

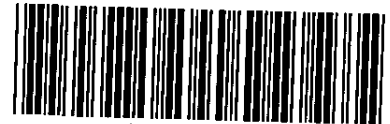
LIQ03

Notice of progress report in voluntary winding up



Companies House

THURSDAY



A27 *A7EF5ZCP* 13/09/2018 #256
COMPANIES HOUSE

1 Company details

Company number 0 3 4 1 2 2 9 0

Company name in full HMV Group Plc

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Robert James

Surname Harding

3 Liquidator's address

Building name/number 1 New Street Square

Street

Post town London

County/Region

Postcode E C 4 A 3 H Q

Country

4 Liquidator's name ①

Full forename(s) Nicholas Guy

Surname Edwards

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 1 New Street Square

Street

Post town London

County/Region

Postcode E C 4 A 3 H Q

Country

② Other liquidator
Use this section to tell us about
another liquidator

LIQ03

Notice of progress report in voluntary winding up

6 Period of progress report

From date	^d 1	^d 6	^m 0	^m 7	^y 2	^y 0	^y 1	^y 7
To date	^d 1	^d 5	^m 0	^m 7	^y 2	^y 0	^y 1	^y 8

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X

X

Signature date

^d 1	^d 1	^m 0	^m 9	^y 2	^y 0	^y 1	^y 8
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LIQ03

Notice of progress report in voluntary winding up

**Presenter information**

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

Contact name	Wendy Packwood
Company name	Deloitte LLP
Address	1 New Street Square
Post town	London
County/Region	
Postcode	E C 4 A 3 H Q
Country	
DX	
Telephone	+44 121 632 6000

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Liquidator's Progress Report

S.192

Pursuant to Sections 92A and 104A and 192
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

03412290

Name of Company

HMV Group Plc

I / We

Robert James Harding, 1 New Street Square, London, EC4A 3HQ

Nicholas Guy Edwards, 1 New Street Square, London, EC4A 3HQ

the liquidator(s) of the company attach a copy of my/our Progress Report
under section 192 of the Insolvency Act 1986.

The Progress Report covers the period from 16/07/2014 to 15/07/2018

Signed _____

Date 12/9/18

Deloitte LLP
Four Brindleyplace
Birmingham
B1 2HZ

Ref: HMVG01L/BLW/WKP/DA

**HMV Group Plc
(In Liquidation)
Joint Liquidators' Trading Account**

Statement of Affairs	From 16/07/2014 To 15/07/2018
TRADING EXPENDITURE	
Closure Costs/ Key Holding	1,617.00
	<u>(1,617.00)</u>
TRADING SURPLUS/(DEFICIT)	<u>(1,617.00)</u>

**HMV Group Plc
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments**

Statement of Affairs	From 16/07/2014 To 15/07/2018
SECURED ASSETS	
Bank Interest	666.11
	<u>666.11</u>
ASSET REALISATIONS	
Tax Refund	10.59
Surplus funds from Administration	960,892.57
Rates Refunds	7,012.57
Bank Interest Gross	4,871.07
Trading Surplus/(Deficit)	(1,617.00)
Sundry refunds	10,985.14
	<u>982,154.94</u>
COST OF REALISATIONS	
Prov. Liquidators Fees	479.97
Liquidator's Fees	175,030.00
Legal fees	4,500.00
Litigation Legal Fees	1,066.28
Legal fees - IP Recordals	600.00
Storage Costs	321.13
Postage & Redirection	16,750.13
Statutory Advertising	253.80
Rates	3,210.46
Bank Charges	829.83
Irrecoverable VAT	326.40
	<u>(203,368.00)</u>
PREFERENTIAL CREDITORS	
Department of Employment	14.60
Employees Wage Arrears	55,384.23
	<u>(55,398.83)</u>
UNSECURED CREDITORS	
Trade & Expense Creditors	584,985.24
	<u>(584,985.24)</u>
	<u>139,068.98</u>
REPRESENTED BY	
VAT Receivable	445,995.77
Floating NIB Current A/C	95,876.01
Vat Control Account	(402,802.80)
	<u>139,068.98</u>

Robert James Harding
Joint Liquidator

Deloitte.

HMV Group PLC Record Shop 2 Limited (formerly HMV Music Limited) Both in Liquidation (together “the Companies”)

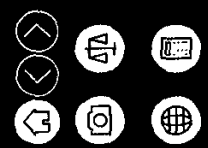
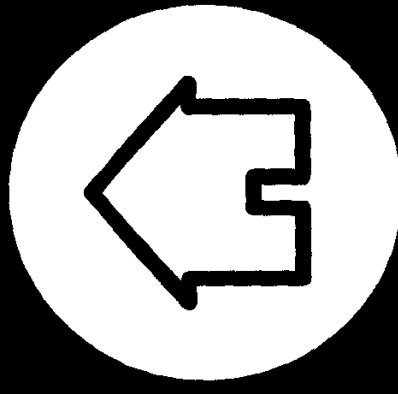
Progress report to creditors for the 12 month period to 15 July 2018 for HMV Group PLC (“HMV Group”) and 12 month period to 16 July 2018 for Record Shop 2 Limited (“Record Shop 2”) pursuant to Section 104A Insolvency Act 1986 and Rule 18.7 of the Insolvency (England & Wales) Rules 2016 (“the Rules”).

