

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company Dolphin Enterprises Europe Limited	Company number 03850899
In the High Court of Justice Chancery Division, Manchester District Registry [full name of court]	Court case number 853 of 2011

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


I / ~~We~~ (a) Charles MacMillan of Beever and Struthers, St George's House, 215-219 Chester Road, Manchester M15 4JEattach a copy of *my / ~~our~~ proposals in respect of the administration of the above company

A copy of these proposals was sent to all known creditors on

(b) Insert date

(b) 5 July 2011

Signed


~~Joint~~ / Administrator(s)

Dated

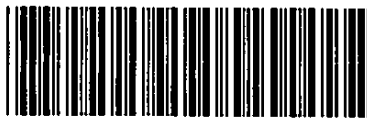
14/7/11

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.

	Tel
DX Number	DX Exchange

SATURDAY



A15 *ATESEVVD* 40
16/07/2011
COMPANIES HOUSE

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

**Dolphin Enterprises Europe Limited
Dolphin Music Retail Limited
Both In Administration**

Administrator's Report and Statement of Proposals

1 July 2011

Contents

1	Definitions
2	Statutory Information
3	The Administration Procedure
4	Background to the Administration
5	Administration Strategy and Objective
6	Actions of the Administrator Following Appointment
7	Administrator's Receipts and Payments
8	Financial Position of the Companies
9	Proposed Future Actions of the Administrator to Achieve the Objective of the Administration
10	Administrator's Proposals
11	Exit Route
12	Administrator's Remuneration and Expenses
13	Pre-appointment Fees and Expenses
14	Estimated Outcome
15	Next Report
16	Meeting of Creditors

Appendices

A	Receipts and Payments Account for the Period from 17 May 2011 to 1 July 2011
B	Copy of the Director's Statement of Affairs of the Company including a list of creditors
C	Time Analysis for the Period from 17 May 2011 to 1 July 2011
D	Additional Information in Relation to Administrators' Fees Pursuant to Statement of Insolvency Practice 9
E	Estimated Outcome Statement as at 1 July 2011

1 Definitions

“AFM”	AFM Small Firms Fund Limited
“BS”	Beever and Struthers Chartered Accountants and Business Advisors, St George’s House, 215-219 Chester Road, Manchester M15 4JE
“the Bank”	Bank of Scotland Plc
“the Companies”	Both Dolphin Enterprises Europe Limited and Dolphin Music Retail Limited taken together
“CVL”	Creditors’ Voluntary Liquidation
“the Director”	Mr Jason Tavarua
“Enterprises Europe”	Dolphin Enterprises Europe Limited (Company Registered Number 03850899, England and Wales)
“ICAEW”	The Institute of Chartered Accountants in England and Wales
“Music Retail”	Dolphin Music Retail Limited (Company Registered Number 05660185, England and Wales)
“North West”	North West Transitional Loan Investment Fund
“S&T”	S & T Audio Limited T/A PMT Online (Company Registered Number 03735541, England and Wales)
“SIP16”	Statement of Insolvency Practice 16 – Pre-Packaged Sales in Administrations
“TUPE”	Transfer of Undertakings (Protection of Employment) Regulations 2006

2 Statutory Information

Enterprises Europe

Company Name	Dolphin Enterprises Europe Limited
Trading Name	Dolphin Music
Company Number	03850899
Date of Incorporation	30 September 1999
Trading Address	70-72 Evans Road, Speke, Liverpool L24 9PB

Current Registered Office St George's House, 215-219 Chester Road, Manchester M15 4JE

Previous Registered Office and date of change 70-72 Evans Road, Speke, Liverpool L24 9PB / 16 June 2011

Directors The directors of the Company in the last three years are

Name	Date of Appointment	Date Resigned
Mr Jason Tavaria	01/10/2004	n/a
Mr Peter L Moss	08/05/2008	31/12/2010
Mr Sam Davey	08/05/2008	31/12/2010
Mrs Katharine H Watson-Cave	30/04/2010	30/11/2010
Mr Christopher Fleischhack	08/05/2008	28/05/2009
Mr Robert Williams (deceased)	30/09/1999	02/03/2009
Mr Paul R Harris	08/05/2008	31/10/2008

Company Secretary n/a

Share Capital The Company's authorised share capital consists of 10,000 ordinary shares with a nominal value of £0.05 each. Of these shares 10,000 are issued all of which are fully paid up. They are held as follows -

	Number of Shares Held
Dolphin Music Holdings Ltd	10,000

Court Name and reference High Court of Justice Chancery Division, Manchester District Registry Court number 853 of 2011

EC Regulation The EC Regulations on Insolvency Proceedings 2000 apply to this Administration. The proceedings are main proceedings as defined by Article 3 of the Regulation. The Company is based in the United Kingdom.

Music Retail

Company Name Dolphin Music Retail Limited

Trading Name Dolphin Music

Company Number 05660185

Date of Incorporation 21 December 2005

Trading Address Unit 6, Central Station, Ranelagh Street, Liverpool L1 1QE

Current Registered Office St George's House, 215-219 Chester Road, Manchester M15 4JE

Previous Registered Office and date of change 70-72 Evans Road, Speke, Liverpool L24 9PB / 16 June 2011

Directors The directors of the Company in the last three years are

Name	Date of Appointment	Date Resigned
Mr Jason Tavaria	01/10/2004	n/a
Mr Robert Williams	21/12/2005	02/03/2009

Company Secretary n/a

Share Capital The Company's authorised share capital consists of 10,000 ordinary shares with a nominal value of £1 each. Of these shares 10,000 are issued all of which are fully paid up. They are held as follows -

	Number of Shares Held
Dolphin Music Holdings Ltd	10,000

Court Name and reference High Court of Justice Chancery Division, Manchester District Registry Court number 854 of 2011

EC Regulation The EC Regulations on Insolvency Proceedings 2000 apply to this Administration. The proceedings are main proceedings as defined by Article 3 of the Regulation. The Company is based in the United Kingdom.

3 The Administration Procedure

- 3 1 An administrator must perform his functions with the purpose of achieving one of the following objectives -
- rescuing the Companies as a going concern,
 - achieving a better result for the Companies' creditors as a whole than would be likely if the Companies were wound up (without first being in Administration), or
 - realising property in order to make a distribution to one or more secured or preferential creditors
- 3 2 This report contains information to explain how the above objectives have been pursued

4 Background to the Administration

- 4 1 Background information has previously been provided to creditors in my letter dated 24 May 2011, however, for ease of reference it is repeated below
- 4 2 Enterprises Europe was incorporated in September 1999 and set up business as an online retailer of musical instruments and other related products Music Retail was incorporated in December 2005 in order to establish the already existing e-business on the high street
- 4 3 The onset of the recession has hit the businesses This followed on from an adjustment to deal with the death of the Director's business partner UK trade sales have fallen 20% in the last two years and there was oversupply in the industry and a need for rationalisation and consolidation The Director has been trying to effect a trade sale for nearly two years but lack of liquidity in the industry means that businesses are seeking buyers rather than acquiring
- 4 4 The Companies have carried out a number of cost cutting exercises over the last few years in order to adjust their cost base in line with declining turnover Notably a number of retail outlets have been closed and staffing levels at the Companies' warehouse in Speke were reduced by 10%
- 4 5 Music Retail was set up to create a high street presence for the Dolphin Music brand This move was at the behest of suppliers who required their products to be visible to the public It was a move that proved burdensome to the group, requiring subsequent action to remove these high street shops in order to reduce costs One shop in Liverpool could not be removed as it was held on an onerous lease by Music Retail and guaranteed by Enterprises Europe
- 4 6 Enterprises Europe operated from a warehouse in Speke and holding costs associated with supplier requirements have been an ongoing problem, creating costs that have been higher than could be supported
- 4 7 Due to the uncertainties of the businesses the Bank was unable to confirm the overdraft facility for 2011 This resulted in the auditors issuing a statement to the effect that there existed a material uncertainty casting significant doubt about the Companies' ability to continue as a going concern in the longer term, which was filed as part of the financial accounts at Companies House Once this information became available in the public domain, suppliers reduced the level of credit they were prepared to extend to the Companies
- 4 8 Management accounts produced in January and February 2011 indicated that the group financial position was considerably worse than anticipated In particular debts due to HM Revenue and

Customs were increasing and the burden of the onerous lease at Liverpool meant that losses were accruing. Forecasts indicated that there was little opportunity to reverse this trend.

