

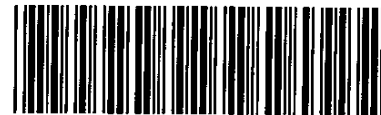
# AM03

## Notice of administrator's proposals



Companies House

SATURDAY



A09 \*A7ZXAKKX\* 23/02/2019 #239  
COMPANIES HOUSE

ie  
e

### 1 Company details

Company number 0 8 3 8 0 6 8 9

Company name in full HMV Retail Limited

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

### 2 Administrator's name

Full forename(s) Neil David

Surname Gostelow

### 3 Administrator's address

Building name/number 15 Canada Square

Street Canary Wharf

Post town London

County/Region

Postcode E 1 4 5 G L

Country

### 4 Administrator's name ①

Full forename(s) David John

Surname Pike

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

### 5 Administrator's address ②

Building name/number 15 Canada Square

Street Canary Wharf

Post town London

County/Region

Postcode E 1 4 5 G L

Country

② Other administrator  
Use this section to tell us about  
another administrator.

## Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**  
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ①  
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**  
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**  
Please complete in typescript or in bold black capitals.  
All fields are mandatory unless specified or indicated by \*

### 1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

① You can use this continuation page with the following forms:  
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7  
- CVA1, CVA3, CVA4  
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25  
- REC1, REC2, REC3  
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14, WU07, WU15  
- COM1, COM2, COM3, COM4  
- NDISC

### 2 Insolvency practitioner's name

Full forename(s) William James  
Surname Wright

### 3 Insolvency practitioner's address


Building name/number 15 Canada Square  
Street Canary Wharf  
Post town London  
County/Region  
Postcode E 1 4 5 G L  
Country

AM03  
Notice of Administrator's Proposals

6 Statement of proposals

<input checked="" type="checkbox"/>	I attach a copy of the statement of proposals	
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7 Sign and date

Administrator's Signature	Signature <input checked="" type="checkbox"/> 	<input checked="" type="checkbox"/>																
Signature date	<table><tr><td><sup>d</sup></td><td>2</td><td><sup>d</sup></td><td>1</td><td><sup>m</sup></td><td>0</td><td><sup>m</sup></td><td>2</td><td><sup>y</sup></td><td>2</td><td><sup>y</sup></td><td>0</td><td><sup>y</sup></td><td>1</td><td><sup>y</sup></td><td>9</td></tr></table>	<sup>d</sup>	2	<sup>d</sup>	1	<sup>m</sup>	0	<sup>m</sup>	2	<sup>y</sup>	2	<sup>y</sup>	0	<sup>y</sup>	1	<sup>y</sup>	9	
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## AM03 Notice of Administrator's Proposals



### 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	James Rivers
Company name	KPMG LLP
Address	15 Canada Square Canary Wharf
Post town	London
County/Region	
Postcode	E 1 4 5 G L
Country	
DX	
Telephone	Tel +44 (0) 20 7311 1000



### Checklist

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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 and dated the form.



### Important information

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



### Where to send

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



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# Joint Administrators' proposals

HMV Retail Limited - in  
administration

HMV Ecommerce Limited - in  
administration

25 February 2019

## Notice to creditors

We have made this document available to you to set out the purpose of the administration and to explain how we propose to achieve it.

We have also explained why HMV Retail Limited – in administration and HMV Ecommerce Limited – in administration (together 'the Companies') entered administration and how likely it is that we will be able to pay each class of creditor.

You will find other important information in the document such as the proposed basis of our remuneration.

A glossary of the abbreviations used throughout this document is attached (Appendix 7).

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following websites, <http://www.kpmg.co.uk/hmv-retail> and [www.kpmg.co.uk/hmv-ecommerce](http://www.kpmg.co.uk/hmv-ecommerce). We hope this is helpful to you.