Nicholas Guy Edwards, Robert James Harding and Neville Barry Kahn (“the Joint Liquidators”) were appointed Joint Liquidators of HMV Group Plc and Record Shop 2 Limited following cessation of the administrations on 16 July 2014 and 17 July 2014 respectively. Neville Barry Kahn ceased to act as Joint Liquidator following a block removal court order which was granted on 6 August 2018, in advance from his retirement from Deloitte LLP on 31 August 2018. All licensed Insolvency Practitioners of Deloitte LLP (“Deloitte”) are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

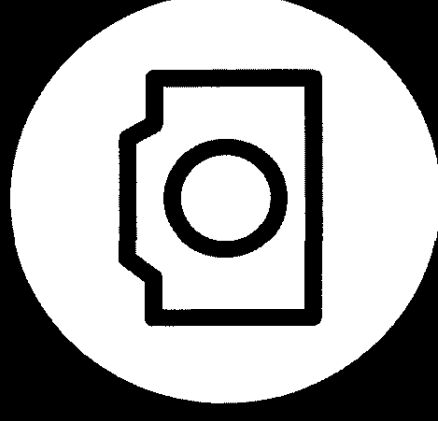
For the purposes of Section 231 of the Insolvency Act 1986 (as amended), (“the Act”), the Joint Liquidators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally.

Council Regulation (EU) No 2015/848 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

	Contents	1
	Key messages	2
	Progress of the liquidations	4
	Information for creditors	8
	Remuneration and expenses	10



Key messages



Key messages

Joint Liquidators of the Companies

Nicholas Guy Edwards

Robert James Harding

Deloitte LLP

1 New Street Square

London

EC4A 3HQ

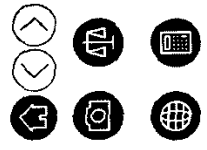
Contact details

Email: wpacwood@deloitte.co.uk

Website:

www.deloitte.com/uk/hmv

Tel: 0121 696 8661



	Commentary
Progress of the liquidations during the report period	• A prescribed part distribution to unsecured creditors was completed in each of the Companies during the period. • Further reconciliations and reallocations have been completed during period and are reflected in the receipts and payments accounts on pages 6 and 7. • HMV Group has received rates refunds of £4,097 in the period.
Costs	• The basis of the Joint Liquidators remuneration has been fixed by reference to time costs. • For HMV Group, we have incurred time costs for the period of the report of £145,111.85 and in respect of Record Shop 2 £134,257.50. Liquidators fees of £175,000 and £147,500 have been drawn in HMV Group and Record Shop 2 respectively. Please refer to Page 11 for further details. • Disbursements of £12,246.50 have been incurred in the report period which is in line with our initial estimate. Please refer to Page 16 for further details. • Third Party costs of £3,632 have been incurred in the report period. Please refer to Page 5 for further details.
Outstanding matters	• Obtain tax clearance and finalise VAT reclaims. • Case closure.
Dividend prospects	• No distributions have been made to the secured creditor in the period from the Companies. Total distributions in the Liquidations amount to £4.9m and there will be insufficient funds for the secured creditor to be paid in full. • Preferential creditors have been paid in full. • A maximum prescribed part of £600,000 was distributed to unsecured creditors in each of the Companies in May 2018. No further distributions will be made to unsecured creditors. Please refer to Page 9 for further details.



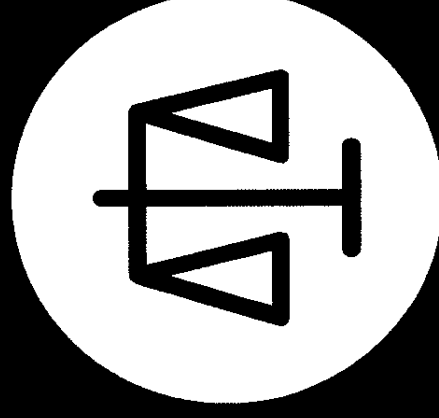
Progress of the liquidations

Summary

5

Receipts and payments

6



Progress of the liquidations

Summary

Progress of the liquidation

Overview

Details are provided below regarding the areas progressed in the period.

Work done during the report period

Re-allocation of Litigation fees and expenses

We highlight that legal fees and expenses (being other professional advisers) in respect of the litigation claims were reallocated in the period from HMV Group to Record Shop 2.

Asset realisations

A rates refund of £4,097 has been received during the period in HMV Group.