4.9 The Bank introduced an independent advisor to the Companies to assist them in these uncertain times. Shortly after this the Financial Director of the Companies left in April 2011. Having undertaken a review the independent advisor introduced the Companies to BS who were commissioned on 15 April 2011 by the Director to advise and assist with regards to the various options available. Prior to this BS had had no connection with the Companies, their shareholder or the Director.

4.10 As a result Charles MacMillan of BS was appointed as Administrator of the Companies by their Director on 17 May 2011. Mr MacMillan is licensed to act as an Insolvency Practitioner in the UK by the ICAEW.

5 Administration Strategy and Objective

5.1 The first objective of Administration, that of rescuing the Companies as a going concern, could not be achieved as no purchaser could be found for the shares of the Companies and the nature of the Companies' trading and their financial circumstances meant that a Company Voluntary Arrangement was not appropriate.

5.2 As a result, the second objective of Administration, that of achieving a better result for the Companies' creditors as a whole than would be likely if the Companies were wound up (without first being in Administration) is being pursued. This was achieved by a pre-packaged sale of the business of the Companies to S&T.

5.3 The insolvency legislation has set a 12 month maximum duration for administrations, unless the duration is extended by the court or the creditors. If it is not possible to complete the administration of the Company within 12 months then either an application to court will be made, or the consent of creditors will be sought, for approval to extending the administration period.

6 Actions of the Administrator Following Appointment

6.1 It was not appropriate to continue the business of the Companies and an immediate sale of their business and assets was the best way to achieve the objective of the administration. As a result, on 17 May 2011, the Companies' business and assets were sold to S&T.

6.2 Full disclosure in accordance with SIP16 was provided to all known creditors in my letter dated 24 May 2011. A copy of this letter can be made available on request.

6.3 In summary the following factors contributed towards the requirement for a pre-pack sale -

- The Companies could not continue to trade as BOS could not confirm that their overdraft facility would be in place for 2011.
- The significant asset of the Companies was the Dolphin Music brand and other intellectual property. A seamless transfer was therefore required in order to preserve this goodwill thus maximising asset realisations.

7 Administrator's Receipts and Payments

- 7.1 A summary of receipts and payments of the Companies for the Administration period from the date of my appointment to 24 June 2011 is attached as **Appendix A**
- 7.2 The business and assets of the Companies were sold to S&T in a sale agreement dated 17 May 2011. All sales proceeds in respect of this agreement have now been received and can be summarised as follows -

Asset	Enterprises Europe	Music Retail
Customer Contracts	1	-
Equipment	25,000	5,000
Goodwill	1	-
Intellectual Property	214,997	-
Stock	90,000	10,000
Work in Progress	1	-
Totals	330,000	15,000

- 7.3 Additional asset realisations are discussed below

8 Financial Position of the Company

- 8.1 Attached as **Appendix B** is a summary of the Director's Estimated Statement of Affairs of the Companies. This should be read in conjunction with the following observations -

Assets Subject to Specific Charge

- 8.2 These relate to a motor vehicle and two forklift trucks that Enterprises Europe had on hire purchase. Amounts owing to the hire purchase creditor exceed the value of the assets, therefore, no realisations are anticipated.

Assets Subject to Fixed Charge

- 8.3 Enterprises Europe's customer contracts, goodwill and intellectual property are all subject to a fixed charge with BOS and all amounts realised have been paid to them.

Book Debts

- 8.4 The realisable value given to book debts in Enterprises Europe has been calculated as follows

	£
Book Value (£)	14,544
General Provision (25%)	(3,636)
Estimated to Realise	10,908

- 8 5 To date £5,610 has been received in respect of book debts and these continue to be pursued by the Administrator

Stock

- 8 6 The nature of the trade of the Companies is such that much of their stock is subject to retention of title claims. As a result of such claims, it has only been possible to realise approximately 11% of the book value figure as part of the sale to S&T

Preferential creditors

- 8 7 All employees of the Companies transferred to S&T under TUPE. There are no anticipated preferential creditors in this matter

Prescribed Part

- 8 8 There are provisions of the insolvency legislation that requires an administrator to set aside a percentage of a company's assets for the benefit of the unsecured creditors in cases where it gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property". A company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. An administrator has to set aside

- 50% of the first £10,000 of the net property, and
- 20% of the remaining net property (the prescribed part cannot exceed £600,000)

- 8 9 Enterprises Europe gave a floating charge to AFM, the Bank and North West on 9 August 2007, 13 November 2007 and 16 November 2009 respectively and the prescribed part provisions will apply. The statement of affairs estimate of the financial position of Enterprises Europe shows that its net property is £125,902, and it is estimated that the prescribed part of the net property for unsecured creditors is £28,180. However, these estimates do not take into account the costs of the administration which will reduce the amount of the Company's net property

- 8 10 Music Retail gave a floating charge to the Bank on 18 February 2008 and the prescribed part provisions will apply. The statement of affairs estimate of the financial position of Music Retail shows that its net property is £15,000, and it is estimated that the prescribed part of the net property for unsecured creditors is £6,000. However, these estimates do not take into account the costs of the administration which will reduce the amount of Music Retail's net property

- 8 11 Since Music Retail's net property will be less than £10,000, the insolvency legislation does not require a distribution of the prescribed part of the net property to creditors if the costs of distributing the prescribed part would be disproportionate to the benefits to creditors. It is thought that the costs of distribution would be disproportionate and so a distribution of the prescribed part of the net property to unsecured creditors will not be made

9 Proposed Future Actions of the Administrator to Achieve the Objective of the Administration

- 9 1 As disclosed above, the objective of the Administrations has been achieved in the main by executing a pre-packaged sale of their business and assets to S&T

- 9.2 In addition, it is proposed that I continue to collect the book debts of Enterprises Europe and investigate the possibility of a pre appointment corporation tax refund in respect of both companies
- 9.3 Music Retail's financial position means there are insufficient assets to pay a dividend to unsecured creditors. It is anticipated that the prescribed part fund of Music Retail will be extinguished by the costs and expenses of the Administration
- 9.4 Enterprises Europe's financial position means there are insufficient assets to pay a dividend to unsecured creditors other than by virtue of the prescribed part fund as explained above

