

## The Insolvency Act 1986

**Administrator's progress report**

Name of Company The GAME Group Plc	Company Number 00875835
In the High Court of Justice, Chancery Division, Companies Court (full name of court)	Court case number 2552 of 2012

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

(a) We Michael John Andrew Jervis of PricewaterhouseCoopers LLP, 7 More London Riverside, London SE1 2RT and Stuart David Maddison of PricewaterhouseCoopers LLP, One Reading Central, 23 Forbury Road, Reading, Berkshire, RG1 3JH

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

from

to

(b) 8 September 2014

(b) 7 March 2015

(b) Insert dates

Signed amg  
Joint Administrator

Dated 2/4/15

**Contact Details:**

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

Sahil Aggarwal, PricewaterhouseCoopers LLP, 7 More London Riverside, London SE1 2RT	
	Tel
DX Number	DX Exchange

When you have completed and signed this form please send it to the Registrar of Companies at  
Companies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff



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COMPANIES HOUSE

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**The Game Group plc and Game Stores Group Limited – both in  
Administration**

**High Court of Justice, Chancery Division, Companies Court  
Case No. 2552 and 2553 of 2012**

**Joint Administrators' progress report for the period from 8 September  
2014 to 7 March 2015**

**2 April 2015**

**D420Nv2**

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# 1. Joint Administrators' progress report for the period from 8 September 2014 to 7 March 2015

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## Introduction

In accordance with Rule 2.47 of the Insolvency Rules 1986 ("IR86") the Joint Administrators (the "Administrators") write to provide creditors with details of the progress of the Administrations of The Game Group plc ("Plc") and Game Stores Group Limited ("Stores Group") (together the "Companies") in the six months to 7 March 2015

The Administrators are required to provide certain statutory information pursuant to Rule 2.47(1)(a) to (d) IR86, which is included in Section 2

## Overview

When the Administrators were appointed on 26 March 2012, the Companies were part of the wider GAME Group of companies (the "Group"), which operated as the leading video games and related product retailer in Europe. Funding to the Group was provided by the parent company, Plc

Stores Group was one of the three main trading companies. It provided all centralised management and administrative functions to its associated companies together with supply, distribution and technical services. Stores Group also held the leases to the GAME branded stores. Plc held investments in the UK and a number of overseas entities.

On 30 March 2012, the UK business and assets of the Group companies in Administration were sold on a going concern basis to Game Retail Limited (the "Purchaser"). Of the sale consideration, £6.6 million was attributed to the business and assets of Plc and £62.9 million to Stores Group.

## Progress of the Administrations

In the period under review the Administrators' activities continued to focus on the following work-streams, which are discussed in turn

- landlords' legal challenge (including bar date application),
- other property matters,
- trust accounts,
- other assets;
- creditors, and
- discharging statutory obligations

### Landlords' legal challenge

Creditors may recall that in summer 2012 the Administrators received notice that a number of landlords intended to challenge the prevailing law that rent payable in advance and falling due before an administrator's appointment was an unsecured claim and not payable as an expense.

Given the potential impact upon the outcome for the respective creditors of the Group Administrations affected by the challenge, including Stores Group, the Administrators made an application to the Court for directions. On 1 July 2013 the Court decided that it was bound by the prevailing law.

The decision was appealed by the landlords and overruled by the Court of Appeal in February 2014. The Court of Appeal held that rent is payable as an expense of an administration for any period during which an administrator retains possession of leasehold property for the benefit of the administration. Rent is to be treated as accruing from day to day, regardless of the usual payment days under the terms of the lease.

Shortly after the ruling, the Purchaser applied for permission to appeal the Court of Appeal decision to the Supreme Court. However, on 30 October 2014 the Supreme Court refused permission.

As a result, in November 2014 the Administrators wrote to the landlords of open stores to arrange payment of rent as an expense of the Administrations in accordance with the Court of Appeal decision.