Dividend distributions

A maximum prescribed part distribution of £600,000, net of costs, was paid to unsecured creditors in each of HMV Group and Record Shop 2 on 24 May 2018 of 0.72p and 0.33p respectively.

Estimated future realisations

No further realisations are expected.

Statutory tasks

During the period we have carried out the following tasks which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature:

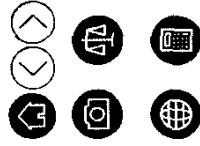
- Case and management
- Statutory reporting
- Correspondence with creditors
- Case reviews
- Cashiering functions
- Corporation tax matters

These tasks are a necessary part of the engagement but do not generate any direct financial benefit for creditors.

Cost of the work done during the report period

- As reported previously, Simmons & Simmons LLP were instructed by the Joint Liquidators to provide legal advice including employee matters and negotiation of litigation settlements. During the period covered by this report, Simmons & Simmons LLP has been paid £3,632 plus VAT (including disbursements).
- Liquidators' remuneration and expenses. Further information on these costs is provided on page 11.

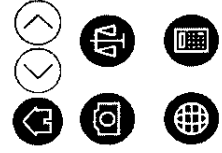
Please see our receipts and payments accounts on pages 6 & 7.



Progress of the liquidations

HMV Group

Receipts and payments



Joint Liquidators' receipts and payments account 16 July 2014 to 15 July 2018

	Notes Period		To date
Receipts			
Bank Interest	-		3,458
Surplus funds from Administration	-		960,893
Rates Refunds	4,097		7,013
Bank Interest Gross	2,070		2,070
Sundry refunds	-		10,996
Total receipts	6,167		984,429
Payments			
Closure Costs/ Key Holding	-		1,647
Prov. Liquidators Fees	-		480
Liquidator's Fees	175,000		175,000
Legal fees	-		4,500
Legal fees - IP Recordals	-		600
Storage Costs	-		321
Postage & Redirection	-		16,750
Statutory Advertising	85		254
Rates	-		3,210
Bank Charges	242		830
Irrecoverable VAT	-		326
Department of Employment	15		15
Total payments	760,326		844,303
Balance			140,127
Made up of:			
VAT (Payable) / Receivable	2		43,293
Floating NIB Current A/C	1		95,867
Trade Creditors			(100)
Due from/(to) RS2			1,066
Balance in hand			140,127

Receipts and payments account

A receipts and payments account is provided opposite detailing the transactions in the liquidation of HMV Group to 15 July 2018 and all transactions since the our appointment.

Notes to receipts and payments account

Note 1: All funds are held in an interest bearing account.

Note 2: All sums shown above are shown net of VAT, which is recoverable/payable and will be accounted for to HM Revenue & Customs in due course.

Note 3: Per SIP7 (E&W), no Statement of Affairs figures are provided as the Liquidation follows an Administration.

All professional costs are reviewed and analysed in detail before payment is approved

Progress of the liquidations

Record Shop 2 Receipts and payments

Joint Liquidators' receipts and payments account 17 July 2014 to 16 July 2018

£	Notes Period	To date
Receipts		
Sales	-	1,191
Litigation Settlements	-	3,250,000
Leasehold property	-	3,609
Book Debts	-	5,505
Repayment of US rent	-	127,905
Surplus funds from Administration	-	4,332,998
Rates Refunds	-	288,466
American Express Reserve	-	81,105
Bank Interest Gross	2,663	29,545
Licence Fee HMV Retail	-	935,031
RS1 agency agreement	-	2,350,116
Sundry refunds	-	10,885
Oxford Street cost award	-	87,729
VAT Redclaimed in error	-	83
Administration VAT received from HMRC	-	145,200
Total receipts	2,663	11,649,367

Payments		
Other employee expenses	-	107
ROT Settlement	-	389,000
Utilities	-	1,718
Store Rent	-	160,164
Closure Costs	-	1,316
Rents paid under indemnity/licence fee	-	1,040,832
HMV Ireland Share of Litigation	-	35,000
Liquidator's Fees	147,500	1,042,330
Liquidator's Expenses	-	1,759
Professional fees	-	633
Legal fees	3,632	449,400
Legal disbursements	11	49,597
Corporation Tax	-	20,153
Storage Costs	39,643	163,095
Postage & Redirection	-	5,437
Statutory Advertising	85	254
Rates	-	2,415
Insurance of Assets	-	1,956
Bank Charges	60	1,298
Unclaimed pref dividends sent to ISA	12,511	12,511
Rates refund agents fees	-	349,203
Inland Revenue	-	131
Employees Wage Arrears	(12,504)	366,266
Employment Tribunal Fees	-	542
Distribution to Secured Creditors	-	4,895,309
Trade & Expense Creditors	561,998	561,998
Litigation fees and expenses	-	1,904,967
Total payments	752,934	11,457,389
Balance		191,978

Made up of:		
VAT Receivable	2	37,363
Floating NIB Current A/C	1	105,970
Trade Creditors		(4,159)
Vat Control Account	2	52,804
Balance in hand		191,978

Receipts and payments account

A receipts and payments account is provided opposite, detailing the transactions in the liquidation of Record Shop 2 to 16 July 2018, and all transactions since the Joint Liquidators' appointment.