10 Administrator's Proposals

- 10.1 It is proposed that the Administrator continues to manage the affairs of the Companies in order to achieve the objective of the Administrations. In the circumstances, it is proposed that
- (a) The business, affairs and property of the Companies will continue to be managed by the Administrator in order to achieve the purpose of the administrations. In particular that the Administrator
 - (i) continues to pursue the strategy of the administrations as set out at paragraph five above and undertake the actions set out at paragraph nine above in order to achieve this strategy,
 - (ii) sells the Companies' assets at such time(s) and on such terms as considered appropriate,
 - (iii) investigates and, if appropriate, pursues any claims that the Companies may have against any person, firm or company whether in contract or otherwise, including any officer or former officer of the Companies or any person, firm or company which supplies or has supplied goods or services to the Companies, and
 - (iv) Does all such things as generally exercisable by the Administrator and use all powers available to the Administrator that, in his discretion, are considered desirable or expedient in order to achieve the purpose of the administrations or protect and preserve the assets of the Companies or maximise the realisations of those assets, or of any purpose incidental to these proposals
 - (v) Asks the creditors to consider establishing a Creditors' Committee and that if any such Committee is formed they be authorised to sanction payment of pre-administration costs, the basis of the Administrator's remuneration and any proposed act on the part of the Administrator without the need to report back to a further meeting of creditors generally, to include any decision regarding the most appropriate exit route from the Administration
 - (vi) Where no Creditors' Committee is appointed, the remuneration of the Administrator shall be fixed by reference to time properly spent by them and his staff in managing the Administration
 - (vii) The Administrator be authorised to pay pre-administration costs as set out in this report in respect of the Companies

- (viii) The Administrator be authorised to draw remuneration as and when funds are available on account of his time costs in respect of the Companies
- (ix) The Administration ends by means of an exit route detailed in paragraph 11 below
- (x) The Administrator will be discharged from liability under Paragraph 98 of Schedule B1 to the Insolvency Act 1986 immediately upon his appointment as Administrator ceasing to have effect

11 Exit Route

CVL

- 11 1 In the event that the Administrator thinks a dividend will be paid to the unsecured creditors in respect of either of the Companies, he will file a notice with the Registrar of Companies in order that the Administration will cease and the Companies will move automatically into CVL. It is proposed that the Administrator will also become the Liquidator of the CVL
- 11 2 In this situation, creditors have the right to nominate an alternative liquidator of their choice. To do this, creditors must make their nomination in writing to the Administrator prior to these proposals being approved. Where this occurs, the Administrator will advise creditors and provide the opportunity to vote. In the absence of a nomination, the Administrator will automatically become the Liquidator of the subsequent CVL.

Dissolution of the Company

- 11 3 If the Administrator thinks that the Companies have no property which might permit a distribution to their creditors, he will file a notice together with a final progress report at Court and with the Registrar of Companies for the dissolution of the Companies. Copies of these documents shall be sent to the Companies and their creditors. The appointment will end following the registration of the notice by the Registrar of Companies

12 Administrator's Remuneration and Expenses

- 12 1 In respect of Enterprises Europe, the Administrator's time costs at 1 July 2011 are £15,222. This represents 87.8 hours at an average rate of £179.62 per hour.
- 12 2 In respect of Music Retail, the Administrator's time costs at 1 July 2011 are £2,402. This represents 15.8 hours at an average rate of £152.03 per hour.
- 12 3 Attached at **Appendix C** is a Time Analysis, which provides details of the activity costs incurred by staff grade during this period for each of the Companies.
- 12 4 A copy of "A Creditors' Guide to Administrators' fees" can be downloaded from the ICAEW website (www.icaew.com – select 'Technical', 'Insolvency', 'Corporate insolvency casework', 'Creditors' guides', 'A Creditors' guide to administrators' fees'). If you would prefer this to be sent to you in hard copy please contact us and we will forward a copy to you.
- 12 5 Attached at **Appendix D** is additional information in relation to our policy on staffing, the use of sub-contractors, disbursements and details of our current charge-out rates by staff grade.

- 12 6 Costs incurred in respect of 'Administration and Planning' reflects time spent planning the strategy of the administrations, setting up and maintaining our case files and providing statutory appointment notification, including reporting in accordance with SIP16,
- 12 7 Costs incurred in respect of 'Realisation of Assets' reflects the time spent realising the business and assets of the Companies and allocating the sales proceeds, chasing the debtors of Enterprises Europe for payment, and dealing with retention of title claims
- 12 8 Costs incurred in respect of 'Creditors' reflects the time spent corresponding with the secured and unsecured creditors of the Companies, as well as logging creditor claims received

13 Pre-appointment Fees and Expenses

- 13 1 The board instructed me to assist them in placing the Companies into administration on 15 April 2011. It was agreed that I should be paid my pre-appointment fees and expenses for advice given in relation to the appointment of an Administrator and marketing of the business and assets of the Companies for sale and that these fees be limited to £6,000
- 13 2 In addition to my own time costs, the following expenses were incurred

Expense	Enterprises Europe £	Music Retail £
Sanderson Weatherall LLP (Agent's Fees)	3,000 00	1,000 00
Gateley (Manchester) LLP (Legal Fees)	10,204 25	5,040 00
Total	13,204 25	6,040.00

- 13 3 The above firms were chosen as they are established professional advisors who have proven to be competent at advising on similar matters in the past. These fees are charged on a time cost basis
- 13 4 The following work was undertaken
- 13 5 In respect of legal fees, advice in relation to the sale of the business and assets of the Companies to S&T, including the production of the relevant sale agreement, and the production and execution of the formal documentation required to bring about my appointment. In respect of agent's fees, conducting an onsite valuation of the assets of the Companies and reporting on the results. Both of these had to be conducted pre appointment due to a pre-packaged sale being the most effective way of maximising asset realisations, therefore, requiring the valuation and sale negotiation to be conducted prior to my appointment as Administrator
- 13 6 The following statement sets out my pre-appointment fees and expenses incurred. The statement also shows those fees and expenses that were paid prior to the administration and those where approval is being sought to pay them from administration funds

Description	Incurred Pre-appointment but Paid Post-Appointment (£)		To be Paid(£)	
	Enterprises Europe	Music Retail	Enterprises Europe	Music Retail
Administrator's Remuneration	n/a	n/a	Time cost basis	Time cost basis
Insolvency Practitioner's Remuneration	6,000 00*	Nil	n/a	n/a
Valuation Agents	3,000 00	1,000 00	None anticipated	None anticipated
Legal Fees	10,000 00	5,000 00	TBC	TBC
Other Expenses (legal disbursements)	204 25	40 00	TBC	TBC
Total	19,204.25	6,040.00	-	-

*The pre-appointment Insolvency Practitioner's remuneration of £6,000 was both incurred and paid pre-appointment

14 Estimated Outcome

- 14 1 An estimate of the outcome of the Administrations as at 17 May 2011 is attached at **Appendix E**. This indicates the following outcomes for each class of creditor

Secured Creditors

Enterprises Europe

- 14 2 The Bank's charge against the assets of Enterprises Europe ranks in priority to the charges of AFM and North West. A fixed charge dividend of £214,999 has been paid to the Bank, in addition to a floating charge dividend of £54,313. This means that the Bank has now been paid in full.
- 14 3 AFM and North West hold second and third charges respectively and will rank as floating charge creditors behind the Bank. There will be insufficient asset realisations in the administration to enable a dividend to be paid to these creditors.

Music Retail

- 14 4 The Bank also holds the benefit of a fixed and floating charge over the assets of Music Retail. As amounts due to the Bank have been discharged by Enterprises Europe, there are now no secured creditors of Music Retail.

Preferential Creditors

- 14 5 There are no preferential creditors anticipated in either administration.