## 1. Joint Administrators' progress report for the period from 8 September 2014 to 7 March 2015

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All rent payments are transacted through Games Station Limited ("Station") for administrative purposes on behalf of the companies in Administration that held open store leases

To date, the Administrators have paid outstanding rent of £1.7m plus VAT (where applicable), of which £1.2m relates to Stores Group

### Bar date application

In spite of considerable efforts made to agree rent expense claims, a substantive response to the Administrators' correspondence has not been received from a number of landlords that the Administrators consider to be entitled to such a claim. These landlords have claims of c£200k.

In order to quantify the total rent expense liability, the Administrators intend to make an application to Court for directions regarding these claims. The application will seek to set a "bar date" in respect of claims for rent as an administration expense, after the expiry of which any outstanding claims will be time barred.

The Administrators will be writing to the relevant landlords with further information shortly.

**If you were a landlord of an open store between 26 March and 23 June 2012 and consider that you have an administration expense claim but have not provided the Administrators with an invoice for this period, please email [game.landlords@uk.pwc.com](mailto:game.landlords@uk.pwc.com) or telephone Adam Qadir on +44 (0) 20 7212 1474.**

### Other property matters

As previously reported, 300 of the 333 leasehold interests in open stores held by Stores Group and associated Group companies in administration have been assigned to the Purchaser.

Landlords of the 33 open stores that have not been assigned and the Group's 279 stores that were closed following the Administrators' appointment have been offered a surrender of leasehold interests

During the period covered by this report a further, 7 leases have been surrendered and 7 leases have expired across the Group.

Overall, 245 leases have now formally ended. The Administrators continue to pursue surrenders of the remaining 67 leases across the Group.

**Landlords who wish to agree a surrender should email [game.landlords@uk.pwc.com](mailto:game.landlords@uk.pwc.com) or telephone Adam Qadir on +44 (0)20 7212 1474.**

In addition, the Administrators continue to

- respond to ad-hoc queries from authorities and rating providers regarding the transfer of closed stores and empty property relief from business rates,
- account to the Purchaser for pre-Administration rate and utility refunds received,
- address post-appointment insurance matters on closed stores and assessing on-going insurance requirements, and
- coordinate the release of keys to landlords where access is required to comply with various statutory matters

### Trust accounts

Before the Administrators were appointed, the Companies and certain other Group companies placed monies into trust to meet certain liabilities incurred between the five days from 21 March 2012, the date on which notice of intention to appoint administrators was made, and 25 March 2012 inclusive.

The Administrators previously reported that supplier trust claims received had been agreed and the trust funds would be distributed to beneficiaries shortly.

However, following legal advice, further work was required prior to making a distribution in relation to beneficiaries who had not responded to the Administrators' correspondence.

## 1. Joint Administrators' progress report for the period from 8 September 2014 to 7 March 2015

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The Administrators have now completed an exercise to resolve this matter and payment is expected to be made within 14 days of the issue of this report

The surpluses available to the Administrations following the distributions from the pre-appointment trust accounts are estimated to be c£1.2m in the case of Game Stores and c£65k in the case of Plc

### Other assets

Unrealised assets in Stores Group comprise intercompany debts due from associated Group companies. Recoveries remain dependent on the outcome of the Administrations of those entities

Plc's shares in overseas entities have been realised. There will be no returns on its capital or from the intercompany debts due from its UK subsidiaries

### Creditors

Creditors may recall that the process of reviewing and agreeing unsecured claims in Stores Group was on hold subject to determining the impact of the landlords' legal challenge

As the litigation has now been concluded, the Administrators have begun the process of adjudicating creditor claims in principle and will shortly apply to Court to seek permission to distribute to unsecured creditors of the Group companies in Administration that held open store leases, including Station and Stores Group. In order to minimise costs, this application will be combined with that seeking a bar date for rent expense claims

Court permission to distribute has already been obtained for Plc and claims agreement is ongoing