Notes to receipts and payments account

Note 1: All funds are held in an interest bearing account.

Note 2: All sums shown above are shown net of VAT, which is recoverable/payable and will be accounted for to HM Revenue & Customs in due course.

Note 3: Per SIP7 (E&W), no Statement of Affairs figures are provided as the Liquidation follows an Administration.

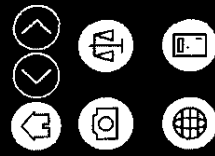
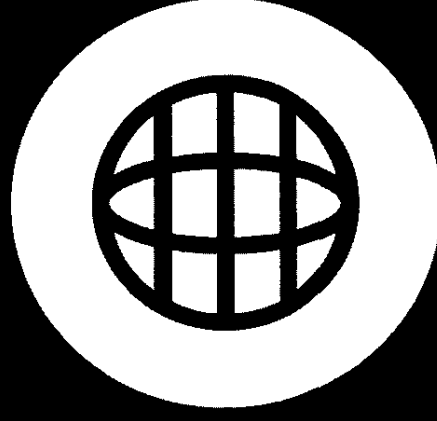
All professional costs are reviewed and analysed in detail before payment is approved.



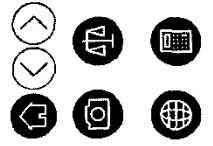
Information for creditors

Outcome

9



Information for creditors Outcome



Secured creditors

During the preceding administrations £46.6m was distributed to the secured creditor. Funds of £4.9m have been paid during the Liquidations to date by the Companies.

The secured creditor will not be repaid in full.

Preferential creditors

A preferential dividend of 100 pence in the £ was declared on 4 February 2015.

Prescribed Part

A maximum prescribed part distribution of £600,000, net of costs, was paid to unsecured creditors in each of HMV Group of 0.72p and Record Shop 2 of 0.33p on 24 May 2018 being £561,998 and £584,985 respectively.

Claims process

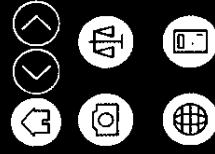
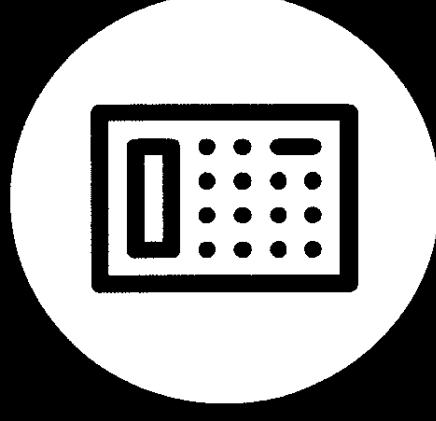
There will be no further distributions for unsecured creditors and all creditor claims received have been agreed.



Remuneration and expenses

Joint Liquidators' remuneration

11



Remuneration and expenses

Joint Liquidators' remuneration

Joint Liquidators' remuneration

"A Creditors' Guide to Remuneration" is available for download at www.deloitte.com/uk/hmv.

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

Basis of remuneration

The basis of our remuneration was fixed on 9 April 2013 by the secured and preferential creditors in the preceding administration by reference to the time properly given by the Joint Liquidators and their staff in attending to matters arising in the liquidation calculated at the prevailing standard hourly charge out rates used by Deloitte at the time when the work is performed, plus VAT.

Time costs incurred

HMV Group

Our time costs for the period are £145,111.85, made up of 283.84 hours at an average charge out rate of £511.25 per hour across all grade of staff.

This brings our total time costs since the date of appointment on 16 July 2014 to £850,270.30, made up of 1,605.57 hours at an average charge out rate of £529.58 per hour across all grade of staff.

To date we have drawn £175,000 of remuneration as shown in the receipts and payments account on page 6.

Record Shop 2

Our time costs for the period are £134,257.50, made up of 316.20 hours at an average charge out rate of £424.60 per hour across all grade of staff.

This brings our total time costs since the date of appointment on 17 July 2014 to £1,346,470.65, made up of 2,801.42 hours at an average charge out rate of £480.64 per hour across all grades of staff.

We have drawn £147,500 during the period bringing the total remuneration drawn to date to £1,042,330 as shown in the receipts and payments account on page 7.

A detailed breakdown of time costs together are shown on pages 12 to 16. Please note that time is charged in six minute increments.