Unsecured Creditors

Enterprises Europe

- 14.6 Based on current information a small dividend is anticipated to the unsecured creditors of Enterprises Europe by virtue of the Prescribed Part Fund

Music Retail

- 14.7 There are insufficient asset realisations anticipated in the administration of Music Retail to enable a dividend to be paid to its unsecured creditors

15 Next Report

- 15.1 The Administrator is required to provide a progress report within one month of the end of the first six months of the Administrations

16 Meeting of Creditors

- 16.1 An initial meeting of the Company's creditors is being convened to approve the Administrator's proposals. The meeting will be held on 21 July 2011 at 12.00 noon at the offices of Beever and Struthers, St George's House, 215-219 Chester Road, Manchester M15 4JE
- 16.2 Further information on the meeting is contained in the letter accompanying this report

For and on behalf of the Companies


Charles MacMillan
Administrator

Enc

**Music Retail - Receipts and Payments Account for the
Period from 17 May 2011 to 1 July 2011**

Appendix A

SOA Value £		£	£
	ASSET REALISATIONS		
5,000 00	Equipment	5,000 00	
10,000 00	Stock	<u>10,000 00</u>	15,000 00
	COST OF REALISATIONS		
-	Agents / Valuers Fees	(1,000 00)	
-	Legal Disbursements	(40 00)	
-	Legal Fees	(5,000 00)	
-	Statutory Advertising	<u>(76 50)</u>	(6,116 50)
	FLOATING CHARGE CREDITORS		
(260,110 00)	Bank of Scotland	<u>-</u>	-
	UNSECURED CREDITORS		
(142,364 00)	Unsecured Claims	<u>-</u>	-
	EQUITY		
(10,000 00)	Ordinary	<u>-</u>	-
<u>(397,474 00)</u>			<u>8,883 50</u>
	REPRESENTED BY		
	AIB Current Account	7,068 20	
	VAT Receivable (Payable)	<u>1,815 30</u>	8,883 50
			<u>8,883 50</u>

**Enterprises Europe - Receipts and Payments Account for the
Period from 17 May 2011 to 1 July 2011**

Appendix A

SOA Value £		£	£
	SECURED ASSETS		
1 00	Customer Contracts	1 00	
1 00	Goodwill	1 00	
214,997 00	Intellectual Property	<u>214,997 00</u>	214,999 00
	SECURED CREDITORS		
(214,999 00)	Bank of Scotland	<u>(214,999 00)</u>	(214,999 00)
	ASSET REALISATIONS		
-	Bank Interest Gross	4 36	
10,908 00	Debtors (Pre-Appointment)	5,610 20	
5,000 00	Equipment	25,000 00	
-	ROT Surplus	137 18	
90,000 00	Stock	90,000 00	
1 00	Work In Progress	<u>1 00</u>	120,752 74
	COST OF REALISATIONS		
-	Agents / Valuers Fees	(3,000 00)	
-	Legal Disbursements	(204 25)	
-	Legal Fees	(10,000 00)	
-	Statutory Advertising	<u>(76 50)</u>	(13,280 75)
	FLOATING CHARGE CREDITORS		
(267,598 00)	Floating Charge Claims	<u>(54,313 48)</u>	- 54,313 48
	UNSECURED CREDITORS		
(1,378,188 00)	Unsecured Claims	<u>-</u>	-
	EQUITY		
(500 00)	Ordinary	<u>-</u>	-
<u>(1,540,377 00)</u>			<u>53,158 51</u>
	REPRESENTED BY		
	AIB Current Account	51,112 76	
	VAT Receivable (Payable)	<u>2,045 75</u>	53,158 51
			<u>53,158 51</u>

Copy of the Director's Statement of Affairs
of the Company as at 17 May 2011

Appendix B

Enterprises Europe

A - SUMMARY OF ASSETS

	Book Value £	Estimated to Realise £
Assets Subject to Specific Charge		
Leased Assets	72,806	72,806
Less: Amounts Owning	(80,190)	(80,150)
	(7,384)	(7,344)
Assets Subject to Fixed Charge		
Customer Contracts	0	1
Goodwill	0	1
Intellectual Property	0	214,997
Less: Amounts Owning to Bank of Scotland	(269,110)	(269,110)
	(269,110)	(54,111)
Less: Amounts Owning to North West Transitional Loan Investment Fund	(167,945)	(167,945)
Less: Amounts Owning to Al M Small Firms Fund Limited	(45,542)	(45,542)
Deficit as regards Fixed Charge (i.e. to Floating Charge)	(482,597)	(267,598)
Assets Subject to Floating Charge		
Debtors (Pre-Appointment)	14,544	10,908
Equipment	90,267	25,000
Stock	895,844	90,090
Work In Progress	0	1
	1,000,655	125,999
Uncharged Assets		
Available to preferential creditors	1,000,655	125,999

Signature



Date

30/6/11

Dolphin Enterprises Europe Limited & Dolphin Music Retail Limited
Both In Administration

AI - SUMMARY OF LIABILITIES

	Estimated to Realise	
	£	£
Estimated total assets available for preferential creditors		125,902
Liabilities		Nil
Estimated Surplus (Deficiency) as regards preferential creditors		125,902
Estimated prescribed part of net property (to c f)		(28,180)
Estimated total assets available for floating charge holders		97,721
Floating Charge Claims (b d)		(267,598)
Estimated Surplus (Deficiency) of assets after floating charges		(169,877)
Estimated prescribed part of net property (b d)	28,180	28,180
Total assets available to unsecured creditors		28,180
Unsecured non-preferential claims		
Unsecured Creditors	(1,087,648)	
Finance Companies	(7,344)	
HM Revenue and Customs	(283,196)	
		(1,378,188)
Estimated Surplus (Deficiency) Unsecured creditors		(1,350,008)
Deficiency in Floating Charge (b d)		(169,877)
Estimated Surplus (Deficiency) to floating charge holder		(1,519,885)
Estimated Surplus (Deficiency) all creditors		(1,519,885)
Share Capital		
Ordinary	(10,000)	(10,000)
Estimated Surplus (Deficiency) as regards members		(1,529,885)

Signature



Date

30/6/11

B COMPANY CREDITORS - DOLPHIN ENTERPRISES EUROPE LIMITED

NOTE: You must include all creditors and identify any creditors under hire-purchase, chattel leasing or conditional sale agreements and customers claiming amounts paid in advance of the supply of goods or services and creditors claiming retention of title over property in the company's possession


Name of creditor or claimant	Address (with postcode)	Amount of debt £	Details of any security held	Date security given	Value of security £
AC Packaging	Barrit Street, Freetown, Hury H17 6HH	183.76			0.00
Active Music (not factored)	7 Goose Green Trading Estate, 47 East Dulwich Road, London SE22 9JN	5,709.00			0.00
Active Music Distribution (franchisor)	7 Goose Green Trading Estate, 47 East Dulwich Road, London SE22 9JN	2,541.43			0.00
ADAM Audio UK	Hangar 2, North Weald Airfield, Tipping CM16 6AA	5,514.28			0.00
ADAM Audio UK	Hangar 2, North Weald Airfield, Tipping CM16 6AA	28,168.67			0.00
AM Small Firms Ltd Limited	5th Floor, Central Building, Pier Head, Liverpool L3 1DN	14,542.37	Debiture	18/08/2007	4,542.47
Audley Logistics Ltd	Kings Park, Moseley Road, Trafford Park, Manchester M17 1QA	125.33			0.00
Allen & Heath Ltd	Kernick Industrial Estate, Penryn TR10 9J1	749.71			0.00
Ambassador Packaging Ltd	Reed One, Winsford Industrial Estate, Winsford CW7 1QH	3,164.10			0.00
Arca UK Ltd	Unit 2A Bentley Business Park, Tisbury Road, Normandy G1 3 2DA	2,625.31			0.00
Artura	4 Chateau de Valadour, 18240 Meylan, France	1,075.91			0.00
Ashdown Design & Marketing Limited	The Strides, Stevens Farm, Maudsley Road, Chigwell, Essex S1 James Chelmsford CM1 4JN	7,916.97			0.00
Audio Management UK Ltd	Harcroft Court, Chudleigh TQ13 0JH	1,628.16			0.00
Audio Technics	Royal London Industrial Estate, Old Lane, Leeds LS11 8AG	4,172.11			0.00
Audiotex	North Unit, Manor Court Farm, Ashurst Road, Grovetonbridge, Tisbury, Wiltshire	173.00			0.00
Avia	Carmichael Road, Sandyford Industrial Estate, Dublin 18	33,107.97			0.00
AVSL Group Ltd	Cumminthorse, Barton Dock Road, Manchester M11 7HJ	453.78			0.00
BGM Waste Services	Iris House, Dock South Road, Warral, W16 2 4ST	124.12			0.00
Bank of Scotland	The Mount, Edinburgh EH1 1YJ	269,109.68	Debiture	17/12/2007	269,109.68
Barnes and Shillins	Grass Jan House, Mile Oak Industrial Estate, Cowesbury, SY10 6GA	2,451.48			0.00
Best Services GmbH	Hanner Str 91a, 80693 München, GERMANY	811.22			0.00
Bell Lewinster	1 and 8 Kennedy Square, Southfields Industrial Estate, Twickenham SS15 6SL	28,546.69			0.00
Briggs Equipment UK Ltd	Orbital 7, Orbital Way, Cannock WS11 8XW	363.50			0.00
BT UK	Dept W, Durham 11, Providence Row, Durham DH1 1RR	107.71			0.00
Casio Electronics Co Ltd	Unit 6 Unit North Circular Road, London NW2 2JD	1,440.41			0.00
Control Recycling Group	Laver Road, Widnes, W48 8PJ	2,10.18			0.00
Crabb Fire & Security Limited	Shadsworth Road, Blackburn BB1 2PR	960.10			0.00