**Please also note that an important legal notice about this statement of proposals is attached (Appendix 8).**



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# 1 Executive summary

- The Companies sold a range of music, books and entertainment related products from 129 stores across the UK through HMV Retail Limited ('Retail'), as well as operating an online platform through HMV Ecommerce Limited ('Ecommerce'). They operated from a head office in London, a finance function in Solihull and two distribution centres in Birmingham (Section 3 - Background and events leading to the administrations).
- During the pre-Christmas trading period in November 2018, we understand from the directors that the market for DVDs fell by over 27% compared to the previous year; and was forecast to fall further at the beginning of 2019; CD sales were also down c.18% compared to prior year. In addition, the Companies were exposed to a number of other well-documented challenges facing UK retailers at present. We understand that combined the Companies had traded in line with budget up until mid-November and had outperformed the market in audio and visual. (Section 3 - Background and events leading to the administrations).
- The increasingly difficult trading conditions in stores caused growing liquidity pressures. Creditor pressure increased and the Companies were forecast to breach their banking facilities provided by PNC Business Credit ('PNC') at the end of December 2018. (Section 3 - Background and events leading to the administrations).
- Although c.£4.2 million of additional liquidity support was provided by the Hilco Group (by way of cash and guarantees) during December, in addition to a further c.£2 million provided in October 2018 and deferment of accrued financing obligations, the directors concluded, after considering a range of options and taking advice from their solicitors Shoosmiths LLP, that the Companies should not continue to trade outside of administration (Section 3 - Background and events leading to the administrations).
- In order to protect the Companies' position, the directors appointed us – Neil Gostelow, David Pike and Will Wright – as Joint Administrators of the Companies on 28 December 2018 (Section 3 - Background and events leading to the administrations).
- The administrations were funded by cash made available by the Secured Creditors, which otherwise would have been available to them to offset against their indebtedness under their security (Section 4 - Strategy and progress of the administrations to date).
- Immediately on appointment, we worked closely with key stakeholders, including employees, landlords and major suppliers. The aim was to gain their support such that we could continue to trade the business in administration whilst we explored whether it was possible to sell the business as a going concern (Section 4 - Strategy and progress of the administrations to date).
- We sold most of the business and assets of the Companies to Sunrise Records & Entertainment Limited ("Sunrise") on 4 February 2019 and are now working with Sunrise to work through post-completion and transitional matters. (Section 4 - Strategy and progress of the administrations to date).
- In addition, we continue to realise assets excluded from the sale and conclude all post trading related matters (Section 4 - Strategy and progress of the administrations to date).
- The secured creditors were owed £46.8 million (including balances owed by other group companies that are cross guaranteed by both Companies, but excluding non-cross guaranteed debt in the wider HMV Group) at the date of our appointment. Due to cross guarantees across the group, both Companies have equal secured obligations. We



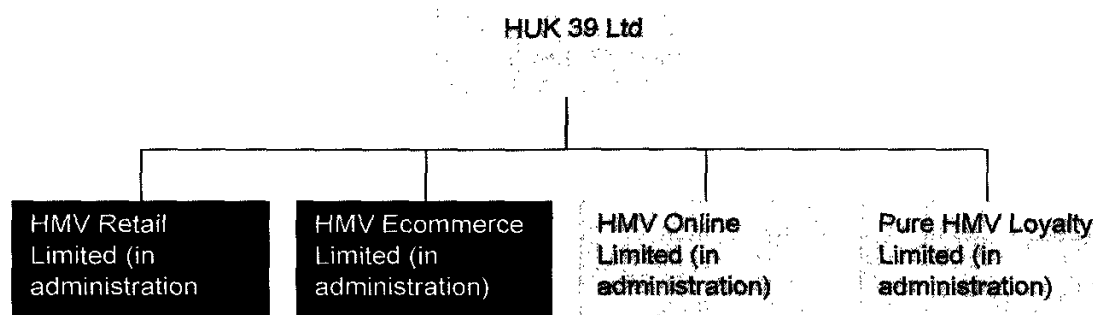
anticipate there will be a shortfall to them of c.£25 million, after taking into account all net realisations from the administrations of the Companies (Section 5 - Dividend prospects).