Our time costs for the period, in addition to general compliance and case related matters, largely comprise time spent in relation to the confidential litigation in which Record Shop 2 was engaged. This time has been spent primarily compiling evidence to support our claim, liaison with our legal representatives in respect of the claims and settlement discussions with defendants to generate a cost effective return to the liquidation estate of Record Shop 2 from the litigation.

Charge out rates

The range of charge-out rates for the separate categories of staff is based on our 2018 national charge-out rates as summarised below.

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, Financial Advisory 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.

Charge out rates increased on 1 June 2018. Details of charge out rates applicable to prior report periods were given in those reports, copies of which will be provided on request to Wendy Packwood.

Restructuring Services charge out rates (£/hour)

Grade	From 1 June 2018
Partners & Directors	965 - 1,125
Assistant Directors	750 - 850
Managers	590 - 765
Assistant Managers	465 - 610
Assistants & Support	210 - 360

HMV Group Joint Liquidators' time costs for the period 16 July 2017 to 15 July 2018

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.

	Partners & Directors				Assistant Directors				Managers				Assistant Managers				Assistants & Support				TOTAL				Average rate/h Cost (£)
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
Administration and Planning																									
Cashiering and Statutory Filing	0.50	535.00	1.20	948.00	0.20	109.00	3.00	1,325.00	10.40	2,136.00	15.30	5,053.00	15.30	5,053.00	15.30	5,053.00	15.30	5,053.00	15.30	5,053.00	15.30	5,053.00	15.30	5,053.00	330.26
Case Management and Closure	7.00	6,720.00	42.20	29,477.75	-	-	16.60	7,195.00	5.85	1,230.75	71.65	44,623.50	71.65	44,623.50	71.65	44,623.50	71.65	44,623.50	71.65	44,623.50	71.65	44,623.50	71.65	44,623.50	622.80
General Reporting	-	-	12.50	6,587.50	-	-	1.30	478.50	9.50	1,982.50	23.30	9,048.50	23.30	9,048.50	23.30	9,048.50	23.30	9,048.50	23.30	9,048.50	23.30	9,048.50	23.30	9,048.50	388.35
	7.50	7,255.00	55.90	37,013.25	0.20	109.00	20.90	8,998.50	25.75	5,349.25	110.25	58,726.00	110.25	58,726.00	110.25	58,726.00	110.25	58,726.00	110.25	58,726.00	110.25	58,726.00	110.25	58,726.00	532.65
Creditors																									
Employees	-	-	-	-	-	-	20.04	8,958.60	1.50	277.50	21.54	9,236.10	21.54	9,236.10	21.54	9,236.10	21.54	9,236.10	21.54	9,236.10	21.54	9,236.10	21.54	9,236.10	428.79
Preferential	-	-	-	-	-	-	-	-	-	-	0.50	280.00	0.50	280.00	0.50	280.00	0.50	280.00	0.50	280.00	0.50	280.00	0.50	280.00	560.00
Secured	-	-	0.80	572.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	715.00
Shareholders	-	-	0.10	71.50	-	-	0.80	356.00	0.30	105.00	1.20	532.50	1.20	532.50	1.20	532.50	1.20	532.50	1.20	532.50	1.20	532.50	1.20	532.50	443.75
Unsecured	0.50	480.00	4.05	2,855.75	3.00	1,680.00	24.20	10,771.00	-	-	31.75	15,786.75	31.75	15,786.75	31.75	15,786.75	31.75	15,786.75	31.75	15,786.75	31.75	15,786.75	31.75	15,786.75	497.22
	0.50	480.00	4.95	3,499.25	3.50	1,980.00	45.04	20,085.60	1.80	382.50	55.79	28,407.35	55.79	28,407.35	55.79	28,407.35	55.79	28,407.35	55.79	28,407.35	55.79	28,407.35	55.79	28,407.35	473.33
Case Specific Matters																									
Litigation	-	-	11.00	7,965.00	-	-	-	-	-	-	11.00	7,965.00	11.00	7,965.00	11.00	7,965.00	11.00	7,965.00	11.00	7,965.00	11.00	7,965.00	11.00	7,965.00	715.00
VAT	1.20	1,206.00	8.90	6,648.00	-	-	22.55	10,069.75	34.15	8,413.25	66.80	26,427.00	66.80	26,427.00	66.80	26,427.00	66.80	26,427.00	66.80	26,427.00	66.80	26,427.00	66.80	26,427.00	395.61
Tax	1.50	1,960.00	25.10	21,057.00	-	-	1.90	765.50	11.50	1,905.00	40.00	25,687.50	40.00	25,687.50	40.00	25,687.50	40.00	25,687.50	40.00	25,687.50	40.00	25,687.50	40.00	25,687.50	642.19
	2.70	3,256.00	45.00	35,570.00	-	-	24.45	10,835.25	45.65	10,318.25	117.80	59,979.50	117.80	59,979.50	117.80	59,979.50	117.80	59,979.50	117.80	59,979.50	117.80	59,979.50	117.80	59,979.50	509.16
TOTAL HOURS & COST	10.70	10,991.00	105.85	76,082.50	3.70	2,068.00	90.39	39,919.35	73.20	16,050.00	283.84	148,111.85	283.84	148,111.85	283.84	148,111.85	283.84	148,111.85	283.84	148,111.85	283.84	148,111.85	283.84	148,111.85	511.25
AVERAGE RATE/HOUR PER GRADE	£ 1,027.20				£ 718.78				£ 559.19				£ 441.63				£ 219.26				£ 175,000.00				
FEES DRAWN	£ 1,027.20				£ 718.78				£ 559.19				£ 441.63				£ 219.26				£ 175,000.00				