Signature _____ Date: 26/11/11

Name of creditor or claimant	Address (with postcode)	Amount of debt £	Details of any security held	Date security given	Value of security £
Creative Labs (Ireland) Limited	Ballycadin Business Park, Blanchardstown, Dublin 15	2,770.42			0.00
CyberSource Ltd	The Waterfront, 3400 Thames Valley Park Drive, Reading RG6 0PT	0.468.35			0.00
DACS Ltd	Stonehills, Shields Road, Gateshead NE10 0JW	187.12			0.00
Davey Communications Ltd	Drury House, Fenchard Road, Business Park, Nelson BL10 5SR	2,268.15			0.00
DHL	Orchard Park, 178-188 Great South West Road, Thameslow TW1 6DS	282.92			0.00
Digital Window Ltd	4rd Floor, 100-101 Cannon Street, London E1 8L1	0.571.26			0.00
Dun & Bradstreet Ltd	Shared Accounting & Service Centre, Marlow International Parkway, Marlow SL7 1AT	1,555.20			0.00
Eclipse Marketing Ltd	Albacore House, Horseshoe Road, Pangbourne, Reading RG8 7JQ	245.09			0.00
Electrowire	Lanaxis Lane, Sutton, St Helens WA9 3LN	70.00			0.00
EMD Music SA	10a Rix General Mahuis, 1030 Brussels, Brussels, Belgium	0.678.02			0.00
ICC Entertainment	Suite 2 Havanna House, Cubana Industrial Estate, Bury BL9 0DN	2,512.42			0.00
ICN Music	Nichols House, Wenden Business Park, Lutteringham Road, Lutteringham LN6 2J	825.09			0.00
Federal Express Europe Inc	PO Box 119, Governors CV1 4QD	385.35			0.00
Foxes UK Limited-012-111812	Parkhouse, East Industrial Estate, Newcastle S15 7RH	7,838.37			0.00
FOJO	Parkhouse East Industrial Estate, Newcastle S15 7RH	637.53			0.00
FP Shop					
Fender GB	1st Floor, Britannia House, Christopher Martin Road, Hasleholme	5,063.08			0.00
Ford Data	SSL 192A	28.74			0.00
Freemove Audio Engineering	Windsor House, Turnpike Road, High Wycombe HP12 0JN	32,717.18			0.00
Freestyle Music Products	1 Mile House, Brewery Lane, Thurnhill, Leamington CV12 9JL	10,110.17			0.00
GCT Technologies Ltd	Unit 44 Brambles Enterprise Centre, Waterberry Drive, Watlington OX7 7JL	950.26			0.00
Geopost UK Limited	Lidgation Department, Freeway House, Nurey Street, Bristol BS2 8PS	4,310.84			0.00
Global Secure Systems Ltd	Danvers House, Danvers Road, Brinknell RG12 8PL	64.06			0.00
Google	1st & 2nd Floors, Gordon House, Barrow Street, Dublin 1	21,101.26			0.00
Grant Thornton UK LLP	Grant Thornton House, Mutton Street, Custom Square, London NW1 2JL	1,200.00			0.00
Hand in Hand	Unit 2 Lakeshore Meadows, Broadley Park Road, Rotherham	8,590.29			0.00
Headstock Distribution	Plymouth PL6 7JZ				
Headlines Express Printers Ltd	Sedgwick Road, Cambswood Business Park, Halesowen B62 8HU	20,228.08			0.00
HiFi Communications Limited	Unit 3 The Griffin Centre, Spines Road, Feltham TW14 0JN	1,561.79			0.00
	Unit 6 Pembroke Buildings, Cumberland Park, London NW10 6RU	32,161.15			0.00

Signature: _____ Date: 30/6/11

Name of creditor or claimant	Address (with postcode)	Amount of debt £	Details of any security held	Date security given	Value of security £
Thames Caves	Unit 5 & 6 Mill Park Industrial Estate, Hawks Green Lane, Camwick WS11 7XP	3,169.26			0.00
HM Revenue & Customs	Debi Management Enforcement & Insolvency, Harrington Bridge House, Harrington Road, Wording WNI 2 1SL	75,169.70			0.00
HM Revenue & Customs	VAT Central Unit, Alexander House, 21 Victoria Avenue, Southend-on-Sea SS99 1AA	208,026.19			0.00
Home Delivery Network Limited	Willows Way, Whitton, Liverpool L35 1RZ	21,411.04			0.00
Home2Office	Unit 2 The Gateway, Knowsley Business Park, Knowsley Prescot L34 9JN	485.40			0.00
House Music	9 Newsgate Street, London SE1 3JH	2,611.16			0.00
JK Multimedia	Unit 10 Industrial, 16-41123, Modern, Modena	4,886.93			0.00
UK Lease (UK) Ltd	Unit 1, Southfields Road, Dimsdale T1 6 3LJ	1,158.12			0.00
Inta Audio	Unit 1, 30220655, 60 High Street, Redhill, Surrey RH1 1NS	40,150.00	IP Agreement		72,806.00
	Unit 3, 10, Haywards Court, Herald Way, Birtles Industrial Estate, Crewery	5,235.68			0.00
JIN	Salem House, Parkinson Approach, Garforth, Leeds LS25 2HR	58,389.73			0.00
Korg UK Ltd	6 Newmarket Court, Kingston, Milton Keynes MK10 0AA	41,640.30			0.00
Lauba	Unit 1, Southfields Road, Dimsdale T1 6 3LJ	1,158.12			0.00
Lampree PLC	Unit 1, 30220655, 60 High Street, Redhill, Surrey RH1 1NS	40,150.00	IP Agreement		72,806.00
LBS Team	Unit 1, 30220655, 60 High Street, Redhill, Surrey RH1 1NS	40,150.00	IP Agreement		72,806.00
Letcham Security Ltd	Unit 1, 30220655, 60 High Street, Redhill, Surrey RH1 1NS	40,150.00	IP Agreement		72,806.00
Lewars Lays Musical Accessories	Unit 1, 30220655, 60 High Street, Redhill, Surrey RH1 1NS	40,150.00	IP Agreement		72,806.00
Leisure Distribution Ltd	Unit 1, 30220655, 60 High Street, Redhill, Surrey RH1 1NS	40,150.00	IP Agreement		72,806.00
Long UK Ltd	Unit 1, 30220655, 60 High Street, Redhill, Surrey RH1 1NS	40,150.00	IP Agreement		72,806.00
Liverpool City Council	Unit 1, 30220655, 60 High Street, Redhill, Surrey RH1 1NS	40,150.00	IP Agreement		72,806.00
Local Technologies	Unit 1, 30220655, 60 High Street, Redhill, Surrey RH1 1NS	40,150.00	IP Agreement		72,806.00
Marshall Amplification Plc	Unit 1, 30220655, 60 High Street, Redhill, Surrey RH1 1NS	40,150.00	IP Agreement		72,806.00
MIR Limited	Unit 1, 30220655, 60 High Street, Redhill, Surrey RH1 1NS	40,150.00	IP Agreement		72,806.00
MIS	Unit 1, 30220655, 60 High Street, Redhill, Surrey RH1 1NS	40,150.00	IP Agreement		72,806.00
Music Force Distribution	Unit 1, 30220655, 60 High Street, Redhill, Surrey RH1 1NS	40,150.00	IP Agreement		72,806.00
Music in Print	Unit 1, 30220655, 60 High Street, Redhill, Surrey RH1 1NS	40,150.00	IP Agreement		72,806.00
Music Industries Association	Unit 1, 30220655, 60 High Street, Redhill, Surrey RH1 1NS	40,150.00	IP Agreement		72,806.00
Music Shipping Company	Unit 1, 30220655, 60 High Street, Redhill, Surrey RH1 1NS	40,150.00	IP Agreement		72,806.00