The Companies' creditors include landlords and HM Revenue & Customs ("HMRC") for VAT under a group registration

Under the Group VAT registration, the Companies are jointly and severally liable for pre-appointment VAT arrears of circa £23 million, which has been provisionally agreed with HMRC

The various assignments and surrenders of leasehold interests have enabled the Administrators to continue to reduce potential unsecured claims for rent

### Discharging statutory obligations

On 3 October 2014, the Administrators circulated formal notice that their progress report covering the period 8 March to 7 September 2014 was available to download from the internet

The Administrators have submitted the corporation tax return for the period to 31 January 2014. No queries have been raised to date on returns

Since their previous report on progress in the Administrations, Group VAT returns for the quarters ended 26 October 2014 and 26 January 2015 have been submitted to HMRC

### Receipts and payments accounts

Receipts and payments accounts for the six months ended 7 March 2015 are set out in Section 3

As previously advised, £10 million was set aside under the terms of the sale of the Group's business and assets to cover the Administration expenses of the Companies and their associated Group companies

Creditors are asked to note that.

- The account for Stores Group excludes receipt of licence to occupy income and rent contributions under the indemnity from the Purchaser and excludes onward payment of rent to landlords. As explained above, these transactions are conducted through sister company, Station, purely for administrative purposes, on behalf of leaseholder Group companies in Administration

## 1. Joint Administrators' progress report for the period from 8 September 2014 to 7 March 2015

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- Trading in the Administration period was undertaken by Stores Group only. As stated above, Stores Group historically provided all centralised management and administrative functions to its associated companies together with supply, distribution and technical services.

The majority of the legal fees incurred by the Administrators of Stores Group in respect of the landlords' challenge are recoverable from the Purchaser under the terms of an indemnity in the business sale agreement.

### Expenses statements

Statements of the expenses incurred by the Administrators are at Section 4. These exclude any potential tax liabilities that may be payable as expenses of the Administrations because amounts due will depend on the position at the end of the respective tax accounting periods.

### Professional advisers

Linklaters LLP continues to act as the Administrators' legal advisor on the basis of its specialist knowledge and experience.

The Administrators review the information in support of invoices for legal fees before approving them for payment. The Administrators consider that the legal costs incurred in the period under review are reasonable.

### Administrators' remuneration

Administrators' remuneration for the first and second years of the Administrations has been detailed in previous reports.

The Administrators' remuneration for the period 26 March to 30 September 2014 was approved by the secured creditor Friday Finance Limited ("FFL") (all plus VAT) as follows:

Stores Group     £200,000

These fees have not yet been paid.

Creditors are asked to note that:

- No work that would normally be undertaken by the Administrators' own staff has been subcontracted in the period covered by this report.
- The Administrators have no business or personal relationships with parties responsible for approving remuneration or who provide services to the Administrators in respect of the appointments where the relationship could give rise to a conflict of interest.
- Rule 2.109(A) IR86 provides that the Administrators may request that the basis of their remuneration be changed in due course in the event of material and substantial changes in the circumstances that were taken into account when fixing it. Any change in the basis of remuneration is not retrospective.
- An appropriate fee as a set amount for the remainder of the Administrations is subject to separate approval from FFL as secured creditor and the preferential creditors.

### Creditors' rights

An explanatory note giving creditors a statement of their rights in relation to the Administrators' remuneration and expenses, and their rights to request further information, can be found online at

<http://www.jcawe.com/en/technical/insolvency/creditors-guides>

A copy may also be obtained free of charge by writing to the Administrators.

## 1. Joint Administrators' progress report for the period from 8 September 2014 to 7 March 2015

### Outcome for creditors

#### Secured creditors

As previously advised, FFL is the sole secured creditor following its acquisition of the secured syndicate lending to the Group following the Administrators' appointment

Amounts acquired by FFL totalled circa £89 million. As a consequence of the sale of business, FFL recovered £79 million under its fixed and floating charges. A further £1.6 million has been recovered by FFL in respect of Plc's shares in an overseas subsidiary. The secured lending will not be repaid in full.