HMV Group Joint Liquidators' time costs for the period 16 July 2014 to 15 July 2018

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.

	Partners & Directors			Assistant Directors			Managers			Assistant Managers			Assistants & Support			TOTAL			Average rate/h Cost (£)
	Hours	Cost (£)		Hours	Cost (£)		Hours	Cost (£)		Hours	Cost (£)		Hours	Cost (£)		Hours	Cost (£)		
Administration and Planning																			
Cashiering and Statutory Filing	2.40	2,310.50		7.05	4,811.00		13.40	6,977.00		69.80	28,709.00		64.55	16,738.25		157.20	59,545.75		378.79
Case Management and Closure	182.65	163,243.00		76.15	47,330.50		8.35	4,281.25		60.50	23,739.50		218.08	52,498.95		545.73	291,091.20		533.40
Initial Actions	0.10	86.50		0.50	317.50		13.00	6,455.00		5.30	2,093.50		6.80	1,360.50		25.70	10,313.00		401.28
General Reporting	-	-		15.50	8,091.25		3.00	1,590.00		4.30	1,503.50		35.25	8,823.75		58.05	20,008.50		344.68
	185.15	165,640.00		99.20	60,560.25		37.75	19,303.25		139.90	56,045.50		324.68	79,419.45		786.68	380,958.45		484.26
Investigations																			
Reports on Directors' Conduct	-	-		-	-		1.00	505.00		0.20	81.00		4.40	1,079.00		5.60	1,664.00		297.14
	-	-		-	-		1.00	505.00		0.20	81.00		4.40	1,079.00		5.60	1,664.00		297.14
Trading																			
Closure of Trade	-	-		-	-		-	-		-	-		0.40	126.00		0.40	126.00		315.00
	-	-		-	-		-	-		-	-		0.40	126.00		0.40	126.00		315.00
Realisation of Assets																			
Book Debts	-	-		-	-		-	-		-	-		0.20	63.00		0.20	63.00		315.00
Other Assets (e.g. Stock)	256.00	220,975.00		-	-		-	-		0.20	81.00		11.50	1,725.00		267.70	222,781.00		832.20
Property - Freehold and Leasehold	-	-		-	-		-	-		4.10	1,819.50		11.65	3,063.25		15.75	4,682.75		297.32
	256.00	220,975.00		-	-		-	-		4.30	1,700.50		23.35	4,851.25		283.65	227,526.75		802.14
Creditors																			
Employees	-	-		0.75	453.75		4.00	2,020.00		41.74	17,200.10		5.80	1,536.25		52.29	21,210.10		405.62
Preferential	-	-		1.80	1,170.00		0.50	280.00		-	-		18.95	4,522.50		21.25	5,972.50		281.06
Shareholders	-	-		2.90	1,891.50		-	-		3.40	1,280.00		10.55	3,313.75		16.85	6,485.25		384.88
Unsecured	0.50	480.00		6.05	3,885.75		9.50	4,982.50		28.40	12,346.00		69.90	16,430.25		114.35	38,104.50		333.23
	0.50	480.00		12.30	7,973.00		14.00	7,262.50		73.54	30,826.10		105.20	25,802.75		205.54	72,344.35		351.97
Case Specific Matters																			
Litigation	2.50	2,237.50		13.50	9,118.75		-	-		-	-		2.05	615.50		18.05	11,971.75		663.25
Pensions	-	-		1.00	642.50		-	-		-	-		-	-		1.00	642.50		642.50
VAT	48.70	52,393.50		14.75	10,884.75		-	-		35.35	15,229.75		145.50	34,853.25		244.30	113,381.25		464.02
Tax	7.50	9,010.00		33.15	28,208.50		-	-		4.80	1,760.00		14.90	2,676.75		60.35	41,675.25		690.56
	58.70	63,641.00		62.40	48,854.50		-	-		40.15	17,009.75		162.45	38,145.50		323.70	167,650.75		517.92
TOTAL HOURS & COST	500.35	450,736.00		173.90	117,377.75		52.75	27,070.75		258.09	105,662.85		620.48	149,423.85		1,605.57	850,270.30		529.58
AVERAGE RATE/HOUR PER GRADE		£ 900.84			£ 674.97			£ 513.19			£ 409.40			£ 240.82			£ 175,000.00		
FEES DRAWN																			



Record Shop 2 Joint Liquidators' time costs for the period 17 July 2017 to 16 July 2018

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.