Signature  Date 30/6/11

Name of creditor or claimant	Address (with postcode)	Amount of debt £	Details of any security held	Date security given	Value of security £
Musik Track (HS)C Invoice Finance	2 The Granary Buildings, Millow Near Junction SG18 8RH	4,764.18			0.00
Musica Limited	Freemilly Mill, Lower Street, Stroud GL5 2HF	936.00			0.00
WVL Print Group	Units 10-13 Ravenscliff Industrial Estate, New Inn Pontypool NP4 0DQ	1,105.00			0.00
Native Instruments	Schlosssche Strasse 28 10907 Berlin Germany	22,346.18			0.00
NetTronics	5300 Lakeside, Cheridge Road, Business Park, Cheadle SK8 3GP	500.00			0.00
Netsuite	1 Greenhill Road, Mauden Road, St Albans	13,946.17			0.00
New Sensor Corporation	12-13 37th Avenue, Long Island City, New York USA	19,096.13			0.00
North West Transnational Fund Investment Fund	5th Floor, Conrad Building, Liverpool L1 5NS	167,915.26	Debtenture	16/11/2009	167,915.26
Numark Music Europe Ltd	Unit 1 Nexus Park, Lysons Avenue, Ash Vale, Aldershot GU12 5QJ	21,821.65			0.00
Office of Fair Trading	PO Box 65813 London EC1P 4JS	18.00			0.00
Orange Music Electronic Co Ltd	OX10 1 House 108 Ripon Way, Berchamwood WD6 2JA	6,273.24			0.00
Palfak Corrugated Ltd	Unit C11/12, Bridge Industrial Estate, Speke Hall Road, Speke L21 9JA	2,365.08			0.00
Pearcy UK	Great Tolds Road, Oakley, Herts SG18 9JZ	33,291.67			0.00
Pennsada Business Services	The Pennsada, 2 Cheetham Hill Road, Manchester M4 1JH	1,021.86			0.00
Percussion Plus	Unit A Rennie Gate, Mitchell Close, Andover SP10 3TT	762.27			0.00
Polar Audio	17 Albert Drive, Burgess Hill RH15 9LN	10,956.01			0.00
Premium Credit Limited	Premium Credit House 60 East Street Ipswich IP1 1HB	1,169.27			0.00
Rockspace Limited	5 Shillington Road, Hyde Park, Hayes UB8 4AZ	3,606.00			0.00
Reed Ready UK	Horcombe Court, Chaddeligh Road, C10 0DQ	488.40			0.00
Reid UK Ltd	Almonds Close, West Gillingham SA7 9LJ	1,691.97			0.00
Rosatti Ltd	4 Blackwell Drive, Springfield Industrial Estate, Braintree, CM7 2QJ	3,107.14			0.00
Rufesound	Unit 43 Morewood Close, Sevenoaks TN13 2HR	1,053.57			0.00
Royal Mail Group Ltd	Payment Processing Centre, Trepost, NAI 5021, Papyrus Road, Warrington, W1 5HR	16.81			0.00
Sage (UK) Limited	North Park, Newcastle Upon Tyne NE13 9AA	358.90			0.00
SA V	40 Chipwell Lane, Oakwood Hill Industrial Estate, Loughborough LE10 3NY	3,735.75			0.00
Selection UK Ltd	Unit 17D Upper Field Road, Jurdlink Industrial Park, Nottingham NG10 3JP	2,756.40			0.00
Sevenshaver UK Limited	3 Century Point, Halifax Road, High Wycombe HP12 3SL	18,301.47			0.00

Signature

Date

30/01/11

Name of creditor or claimant	Address (with postcode)	Amount of debt £	Details of any security held	Date security given	Value of security £
Shaw Savage Business Services Ltd	Unit 7 Garston Industrial Estate, Blackburne Street Liverpool L11 9 RJH	680.82			0.00
Share Distribution	Unit 2 The IFC Centre, 1ea Road Wallham Abbey Essex SSO 1AS	18,835.01			0.00
SLL Systems Ltd	Second Floor, 65 Leonard Street London EC2A 4UN	10,428.00			0.00
Sonic Distribution	3 Hunting Gate, Thelton SG4 0TJ	25,251.30			0.00
Sonnet Ltd	100 Box 221, Hutton SG4 9WV	5,705.66			0.00
Sonnox	1 NImer Rams, Crenbury Park, Lincoln LN7 3DG	107.40			0.00
Sound Technology	17 Letchworth Point, Letchworth Garden City SG10 1ND	134,211.02			0.00
Soundcraft	1 Emburgh House, Emburgh Road, Potters Bar EN6 3UN	289.91			0.00
Sounds Online Europe	W.G. Ploem 202, 1054 SP Amsterdam Amsterdam	1,662.35			0.00
Steinberg Media Technologies GmbH	Adner AG, Vincenz-Preisnitz-Str 1 Hamburg	23,618.45			0.00
Steiner Music Co Ltd	Albert Road North, Reigate RH2 9H /	1,173.80			0.00
Strings and Things Ltd	Unit 3 20/2210, Brighton Road, Shoreham-by-Sea BN43 6RJ	6,876.53			0.00
Subo Distribution Ltd	Park House, Works Road, Letchworth SG10 1GH	2,009.92			0.00
Summitfield Musical Instruments Limited	1 Vinnice Court, Trans Britannia Enterprise Park, Blunsdon-on-Tyne NE21 5NH	3,107.93			0.00
Supreme Finish Cleaning Services Limited	45 Scatter Road, Liverpool L3 10XZ	270.00			0.00
Sutherland Trading Co Ltd	Unit 3 Greenway, Redwells Horse Industrial Estate, Redwells C18A 8NQ	1,868.62			0.00
Synthes Audio (UK) Ltd (active 21)	Unit 6 of The Winton Business Centre, Lydiate Way, Wintford W122J 7NF	7,183.48			0.00
Templewood Guitar Company Ltd	Unit 1 Ash Way, Thorp Arch Estate, Wetherby LS23 7JA	6,249.70			0.00
Tec Group International Ltd	Sindalsvej 33, Risskov, Aarhus Denmark	8,825.91			0.00
Tee UK Ltd	Suites 19 & 20, Building 6, Croxley Green Business Park, Hatters Lane, Watford WD18 8TJ	11,655.45			0.00
Telco Communications Ltd	4 The Willows Centre, Mitham CR1 1NN	716.11			0.00
Tennisswood Limited	10 Sidney Grove, Newcastle, Upon Tyne NE4 5PD	1,215.63			0.00
Time & Space Distribution Limited	Unit 2A 77 minere Road, Lyxter Road Industrial Estate, Okhampton LN29 1LE	10,816.12			0.00
Total Commerce Management Ltd	Red Floor 1 Ashley Road, Mitham WA14 2DH	3,010.42			0.00
Trans Impact Ltd	12 Harvest Close, Yatchley GL46 6NS	1,001.58			0.00
United Utilities	PO Box 450, Warrington WA55 1WA	1,254.10			0.00
Unity Audio Limited	1 Moss Lane, Haythorne End, Huddersfield HD15 1AH	1,695.00			0.00