- Preferential creditors for each of the Companies will receive a dividend of 100p in the £ (Section 5 - Dividend prospects).
- We envisage a distribution will be made to the unsecured creditors of the Companies, however, we are not presently able to confirm either the quantum or timing (Section 5 - Dividend prospects).
- We intend to seek approval of our proposals by deemed approval (Section 7 – Approval of proposals).
- We propose that our remuneration for each Company will be drawn on the basis of time properly given by us and the various grades of our staff in accordance with the fees estimate and charge-out rates provided. We will seek approval for this from secured and preferential creditors by way of decision procedure, not included in these proposals. (Section 8 - Joint Administrators' remuneration, disbursements and pre-administration costs).
- On completion of each of the administrations, we envisage the most likely exit routes will be either to file for the Companies' dissolution or compulsory liquidation (Section 6 - Ending the administration).
- This document in its entirety is our statement of proposals for the Companies. A summary list of the proposals is shown in Section 9 together with all relevant statutory information included by way of appendices. Unless stated otherwise, all amounts in the proposals and appendices are stated net of VAT.



Neil Gostelow  
Joint Administrator

## 2 Group structure (simplified)



HUK 39 Limited (not a subject of this report)

Immediate holding company, ultimately owned by Hilco Trading, LLC, in the US.

HMV Retail Limited – in Administration ('Retail')

Prior to our appointment, Retail was the main trading entity of HMV and Fopp branded stores, holding all of the leases on the 129 stores, and employing the store, head office and distribution centre staff.

HMV Ecommerce Limited – in Administration ('Ecommerce')

Ecommerce entered into administration on 28 December 2018. It was the main trading entity for the HMV online sales channel and employed 4 people

HMV Online Limited – in Administration (not a subject of this report)

HMV Online Limited was placed into administration on 16 January 2019. Its primary asset was the HMV.com website, which hosted editorial content on the music and film industry.

Pure HMV Loyalty Limited – in Administration (not a subject of this report)

Pure HMV Loyalty Limited operated the HMV loyalty points scheme and went into administration on 16 January 2019.

## 3 Background and events leading to the administrations

### 3.1 Background information

HMV was founded in 1921 and sold a range of products including audio, books, CDs, DVDs, video games, as well as an increasing range of movie, television and music merchandise.

The business was purchased out of administration on 5 April 2013 by the Companies, both newly incorporated entities, financed by the Hilco Group and later supplemented by PNC in respect of additional working capital facilities.

As at the date of our appointment, the Companies operated out of their head office in London and finance function in Solihull, with two distribution centres and 129 stores throughout the UK, as well as the online trading platform (whose stock was housed in one of the distribution centres).

Retail had a total of 2,126 staff. Of these, 155 were based at head office, 122 at the distribution centres and the remaining 1,849 in the stores. On appointment, Retail also employed 878 seasonal staff for the Christmas trading period. Ecommerce had a total of 4 staff.

### **3.2 Funding and financial position of the Companies**

In the latest statutory accounts at 30 December 2017, Retail had a turnover of £277.2 million, an EBITDA of £6.8 million, but reported a loss before tax of £8.7 million. In the year ended 31 December 2016, it had also made an EBITDA of £10.9 million, but a pre-tax loss of £8.3 million. The major differences between EBITDA and profit for those periods were financing charges and between £7.1 million to £8.2 million of amortisation, depreciation and impairment charges.

Ecommerce's turnover in the latest statutory accounts at 30 December 2017 was £12.4 million, with an EBITDA of £1.2 million and profit before tax of £342,000 (having also been profitable the previous financial year).

At the time of our appointment the Companies had three secured creditors, with a cross guarantee across the Companies and the Wider group; (1) PNC, provided a stock funding facility of £32.0 million to the Companies secured by way of a fixed charge; (2) 1846 Security Trustee Limited ('Security Trustee'); and (3) Goodmans Capital Investments ('Goodmans').

At the time of our appointment, PNC were not owed any money, and held funds of c.£17.1 million (including funds held in blocked accounts) on behalf of the Secured Creditors. This amount was covered by the security held by the Security Trustee and Goodmans as Secured Creditors, and was made available to us shortly after appointment in order to fund the administrations, including payroll for temporary labour. The indebtedness to the Security Trustee and Goodmans arises from the 2013 acquisition and subsequent working capital advances. See section 5.1 on the independent security review.

### **3.3 Events leading to the administrations**

During the pre-Christmas trading period in November 2018, we understand from the directors that the market for DVDs fell by over 27% compared to the previous year; and was forecast to fall further at the beginning of 2019; CD sales were also down c.18% compared to prior year.

Whilst the Companies had outperformed the market for both visual and music sales throughout the year, the pre-Christmas trading performance and December market performance meant that the Companies had started to miss budget.