#### Preferential creditors

On the basis of current information, the overall amount of preferential claims against the Group companies is not expected to exceed £50,000. Preferential creditors will be paid in full.

#### Stores Group

The latest information from the Redundancy Payments Service in England and Northern Ireland indicates preferential claims totalling £27,315 for amounts paid to former employees of Stores Group under the Employment Rights Act 1996.

A dividend of 100p in the £ will be paid to Stores Group's preferential creditors.

#### Plc

Preferential claims of £17,435 have been made against Plc. A dividend of 100p in the £ will also be paid to Plc's preferential creditors.

#### Unsecured creditors

The amount and timing of a dividend to unsecured creditors of each of the

Companies is subject to conclusion of asset realisations, the level of admissible claims and settlement of the associated costs.

As explained above, the permission of the Court is also required in order to pay a distribution to unsecured creditors from an administration process. This permission has been obtained for Plc, but not yet for Stores Group.

The Prescribed Part (Section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003) applies where there are floating charge realisations, net of costs ("Net Property"), to be set aside for unsecured creditors.

This equates to

- 50% of Net Property up to £10k, plus
  - 20% of Net Property in excess of £10k, and
- subject to a maximum amount of £600k.

The Prescribed Part applies in this case because the secured creditor's charge was created and registered at Companies House following the Prescribed Part order coming into force on 15 September 2003.

On present information, the Prescribed Part available for unsecured creditors is estimated to be as follows:

Stores Group	£600k (maximum)
Plc	£43k

The Administrators' costs which are directly attributable to the Prescribed Part, such as agreement of unsecured claims and declaration of dividends, are deductible from the Prescribed Part.

### Conclusion of the Administrations

As previously reported, as a result of the extension granted by the Court in March 2014 and unless a further extension is sought, the Administrations will end on or before 25 September 2015.



## 1. Joint Administrators' progress report for the period from 8 September 2014 to 7 March 2015

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It is not presently expected that a further extension of the Administrations will be required

A final report to creditors will therefore be sent to creditors on or around 25 September 2015



M J A JERVIS  
Joint Administrator  
The GAME Group plc and Game Stores Group Limited

*Michael J A Jervis and Stuart D Maddison have been appointed as Joint Administrators of The GAME Group plc and Game Stores Group Limited to manage their affairs, business and property as their agents. Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales*

*The Joint Administrators are Data Controllers of personal data as defined by the Data Protection Act 1998. PwC WaterhouseCoopers LLP will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the administration*

## 2. Statutory and other information

### Court details for the Administration:

High Court of Justice, Chancery Division, Companies Court  
Court number 2552 of 2012  
The GAME Group Plc

### Full name:

None

### Trading name:

00875835

### Registered number:

7 More London Riverside, London, SE1 2RT

### Registered address:

Benjamin White

### Company directors:

None

### Company secretary:

### Shareholdings held by the directors and secretary:

The shareholding registry lists the following director shareholdings Benjamin White  
161,237 ordinary shares  
26 March 2012

### Date of the Administration appointment:

### Administrators' names and addresses:

Michael J A Jervis of PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT and Stuart D Maddison of PricewaterhouseCoopers LLP, One Reading Central, 23 Forbury Road, Reading, Berkshire, RG1 3JH

### Details of any extension(s) to the initial period of appointment

On March 2013, the Court granted an extension of the Administrators' term of office to 25 March 2014 On 14 March 2014, the Court granted a further extension of the Administrators' term of office to 25 September 2015 Both extensions were pursuant to paragraph 76(2)(a) of Sch B1 IA86

### Changes in office holder:

None

### Appointor's / applicant's name and address:

### Objective being pursued by the Administrators:

The directors c/o 7 More London Riverside, London, SE1 2RT  
Objective (b), achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration).