Signature:  Date: 26/6/11

Dolphin Enterprises Europe Limited & Dolphin Music Retail Limited
Both In Administration

Name of creditor or claimant	Address (with postcode)	Amount of debt £	Details of any security held	Date security given	Value of security £
VIR Trading Ltd	VIR House, 4 Brinkley Road, Kings Cross, London N7 9AA	770.91			0.00
Vestax Europe Ltd	Emergency House, 100 Lloyd Industrial Estate, St Asaph Avenue, Kinnaird, Hay, LA1 1R 5JA	2,802.00			0.00
Vocallmouth	PO Box 6569, Bend, Oregon USA	6,090.81			0.00
Wharfedale	Unit 1 St Margarets Way, Smuckley Meadows Industrial Estate, Huntington PE29 6JH	171.46			0.00
WIN Andin AB	Hornstamsgatan 19A, 117 34 Stockholm, Sweden	494.76			0.00
Yamaha Music UK Ltd	Sherbourne Drive, Tilbrook, Milton Keynes MK7 8HU	57,116.86			0.00
Yell	Queens Walk, Oxford Rd, Reading RG1 7PT	160.80			0.00
Zacharys Vex Lillers	2828 Dupont Avenue S, Minneapolis, Minnesota MN 55408	3,710.48			0.00
Zion UK	15 Weston Farm, Hinchin Road, Weston, SO4 7AN	10,887.94			0.00

Signature  Date 20/6/11

Shareholder Detail: DOL110 - Dolphin Enterprises Europe Limited In Administration

Ordinary Name of Shareholder	Address (with postcode)	Type of Shares Held	Nominal Amount of Share £	Number of Shares Held	Amount per Share Called Up	Nominal Value
DOLPHIN MUSIC HOLDINGS LIMITED	Venerian Park West 70-72 Epsom Road Spoke Liverpool L24 9PL	Ordinary	£0	10,000	500.00	500.00
						500.00

Signature



Date

30/6/11

28/06/2011 10:58 AM

Copy of the Director's Statement of Affairs
of the Company as at 17 May 2011

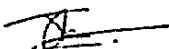
Appendix B

Music Retail

A - SUMMARY OF ASSETS

	<u>Book Value</u>	<u>Estimated to Realise</u>
	<u>£</u>	<u>£</u>
Assets Subject to Specific Charge		
Assets Subject to Fixed Charge		
Assets Subject to Floating Charge		
Equipment	8,134	5,000
Stock	0	10,000
	<u>8,134</u>	<u>15,000</u>
Uncharged Assets		
Available to preferential creditors	<u>8,134</u>	<u>15,000</u>

Signature



Date

30/6/11

A1 - SUMMARY OF LIABILITIES

	Estimated to Realise	
	£	£
Estimated total assets available for preferential creditors		15 000
Liabilities		Nil
Estimated Surplus (Deficiency) as regards preferential creditors		15 000
Estimated prescribed part of net property (to c/f)		(6 000)
Estimated total assets available for floating charge holders		9 000
Floating Charge Claims		(269 110)
Estimated Surplus (Deficiency) of assets after floating charges		(260 110)
Estimated prescribed part of net property (to d/f)	6 000	6 000
Total assets available to unsecured creditors		6 000
Unsecured non-preferential claims		
Unsecured Creditors	(11,439)	
HV Revenue and Customs	(150 925)	
		(162,364)
Estimated Surplus (Deficiency) Unsecured creditors		(156,364)
Deficiency in Floating Charge (to d/f)		(260 110)
Estimated Surplus (Deficiency) to floating charge holder		(396 474)
Estimated Surplus (Deficiency) all creditors		(396,474)
Share Capital		
Ordinary	(10 000)	(10 000)
Estimated Surplus (Deficiency) as regards members		(406 474)

Signature



Date

30/6/11

B COMPANY CREDITORS - DOLPHIN MUSIC RETAIL LIMITED

N(1)1. You must include all creditors and identify any creditors under hire-purchase, chattel leasing or conditional sale agreements and customers claiming amounts paid in advance of the supply of goods or services and creditors claiming retention of title over property in the company's possession

Name of creditor or claimant	Address (with postcode)	Amount of debt £	Details of any security held	Date security given	Value of security £
Bank of Scotland	The Mound, Edinburgh EH1 1YZ	269,110.00	Debiture	18.02/2008	269,110.00
Anglo Scottish	17 Charles Street, Crossland Moor, Huddersfield HD13 5HR	120.00			0.00
Firs Data	1st Floor, Brumma House, Christopher Martin Road, Hasidkton SS14 9AA	217.86			0.00
Friends Life Assurance	Pytham Ltd, Docking Rd14 16ZA	7,910.00			0.00
HM Revenue & Customs	Debt Management Enforcement A, Broadway, Durrington Bridge House, Barrington Road, Worthing BN12 4SF	110,921.98			0.00
Liverpool City Council	Business Rates Section, PO Box 2012, Liverpool L69 2DA	2,252.00			0.00
Mil Store	18 Green Lane, High Gange, Crook DL15 8AS	713.56			0.00
Richard Wilkinson Piano Tuner	60 Strove Lane, Hatley, Holnith H19 6DA	116.35			0.00
Woodward Exchange	2A Brearton Street, Bradford BD1 1D1	-48.00			0.00

Signature  Date 30/6/11

Shareholder Detail: DOL120 - Dolphin Music Retail Limited In Administration

Ordinary Name of Shareholder	Address (with postcode)	Type of Shares Held	Nominal Amount of Share £	Number of Shares Held	Amount per Share Called Up	Nominal Value
DOLPHIN MUSIC HOLDINGS LIMITED	Venture Point West 70-72 Evans Road Speke Liverpool L24 9RT Liverpool L24 9RT	Ordinary	£1	10,000	10,000.00	10,000.00
						10,000.00

Signature:  Date: 30/6/11

Music Retail - Time Analysis for the Period from 17 May 2011 to 1 July 2011

Appendix C

	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Amount (£)	Average Rate (£)
Administration & Planning	0 00	1 40	7 60	0 00	9 00	1,234 00	137 11
Investigations	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisation of Assets	0 00	0 80	2 30	0 00	3 10	460 00	148 39
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	0 00	2 40	1 30	0 00	3 70	708 00	191 35
Total Hours	0 00	4 60	11 20	0 00	15 80		
Amount (£)	0 00	0 00	0 00	0 00		2,402 00	
Average Rate (£)	0 00	0 00	0 00	0 00			152 03

Enterprises Europe - Time Analysis for the Period from 17 May 2011 to 1 July 2011 Appendix C