	Partners & Directors			Assistant Directors			Managers			Assistant Managers			Assistants & Support			TOTAL			Average rate/h
	Hours	Cost (£)		Hours	Cost (£)		Hours	Cost (£)		Hours	Cost (£)		Hours	Cost (£)		Hours	Cost (£)		
Administration and Planning																			
Cashiering and Statutory Filing	-	-		2.70	2,059.50		-	-		5.10	2,339.50		26.00	4,458.00		33.80	8,857.00		262.04
Case Management and Closure	-	-		4.20	2,870.00		-	-		23.10	10,025.50		7.65	1,461.75		34.95	14,357.25		410.79
Initial Actions	-	-		-	-		-	-		-	-		0.40	134.00		0.40	134.00		335.00
General Reporting	-	-		2.50	1,437.50		-	-		1.00	345.00		9.00	1,882.50		12.50	3,665.00		293.20
	-	-		9.40	6,367.00		-	-		29.20	12,710.00		43.05	7,936.25		81.65	27,013.25		330.84
Creditors																			
Employees Secured	-	-		-	-		3.50	1,952.50		41.30	18,414.50		-	-		44.80	20,367.00		454.62
Unsecured	0.50	480.00		5.45	3,896.75		2.00	1,120.00		39.30	17,518.50		0.70	234.50		47.95	23,249.75		484.87
	0.50	480.00		5.70	4,075.50		5.50	3,072.50		80.60	35,933.00		0.70	234.50		93.00	43,795.50		470.92
Case Specific Matters																			
Litigation	-	-		36.70	26,240.50		-	-		-	-		-	-		36.70	26,240.50		715.00
Pensions	-	-		-	-		-	-		0.40	178.00		-	-		0.40	178.00		445.00
VAT	0.80	1,064.00		-	-		-	-		16.75	7,478.75		20.65	5,583.75		38.20	14,126.50		369.80
Tax	-	-		9.45	9,443.25		2.25	990.00		18.00	6,335.00		36.55	6,135.50		66.25	22,903.75		345.72
	0.80	1,064.00		46.15	35,683.75		2.25	990.00		35.15	13,991.75		57.20	11,719.25		141.55	63,448.75		448.24
TOTAL HOURS & COST	1.30	1,544.00		61.25	46,126.25		7.75	4,062.50		144.95	62,634.75		100.95	19,890.00		316.20	134,257.50		424.60
AVERAGE RATE/HOUR PER GRADE		£ 1,187.69			£ 753.08			£ 524.19			£ 432.11			£ 197.03			£ 147,500.00		
FEES DRAWN																			



Record Shop 2 Joint Liquidators' time costs for the period 17 July 2014 to 16 July 2018

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.