### Division of the Administrators' responsibilities:

In relation to paragraph 100(2) Sch B1 IA86, during the period for which the Administration is in force, any function to be exercised by the persons appointed to act as Administrators may be done by any or all of the persons appointed or any of the persons for the time being holding that office

### Proposed end of the Administration:

### Estimated dividend for unsecured creditors:

Dissolution or creditors' voluntary liquidation  
Uncertain

### Estimated values of the prescribed part and the company's net property:

Prescribed Part £43k Net Property £199k

### Whether and why the Administrators intend to apply to court under Section 176A(5) IA86:

The Administrators do not intend to apply to court under Section 176A(5) IA86

### The European Regulation on Insolvency Proceedings

### (Council Regulation(EC) No. 1346/2000 of 29 May 2000):

The European Regulation on Insolvency Proceedings applies to this Administration and the proceedings are main proceedings

## 2. Statutory and other information

<b>Court details for the Administration:</b>	High Court of Justice, Chancery Division, Companies Court Court number 2553 of 2012 Game Stores Group Limited
<b>Full name:</b>	None
<b>Trading name:</b>	01937170
<b>Registered number:</b>	7 More London Riverside, London, SE1 2RT
<b>Registered address:</b>	Jonathon Mark Axon, Paul John Blunden and Thomas Robert Devine
<b>Company directors:</b>	None
<b>Company secretary:</b>	None
<b>Shareholdings held by the directors and secretary:</b>	26 March 2012
<b>Date of the Administration appointment:</b>	Michael J A Jervis of PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT and Stuart D Maddison of PricewaterhouseCoopers LLP, One Reading Central, 23 Forbury Road, Reading, Berkshire, RG1 3JH
<b>Administrators' names and addresses:</b>	On March 2013, the Court granted an extension of the Administrators' term of office to 25 March 2014. On 14 March 2014, the Court granted a further extension of the Administrators' term of office to 25 September 2015. Both extensions were pursuant to paragraph 76(2)(a) of Sch B1 IA86
<b>Details of any extension(s) to the initial period of appointment</b>	None
<b>Changes in office holder:</b>	The directors c/o 7 More London Riverside, London, SE1 2RT
<b>Appointor's / applicant's name and address:</b>	Objective (b), achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration)
<b>Objective being pursued by the Administrators:</b>	In relation to paragraph 100(2) Sch B1 IA86, during the period for which the Administration is in force, any function to be exercised by the persons appointed to act as Administrators may be done by any or all of the persons appointed or any of the persons for the time being holding that office
<b>Division of the Administrators' responsibilities:</b>	Dissolution or creditors' voluntary liquidation
<b>Proposed end of the Administration:</b>	Uncertain
<b>Estimated dividend for unsecured creditors:</b>	Prescribed Part £600k Net Property £57m
<b>Estimated values of the prescribed part and the company's net property:</b>	The Administrators do not intend to apply to court under Section 176A(5) IA86
<b>Whether and why the Administrators intend to apply to court under Section 176A(5) IA86:</b>	The European Regulation on Insolvency Proceedings applies to this Administration and the proceedings are main proceedings
<b>The European Regulation on Insolvency Proceedings (Council Regulation(EC) No. 1346/2000 of 29 May 2000):</b>	