Additionally, we understand that the Companies were trading at an average of -8.4% on a like-for-like (LFL) basis compared to prior year in the eight weeks leading up to

administration. Retail was trading at -13.2% LFL and Ecommerce was trading at 53.9% LFL in this period.

The Companies were also exposed to a number of other well-documented challenges facing UK retailers at present. We understand that the Companies had traded in line with budget up until mid-November, with Retail performing below budget and Ecommerce performing above budget.

The increasingly difficult trading conditions caused growing liquidity pressures, creditor pressure increased and the Companies were forecast to breach their banking facilities provided by PNC at the end of December 2018.

Approximately £4.2 million of additional liquidity support was provided by the Hilco Group (by way of cash and guarantees) during December, in addition to a further c.£2 million provided in October 2018 and deferment of accrued financing obligations. We also understand from the Hilco Group that a significant amount of financing and intercompany charges were deferred and not paid.

However, despite this support, after considering a range of options and taking advice from their solicitors Shoosmiths LLP, the directors concluded that the Companies should not continue to trade outside of administration.

On 21 December 2018 the directors resolved that the Companies should file a notice of intention to appoint Neil Gostelow, David Pike and Will Wright, all of KPMG, as Joint Administrators of the Companies. This decision followed KPMG's first meeting with the Companies on 19 December 2018.

KPMG had no prior involvement with the Companies prior to this date.

At the time of our appointment, we disclosed to the Court details of the work carried out by KPMG up to that time.

Hilco Capital Limited ('Hilco Capital') are an established and active party in the UK restructuring market. As such, KPMG have a professional relationship, having had joint involvement in a number of restructuring situations. Hilco Capital would have an equivalent relationship with a number of other restructuring and advisory firms.

We are satisfied that the work carried out by KPMG before our appointment, including the pre-administration work summarised below, has not resulted in any relationships which create a conflict of interest or which threaten our independence. In addition, Neil Gostelow, one of the administrators, has had no prior involvement in any Hilco Capital situations.

Furthermore, we are satisfied that we are acting in accordance with the relevant guides to professional conduct and ethics.

### **3.4 Pre-administration work**

The following work was carried out in the short period prior to our appointment with a view to placing the Companies into administration:

- We assisted in the preparation of the appointment documents;

- We commenced rapid insolvency planning in order to be in a position to take an appointment.
- Addleshaw Goddard advised us in connection with the appointment documents and the funding arrangements for the administration. This work was necessarily undertaken before the Companies entered into administration.

We carried out this work with the objective of achieving the purpose of the administrations in accordance with Paragraph 3(1)(a), to rescue the Companies as a going concern, and Paragraph 3(1)(b), which is to achieve a better result for the Companies' creditors as a whole than would be likely if either of the Companies were wound up.

### **3.5 Appointment of Joint Administrators**

Following the granting of consent to the appointment of administrators by PNC on 28 December 2018, the directors resolved on the same day to appoint us as Joint Administrators of the Companies. The notices of appointment were filed at Court on Friday 28 December 2018.

As this was outside the Court's working hours, in the ordinary course our appointments would not have been confirmed until Monday 31 December 2018. However, as we needed to immediately communicate with staff and suppliers and trade the business over the weekend, we made an application to Court to confirm that we were validly appointed with effect from the time of filing, 17:54 on 28 December 2018. The Court duly made such a declaration at 22:58 on 28 December 2018.

## **4 Strategy and progress of the administrations to date**

### **4.1 Strategy to date**

Strategy on appointment

In the lead up to and following our appointment we considered how we could achieve the purpose of each administration in accordance with the three part purpose set out in Paragraph 3 of Schedule B1 of the Insolvency Act 1986 ('Purpose').

We considered that there was a reasonable prospect of achieving the first or second part of the Purpose as set out in Paragraphs 3(1)(a) and 3(1)(b) by continuing to trade the Companies whilst we pursued a process to sell the business as a going concern for the best price.

We set out below an overview of the work we have undertaken as well as our strategy in relation to the realisation of assets.

Trading overview

On appointment, all 129 stores and the website continued to trade and the operations at both the head offices and distribution centres continued under our control. The secured lenders made funding available in respect of trading.