	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Amount (£)	Average Rate (£)
Administration & Planning	5 00	1 70	31 80	0 00	38 50	5,657 00	146 94
Investigations	0 00	0 00	1 70	0 00	1 70	204 00	120 00
Realisation of Assets	1 00	3 10	13 10	0 00	17 20	2,575 00	149 71
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	16 00	3 80	10 60	0 00	30 40	6,786 00	223 22
Total Hours	22 00	8 60	57 20	0 00	87 80		
Amount (£)	6,380 00	1,978 00	6,864 00	0 00		15,222 00	
Average Rate (£)	290 00	230 00	120 00	0 00			173 37

**Additional Information in Relation to Administrators' Fees Pursuant to
Statement of Insolvency Practice 9
Policy**

Appendix D

Chargeout Rates

Grade of staff	Current charge-out rate per hour, effective from 14 October 2009 £
Partner – appointment taker	290
Senior Manager/Manager	230
Senior Professional	120
Other Professional	75

These charge-out rates charged are reviewed periodically and are adjusted to take account of inflation and the firm's overheads

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. Each unit of time is 6 minutes. The work is recorded under the following categories

Administration and Planning
Investigations
Realisation of assets
Creditors
Trading

The officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate

Where remuneration has been approved on a time cost basis a periodic report will be provided to any committee appointed by creditors or, in the absence of a committee, to the creditors. The report will provide a breakdown of the remuneration drawn and time costs incurred and will also enable the recipients to see the average rates of such costs

Agent's Costs

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis

Name of Professional Advisor	Basis of Fee Arrangement
Gateley (Manchester) LLP (legal advice)	Hourly rate and disbursements
Sanderson Weatherall LLP (insurance)	Hourly rate and disbursements
AUA Insolvency Risk Services	Scale rate

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them

Disbursements

In accordance with Statement of Insolvency Practice 9 (SIP9) the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 expenses are incurred by the firm and recharged to the estate, they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, internal storage.

It is the firm's policy that no such disbursements will be recovered in this matter.

Music Retail - Estimated Outcome Statement as at 1 July 2011

Appendix E

	Notes	Realisations to Date (£)	Anticipated Further Realisations (£)	Final Realisations (£)
ASSET REALISATIONS				
Equipment	1	5,000 00	-	5,000 00
Stock	1	10,000 00	-	10,000 00
		<u>15,000 00</u>	<u>-</u>	<u>15,000 00</u>
COST OF REALISATIONS				
Administrator's Remuneration	6	-	8,843 50	8,843 50
Agents/Valuers Fees	7	1,000 00	-	1,000 00
Legal Disbursements	8	40 00	-	40 00
Legal Fees	8	5,000 00	-	5,000 00
Statutory Costs	9	76 50	40 00	116 50
		<u>(6,116 50)</u>	<u>(8,883 50)</u>	<u>(15,000 00)</u>
Available to the preferential creditors	3			-
Preferential creditors	10			-
Surplus as regards preferential creditors				-
Prescribed part fund c/f	11			-
Available to the floating charge creditors				-
Floating charge creditors	2			-
Surplus as regards floating charge creditors				-
Prescribed part fund b/d	11			-
Unsecured Creditors (per SofA)				<u>(142,364 00)</u>
Deficit as regards unsecured creditors				<u>(142,364 00)</u>

Enterprises Europe - Estimated Outcome Statement as at 1 July 2011

Appendix E

	Notes	Realisations to Date (£)	Anticipated Further Realisations (£)	Final Realisations (£)
ASSET REALISATIONS				
<i>Fixed Charge</i>				
Customer Contracts	1	1 00	-	1 00
Goodwill	1	1 00	-	1 00
Intellectual Property	1	214,997 00	-	214,997 00
		214,999 00	-	214,999 00
Amounts paid to Bank of Scotland	2	(214,999 00)	-	(214,999 00)
		-	-	-
<i>Floating Charge</i>				
Corporation Tax Refund	3	-	5,000 00	5,000 00
Debtors (Pre-Appointment)	4	5,610 20	5,297 80	10,908 00
Equipment	1	5,000 00	-	5,000 00
ROT Surplus	5	137 18	-	137 18
Stock	1	90,000 00	-	90,000 00
Work-in-Progress	1	1 00	-	1 00
		100,748 38	10,297 80	111,046 18
COST OF REALISATIONS				
Administrator's Remuneration	6	-	25,000 00	25,000 00
Agents/Valuers Fees	7	3,000 00	-	3,000 00
Legal Disbursements	8	204 25	-	204 25
Legal Fees	8	10,000 00	1,000 00	11,000 00
Statutory Costs	9	76 50	116 50	193 00
		(13,280 75)	(26,116 50)	(39,397 25)
Available to the preferential creditors				71,648 93
Preferential creditors	10			-
Surplus as regards preferential creditors				71,648 93
Prescribed part fund c/f	11			(17,329 79)
Available to the floating charge creditors				54,319 14
Floating charge creditors	2			(267,800 48)
Defecit as regards floating charge creditors				(213,481 34)
Precribed part fund b/d				17,329 79
Unsecured Creditors (per SofA)				(1,378,188 00)
Deficit as regards unsecured creditors				(1,360,858 21)
Anticipated dividend (p in the £)				1 26

Notes to the Estimated Outcome Statements

Appendix E

1 Sale of Assets to S&T

As advised in the main body of this report, the business and assets of the Companies have been sold to S&T as follows

Asset	Enterprises Europe	Music Retail
Customer Contracts	1	-
Equipment	25,000	5,000
Goodwill	1	-
Intellectual Property	214,997	-
Stock	90,000	10,000
Work in Progress	1	-
Totals	330,000	15,000

2 Secured Creditors

There are the following secured creditors in relation to the Companies, who all hold fixed and floating charges over the assets of the company

Secured Creditor	Enterprises Europe £	Music Retail £
AFM	45,542	n/a
BOS	269,110	269,110
North West	167,945	n/a
Totals	482,597	269,110

Amounts stated are as shown in the SOA BOS is owed £269,110 according to the SOA and holds security for this debt against both companies BOS has been paid in full out of the asset realisations of Enterprises Europe as its debenture ranks in priority to the other two secured creditors No further dividend payments to secured creditors are anticipated

3 Corporation Tax Refund

The books and records of Enterprises Europe indicate that there are trading losses that could be utilised to generate a corporation tax refund It has been estimated that this will realise £5,000

4 Debtors (Pre-Appointment)

Enterprises Europe's book debts are anticipated to realise £10,908 as follows

	£
Book Value (£)	14,544
General Provision (25%)	(3,636)
Estimated to Realise	10,908

To date £5,298 has been realised and I am continuing to pursue outstanding debts due to Enterprises Europe.

5 ROT Surplus

A creditor of the Enterprises Europe held a valid retention of title clause over goods it had supplied. The creditor repossessed these goods with the permission of the Administrator, which resulted in a net amount owed to Enterprises Europe of £137.

6 Administrator's Remuneration

Costs in relation to Music Retail will exceed anticipated asset realisations.

It is estimated that Administrator's fees in respect of the Administration of Enterprises Europe will be £25,000.

7 Agents/Valuers Fees

Sanderson Weatherall LLP conducted a valuation of the assets of the Companies. Their fees have been discharged accordingly.

8 Legal Fees and Disbursements

Gateleys (Manchester) LLP have provided legal advice in relation to the production and execution of statutory documents required to place the Companies into administration, as well as producing the sale agreement relating to the sale of business and assets to S&T. Their fees have been discharged accordingly.

9 Statutory Costs

These relate to advertisements and a bond, both of which are required by statute and are discharged as an expense of the Administration.

10 Preferential Creditors

Preferential claims usually consist of arrears of wages and holiday pay owed to employees. As all employees of the Companies have been transferred to S&T, there are no such liabilities.

11 Prescribed Part Fund

This is a fund that I am required to make in accordance with s176A Insolvency Act 1986, the details of which are contained in the main body of this report.