### 3. Receipts and payments account for the period 8 September 2014 to 7 March 2015

Plc	26 March 2012 to 7 September 2014	8 September 2014 to 7 March 2015	Total
	£	£	£
<b>Receipts</b>			
<u>Assets subject to fixed charge</u>			
Business intellectual property rights	6,435,000 00	-	6,435,000 00
Sale of shares in subsidiaries	4,112,000 00	-	4,112,000 00
<u>Assets subject to floating charge</u>			
Cash	199,392 49	-	199,392 49
Corporation tax refund	-	2,088 96	
<u>Amounts due to the purchaser under the sale agreement</u>			
Refunds	379,533 34	-	379,533 34
Interest	27,770 41	1,468 36	29,238 77
Third party funds	1,490 93	-	1,490 93
<b>Total receipts</b>	<b>11,155,187 17</b>	<b>3,557 32</b>	<b>11,156,655 53</b>
<b>Payments</b>			
<u>Fixed charge</u>			
Statements of affairs fees	24,213 46	-	24,213 46
Legal fees	37,610 33	-	37,610 33
Administrators' remuneration	345,000 00	-	345,000 00
Distributions to secured creditor	10,115,056 82	-	10,115,056 82
Irrecoverable VAT <sup>1</sup>	5,067 93	-	5,067 93
<u>Floating charge</u>			
Administrators' remuneration	25,000 00	-	25,000 00
Distribution to secured creditor	156,513 99	-	156,513 99
Postage and stationery	2,209 36	-	2,209 36
Regulatory fees	64 00	-	64 00
Corporation tax	-	2,088 96	2,088 96
<u>Amounts due to the purchaser under the sale of business</u>			
Game Retail Limited	379,533 34	-	379,533 34
Third party funds	1,490 93	-	1,490 93
Net VAT receivable/(payable) <sup>2</sup>	10,432 58	(10,432 58)	-
<b>Total payments</b>	<b>11,102,192 74</b>	<b>(8,343 62)</b>	<b>11,093,849 12</b>
<b>Balance held<sup>3</sup>/movement</b>	<b>52,994 43</b>	<b>11,900 94</b>	<b>62,806 41</b>

**Notes:**

- 1) VAT arising on legal advice in respect of the sale of subsidiaries
- 2) VAT recoverable has been claimed by the GAME Group plc as the representative member of the VAT group and allocated across the Administration estates
- 3) All funds are held with Barclays Bank plc in interest bearing current accounts

### 3. Receipts and payments account for the period 8 September 2014 to 7 March 2015

Stores Group		26 March 2012 to 7 September 2014	8 September 2014 to 7 March 2015	Total
a) Receipts and payments account		£	£	£
<b>Receipts</b>				
<b>Assets subject to defined charge</b>				
<b>Assets subject to floating charge</b>				
Business stock	20 020,664 00	-	20 020,664 00	-
Furniture, fittings, furniture and equipment	624,907 54	-	624,907 54	-
Commercial records	33,333 34	-	33,333 34	-
Vehicle	100 000 00	-	100 000 00	-
Rights under contracts, claims and allowances	4 00	-	4 00	-
Bank debts	34 999 096 00	-	34 999 096 00	-
Work in progress	100 000 00	-	100 000 00	-
Benefit of claims for grants	46 492 66	-	46 492 66	-
Benefit of claims for grants	6 987 233 84	-	6 987 233 84	-
Cash	4 651 333 98	-	4 651 333 98	-
Administration trading sales	-	-	-	-
Reversal of trust account losses	271 000 00	-	271 000 00	-
Funds set aside for PAYE/NI	-	-	-	-
Amounts due to the purchaser under the sale agreement	-	-	-	-
Balance at bank	1 261 129 86	-	1 261 129 86	-
Income in transit at appointment date	11 801 250 07	-	11 801 250 07	-
Sundry refunds	78 303 71	-	78 303 71	-
Interest	3 384 30	196 08	3 580 38	-
Total receipts	80 949 023 30	196 08	80 949 219 38	-
<b>Payments</b>				
<b>Floating charge</b>				
Agents fees valuation	11 751 74	-	11 751 74	-
Agents fees - related stores	246 262 76	-	246 262 76	-
Legal fees	906 828 54	53 461 57	960 290 11	-
Lease assignment costs	196 302 39	2 750 00	199 052 39	-
Distribution to secured creditor	60 939 548 39	-	60 939 548 39	-
Bank charges	10 819 36	30 00	10 849 36	-
Administration trading costs	2 862 561 66	1 033 02	2 863 594 68	-
Administration remuneration	1 396 350 00	-	1 396 350 00	-
Administrators category 1 disbursements	26 169 84	-	26 169 84	-
Administrators category 2 disbursements <sup>1</sup>	45 952 61	-	45 952 61	-
Statutory advertising	441 73	-	441 73	-
Protege and stationery	65 271 02	-	65 271 02	-
Foreign tax	1 027 76	-	1 027 76	-
Corporation tax	-	36 61	36 61	-
Rent contribution <sup>2</sup>	-	66 090 46	66 090 46	-
Contingency and other professional fees	34 745 45	779 62	35 525 07	-
Insurance	6 896 50	3 265 60	10 162 10	-
Regulatory fees	930 00	-	930 00	-
Amounts due to the purchaser under the sale agreement	-	-	-	-
Game Retail Limited	19 143 783 35	-	19 143 783 35	-
Net VAT (payable/receivable) <sup>3</sup>	160 300 60	(134,188 97)	26,111 63	-
Total payments	80 042 943 70	(6 742 09)	80 036 201 61	-
Balance held/(movement)	906 079 60	6 938 17	913 017 77	-