The administration trading period effectively lasted from the morning of 29 December 2018 up to the close of business on 4 February 2019, when the sale of the business was deemed to have completed.

## Employees

On appointment, all 2,130 employees of the Companies were contacted, with those in stores contacted via conference call and those at head offices or distribution centres addressed in person. This was followed up with an email to notify them of our appointment and to give them all the information they required with regards to ongoing trading. There were no redundancies at this time, however we lodged the relevant forms on appointment with the Insolvency Service indicating that there was a possibility of future redundancies.

Shortly after appointment, we elected a number of employee representatives from across the business and held regular update calls to keep them apprised of developments in the sale process. Minutes of these calls were circulated around the business. The 4 Ecommerce staff were included in the circulation of these minutes.

At the time of our appointment, Retail had already planned two store closures and the employees for one store (Croydon) were under consultation. For the second store (Gloucester), consultation with employees commenced during the administration. We engaged Insol, a third party employment specialist firm, to help support all parties during this process. Both of these stores were closed on 30 January 2019 with 21 employees being made redundant.

On the sale of business, 454 employees of Retail were unfortunately made redundant in respect of the 27 stores that were closed following the sale. No employees were made redundant from Ecommerce.

We are aware that subsequently 5 stores have now been re-opened and a number of employees have taken up new employment with Sunrise at these stores.

At the two distribution centres, which were not part of the sale, 122 employees were placed under consultation after the completion of the sale. The main distribution centre was kept open for a short period post completion of the sale. 11 employees were made redundant on Friday 15 February. Following the closure of the main distribution centre on 20 February 2019, the remaining 111 employees were made redundant.

## Landlords/rent

Using Retail employees / contractors and the Administrators' staff, all landlords were contacted and advised of the Administrators' appointment and our intention to continue to trade the stores whilst we pursued a sale of business strategy.

To enable us to extend the window of opportunity available while we sought to explore the sales options we were able to negotiate certain rent concessions for occupation during the trading period.

## Stock suppliers

The majority of stock in the business was supplied on a consignment basis, which means it was not owned by the Companies. As such, it was of fundamental importance to our

administration strategy to obtain the support of major suppliers, and their agreement for their stock to be sold. A number of suppliers agreed to support ongoing trading in order to extend the window of opportunity to explore the sale of business options available. The support provided by these suppliers was a key factor in us being able to achieve the going concern sale.

We received a number of requests from suppliers during the trading period to remove their stock from sale. We considered these requests carefully and balanced the interests of those suppliers against the interests of the general body of creditors. We considered that the statutory moratorium imposed by paragraph 43 of Schedule B1 of the Insolvency Act 1986 (as amended) was essential to the preservation of the business and its value whilst we sought to sell the business as a going concern. We therefore decided that we would not consent to stock removal while the sale of the business remained possible, due to the disruption that this would cause in stores and the potential damage to the sales process.

Suppliers were able to apply to Court for an order that the moratorium be lifted to enable them to remove stock. Whilst this option was available, no suppliers took steps to make an application to Court.

With regards to stock held at distribution centres, we took the decision to not move any stock from the Companies' warehouses across the store network unless we had approval from suppliers to do so. This was to ensure that no creditors were potentially put in a worse position by having stock dissipated across the store portfolio without consenting to such a removal. Suppliers were then given the opportunity to collect stock from one of the distribution centres after the sale had completed.

#### Banking, cash and merchant acquirer facilities

G4S provided cash handling and collection services for Retail prior to administration. We entered into a new agreement with G4S to ensure that these essential cash collection services continued during the trading period.

On appointment we contacted RBS and PNC, where the majority of cash at bank and other cash owed to the Companies was being held, in order to arrange for release of the cash to the administrators (Section 4.1, asset realisations). This money was released to us with the consent of the Security Trustee and Goodmans as referred to above.

We also contacted Worldpay, American Express and PayPal, who were holding funds from sales made immediately after our appointment, to arrange for these funds to be released to us.

We entered into agreements with both Worldpay and American Express to continue to provide services during the trading period. We did not enter into an agreement with PayPal, however we continue to liaise with them regarding monies held due to Ecommerce.

We also agreed with Lombard Financial Services Limited, who provided EPOS hardware, to continue using their assets to process in store card payments.