	Partners & Directors			Assistant Directors			Managers			Assistant Managers			Assistants & Support			TOTAL			Average rate/h Cost (£)
	Hours	Cost (£)		Hours	Cost (£)		Hours	Cost (£)		Hours	Cost (£)		Hours	Cost (£)		Hours	Cost (£)		
Administration and Planning																			
Cashiering and Statutory Filing	1 25	1,151.75		33 05	22,301.00		18 90	9,756.50		113 20	47,095.00		187 45	37,172.75		333 85	117,477.00		351 89
Case Management and Closure	12 45	10,951.00		74 55	44,994.00		27 05	14,199.75		71 90	29,145.50		170 17	44,124.65		536 12	143,414.90		402 72
Initial Actions	0 10	86.50					14 00	7,080.00		1 40	553.00		9 60	1,974.50		25 10	9,694.00		386 22
General Reporting	-	-		5 50	2,941.25		27 50	13,962.50		2 50	852.50		46 80	12,444.00		82 30	30,200.25		366 95
	13 80	12,189.25		113 10	70,236.25		87 45	44,988.75		189 00	77,646.00		394 02	85,716.90		797 37	300,786.15		377 22
Investigations																			
Investigations	-	-		1 00	490.00		-	-		-	-		11 50	2,932.50		12 50	3,422.50		273 80
Reports on Directors' Conduct	-	-		-	-		1 00	505.00		0 20	81.00		3 10	759.50		4 30	1,345.50		312 91
	-	-		1 00	490.00		1 00	505.00		0 20	81.00		14 60	3,592.00		16 80	4,768.00		283 81
Trading																			
Ongoing Trading	-	-		1 00	465.00		0 50	247.50		0 30	121.50		13 45	3,190.25		1 00	465.00		465 00
Closure of Trade	-	-		1 00	465.00		0 50	247.50		0 30	121.50		13 45	3,190.25		14 25	3,559.25		249 77
	-	-		1 00	465.00		0 50	247.50		0 30	121.50		13 45	3,190.25		15 25	4,024.25		263 99
Realisation of Assets																			
Book Debts	-	-		-	-		-	-		-	-		2 75	852.25		2 75	852.25		309 91
Other Assets (e.g. Stock)	255 50	235,930.00		20 90	14,339.00		20 90	10,927.00		8 40	3,398.00		20 90	5,117.50		305 70	264,594.00		865 53
Property - Freehold and Leasehold	0 50	412.50		19 10	12,415.00		24 00	12,260.00		4 90	1,969.50		20 90	5,117.50		69 40	32,174.50		463 61
Retention of Title	-	-		15 70	10,229.50		1 50	795.00		-	-		0 10	20.00		17 30	11,044.50		638 41
Sale of Business / Assets	-	-		-	-		-	-		-	-		2 70	661.50		2 70	661.50		245 00
Third Party Assets	-	-		-	-		30 00	15,150.00		-	-		-	-		30 00	15,150.00		505 00
	266 00	236,342.50		55 70	36,983.50		76 40	39,132.00		13 30	5,387.50		26 45	6,561.25		427 85	324,476.75		758 39
Creditors																			
Employees	1 00	840.00		18 05	11,712.25		29 50	16,122.50		289 20	123,890.00		195 70	58,882.25		533 45	211,447.00		396 38
Preferential	-	-		9 60	6,240.00		-	-		0 20	79.00		93 15	26,191.50		102 95	32,510.50		315 79
Secured	6 50	5,430.00		3 35	2,193.75		23 80	12,106.50		1 60	646.00		-	-		35 25	20,378.25		578 11
Shareholders	-	-		-	-		-	-		-	-		0 95	292.50		0 95	292.50		307 69
Unsecured	1 50	1,320.00		11 70	7,882.50		17 40	9,039.00		45 90	20,207.50		71 45	19,444.75		147 95	57,693.75		391 31
	9 00	7,590.00		42 70	28,028.50		70 70	37,268.00		336 90	144,824.50		361 25	104,811.00		820 55	322,522.00		393 06
Case Specific Matters																			
Litigation	112 30	86,313.50		309 60	180,442.25		-	-		-	-		10 95	3,554.25		432 85	270,310.00		624 49
Pensions	-	-		-	-		-	-		0 40	178.00		-	-		0 40	178.00		445 00
VAT	1 30	1,476.50		17 95	11,204.00		37 50	19,065.00		34 95	14,534.75		76 65	19,769.25		168 35	66,049.50		392 33
Tax	0 25	220.00		34 00	31,167.25		6 25	3,110.00		22 20	8,037.00		59 30	10,821.75		122 00	53,356.00		437 34
	113 85	88,010.00		361 55	222,813.50		43 75	22,175.00		57 65	22,749.75		146 90	34,145.25		723 60	389,893.50		538 82
TOTAL HOURS & COST	392 86	344,131.75		575 05	369,016.75		279 80	144,326.25		597 25	250,790.25		956 67	248,705.65		2,801 42	1,346,470.65		480 64
AVERAGE RATE/HOUR PER GRADE		£ 876.43			£ 624.32			£ 516.82			£ 419.91			£ 269.45			£ 1,042,330.00		
FEE'S DRAWN																			



Remuneration and expenses

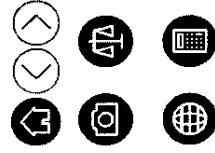
Detailed information

Category 1 Disbursements

These are payments made by us direct to third parties and for which no approval is required.

Category 2 Disbursements

These are costs and expenses initially paid by us and which are not generally made to a third party, for example, reimbursement to staff engaged on the case for their mileage costs. These may also include shared or allocated costs.



Disbursements

Our disbursements to date are summarised below:

Category 1 disbursements

£ (net)	Period	Total	Paid	Unpaid
Postage	8,719.50	14,238.50	5,399.00	8,839.50
Stationery	3,527.00	3,527.00	-	3,527.00
Couriers	-	88.60	18.60	70.00
Legal fees and expenses	-	384.00	-	384.00
Tax compliance	-	582.14	19.10	563.04
Travel and subsistence	-	1,456.04	1,420.14	35.90
Total disbursements	12,246.50	20,276.28	6,856.84	13,419.44

Category 2 Disbursements

These are costs and expenses initially paid by us and which are not generally made to a third party, for example, reimbursement to staff engaged on the case for their mileage costs. These may also include shared or allocated costs. Specific approval is required before these costs and expenses can be drawn from the liquidation estate.

Mileage is calculated at the prevailing standard mileage rate of up to 45p used by Deloitte at the time when the mileage is incurred.

Details of all disbursements are given above and from which it can be seen that we have not recovered our disbursements in full.

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 us 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 18.9 of the Rules.

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 18.34 of the Rules), reducing the amount or the basis of remuneration which we are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within eight weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 18.34(3) of the Rules.

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

Deloitte.

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