashiering and Statutory Filing	-	-	1 00	405 00	0 30	88 50	1 30	493 50	379 62
Case Supervision, Management and Closure	-	-	0 20	79 00	0 20	34 50	0 40	113 50	283 75
Initial Actions (e.g. Notification of Appointment, Securing Assets)	-	-	-	-	-	-	-	-	-
General Reporting	-	-	2 00	990 00	8 85	2,935 25	11 85	3,925 25	328 47
Liaison with Other Insolvency Practitioners	-	-	3 20	1,474 00	10 45	3,058 25	13 65	4,532 25	332 03
<b>Investigations</b>									
Investigations	-	-	-	-	-	-	-	-	-
Reports on Directors' Conduct	-	-	-	-	-	-	-	-	-
<b>Trading</b>									
Day 1 Control of Trading	-	-	-	-	-	-	-	-	-
Ongoing Trading	-	-	-	-	-	-	-	-	-
Monitoring Trading	-	-	-	-	-	-	-	-	-
Closure of Trade	-	-	-	-	-	-	-	-	-
<b>Realisation of Assets</b>									
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	-	-	-	-	-	-	-	-	-
<b>Creditors</b>									
Employees	-	-	-	-	-	-	-	-	-
Preferential	-	-	-	-	-	-	-	-	-
Secured	-	-	-	-	-	-	-	-	-
Shareholders	-	-	-	-	-	-	-	-	-
Unsecured	-	-	-	-	-	-	-	-	-
<b>Other Matters Include</b>									
Litigation	-	-	-	-	-	-	-	-	-
Pensions	-	-	-	-	-	-	-	-	-
Tax and VAT	-	-	-	-	-	-	-	-	-
<b>TOTAL HOURS &amp; COST</b>	-	-	3 20	1,474 00	10 45	3,058 25	13 65	4,532 25	332 03

TOTAL FEES DRAWN TO DATE

8,836 00

HMV Group plc, Record Shop 2 Limited (formerly HMV Music Limited) and Record Shop 4 Limited (formerly Fopp Entertainments Limited) (all in Administration) Final Progress Report to Creditors for the period to 30 June 2014

Record Shop 4 Limited (formerly Fopp Entertainment Ltd)  
(In Administration)

Time costs for the period 15 January 2013 to 30 June 2014

	Particulars		Manager		Assistant/Support		TOTAL		Average Hourly Rate (£)
	Hour	Cost (£)	Hour	Cost (£)	Hour	Cost (£)	Hour	Cost (£)	
<b>Administration and Planning</b>									
Cashiering and Statutory Filing	-	-	7 55	3,488 25	6 50	1,868 50	14 05	5,354 75	381 12
Case Supervision, Management and Closure	-	-	4 30	1,763 50	5 17	1,280 15	9 47	3,043 65	323 51
Initial Actions (e.g. Notification of Appointment, Securing Assets)	-	-	8 80	4,358 00	8 00	1,920 00	16 80	6,278 00	373 57
General Reporting	-	-	14 60	7,445 00	18 68	5,120 10	33 28	12,565 10	377 66
Liaison with Other Insolvency Practitioners	-	-	-	-	-	-	-	-	-
	-	-	35 25	17,070 75	38 35	10,188 75	73 60	27,259 50	370 37
<b>Investigations</b>									
Investigations	-	-	-	-	-	-	-	-	-
Reports on Directors' Conduct	2 00	1,700 00	2 70	1,338 50	-	-	4 70	3,038 50	646 06
	-	-	2 70	1,338 50	-	-	4 70	3,038 50	646 08
<b>Trading</b>									
Day 1 Control of Trading	-	-	-	-	-	-	-	-	-
Ongoing Trading	-	-	-	-	-	-	-	-	-
Monitoring Trading	-	-	-	-	-	-	-	-	-
Closure of Trade	-	-	-	-	-	-	-	-	-
<b>Realisation of Assets</b>									
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
<b>Creditors</b>									
Employees	-	-	-	-	-	-	-	-	-
Preferential	-	-	-	-	-	-	-	-	-
Secured	-	-	-	-	-	-	-	-	-
Shareholders	-	-	-	-	-	-	-	-	-
Unsecured	-	-	-	-	1 50	360 00	1 50	360 00	240 00
	-	-	-	-	1 50	360 00	1 50	360 00	240 00
<b>Other Matters Include</b>									
Litigation	-	-	-	-	-	-	-	-	-
Pensions	-	-	-	-	-	-	-	-	-
Tax and VAT	-	-	4 70	4,365 50	1 00	305 00	5 70	4,670 50	819 39
	-	-	4 70	4,365 50	1 00	305 00	5 70	4,670 50	819 39
<b>TOTAL HOURS &amp; COST</b>	2 00	1,700 00	43 75	23,317 25	40 55	10,853 75	86 60	35,871 00	414 21
<b>TOTAL FEES DRAWN TO DATE</b>									8,836 00