#### Notes

- Category 2 disbursements include £43,229 drawn in respect of time costs incurred by the Administrators' associated firms in Ireland, as approved by the secured and preferential creditors
- Reimbursement of rent paid by Games Station Limited as a result of the Court of Appeal decision in February 2014
- VAT recoverable has been claimed by the GAME Group plc as the representative member of the VAT group and allocated across the Administration estates
- All funds are held with Barclays Bank plc in interest bearing current accounts

The GAME Group plc and Game Stores Group Limited – both in Administration

### 3. Receipts and payments account for the period 8 September 2014 to 7 March 2015

	26 March 2012 to 7 September 2014	8 September 2014 to 7 March 2015	Total	Notes
	£	£	£	
<b>b) Trading account</b>				
Administration trading sales <sup>1</sup>	4,621,333.98	-	4,621,333.98	1) The proceeds from trading sales have been paid to the Purchaser under the terms of the business sale agreement
Cost of sales <sup>2</sup>	(872,431.65)	-	(872,431.65)	2) This balance includes ROT settlement payments of £730,157
Salaries and occupation costs	(1,774,404.71)	-	(1,774,404.71)	
Other overheads	(215,725.30)	(1,033.02)	(216,758.32)	
Estimated trading profit	1,758,772.32	(1,033.02)	1,757,739.30	

#### 4. Statement of expenses incurred from 8 September 2014 to 7 March 2015

<u>Plc:</u>	8 September to 7 March 2015 £
<b>Paid</b>	
Corporation tax	2,088 96
Sub total	<u>2,088 96</u>
<b>Unpaid</b>	
Postage and stationery	4,097 30
Legal fees	3,308 92
Sub total	<u>7,406 22</u>
Overall total	<u>9,495 18</u>

**Note:** VAT is excluded

#### 4. Statement of expenses incurred from 8 September 2014 to 7 March 2015

<u>Stores Group:</u>		8 September 2014 to 7 March 2015
<b>Paid</b>		£
Legal fees		53,461 57
Lease assignment costs		2,750 00
Bank charges		30.00
Administration trading costs		1,033 02
Corporation tax		36 61
Rent contribution		66,090 46
Consultancy and other professional fees		779 62
Insurance		3,265 60
Sub total		<u>127,446 88</u>
<b>Unpaid</b>		
Storage costs		688 68
Legal fees		21,507 99
Legal fees Landlords' legal challenge		958 24
Administrators' remuneration		200,000.00
Sub total		<u>223,154.91</u>
Overall total		<u>350,601 79</u>

**Note:** VAT is excluded As stated in the report, the majority of the legal costs attributable to the landlords' legal challenge are being met by the Purchaser

The GAME Group plc and Game Stores Group Limited – both in Administration