#### Gift cards

Upon appointment, in conjunction with the secured lender, we made the decision to continue to honour existing customer gift cards, in order to maintain customer goodwill and minimise

disruption in stores. No new gift cards were sold following our appointment. During the course of our trading period, £1.3 million of gift cards were redeemed.

#### Intercompany trading mechanism

Retail supplied stock to Ecommerce for online sales made through the website. These stock transfers are made at the point of sale, and there will therefore be amounts due to Retail from Ecommerce in respect of sales made through the website during the administration trading period.

#### Information Technology

The Companies engaged the services of a number of IT and systems providers. Where services were required, we contacted these key suppliers and ensured continued service during the trading period.

#### Maintenance

We retained the services of a contractor who was previously employed by Retail to manage all maintenance issues in stores, and continue to ensure that all stores were adequately maintained throughout the trading period, in a manner compliant with health and safety regulations.

#### Contingency planning during the trading period

During our trading period, we had to plan for potential store closures in the event of a sale of business that did not include all stores, or in the event that no sale of business was achievable.

Given that the majority of the stock was supplied on a consignment basis, we engaged Addleshaw Goddard to consider the Companies' position as bailee of the stock in the stores and warehouses. We proactively sought any reasonable solutions for potential stock extractions in the event of total or partial closure. Any potential solution would need to balance the costs of any stock repatriation process and the risks associated with that process along with the Administrators' duties to creditors.

In a scenario whereby all stores and warehouses would have been closed, significant volumes of stock would have been left in situ. We therefore sought the views of both Management and external agents to ascertain the timing, costs and logistics of an orderly wind down of stock should no sale of the business have been achieved. We were advised that the costs were extensive.

We worked with the major music and visual suppliers, the trade bodies representing the other audio and visual suppliers to Retail. Additionally, we contacted a number of the other major suppliers who supplied non audio and visual stock into the business regarding seeking solutions for stock repatriation in the event of closures. These parties together owned or had retention of title claims to the majority of the stock in the business.

Despite working closely with these parties who had an interest in the stock which was located across Retail's sites for over one month, no solution was collectively found which protected the estate from the direct costs associated with any repatriation exercise or the risks of conversion claims being brought against the estate or the administrators.



See below for actions undertaken in relation to this contingency planning following the sale of business.

### Sale of business

Immediately upon appointment, we commenced a comprehensive marketing process in relation to the business and assets of the 129 stores, website, two head offices and two distribution centres.

The majority of the assets being marketed for sale were not owned by the Companies. The majority of stock was supplied on a consignment basis and the Companies did not own any premises, occupying the stores on a leasehold basis. Further, since the 2013 acquisition, the HMV brand and associated Intellectual Property ('IP') are assets of HMV Brands Limited, which is not subject to insolvency proceedings. Prior to the administrations, a licensing arrangement for the use of the brand and associated IP was in place between the majority shareholder of the Companies (HUK39 Limited) and HMV Brands Limited.

In order to increase the prospects of a sale of the business and assets of the Companies as a whole, it was important for us to facilitate arrangements for the continued use of the HMV brand. In this regard, HMV Brands Limited provided a royalty free license for the Administrators to use the trademarks during the sales process and provided their consent for the Administrators to inform interested parties that the HMV brand and associated IP would be separately made available for sale or continued use by HMV Brands Limited should they so wish.

We also spoke extensively with the key suppliers of the consignment stock and a number of landlords, who were supportive of the sales process, and were keen to support ongoing trading and survival of the business as a going concern.

We marketed the business and assets to 147 interested parties, directly and through a 'teaser', providing an overview of the business and assets.

Non-disclosure agreements were signed by 17 interested parties, following which access was granted to an online data room containing relevant information in relation to the Companies.

Bid instructions were sent to all viable interested parties who had expressed an interest in the business and assets as a whole, and three formal offers were received by 15 January 2019. One offer was for the HMV brand and associated IP only, which was sent on to HMV Brands Limited for their consideration. Two further offers for the business and assets of the Companies were conditional on further due diligence, including receiving the support of major suppliers and landlords.

In addition to the above, an expression of interest in the business and assets as a whole was received from Management on 16 January 2019. This was also conditional on receiving the support of major suppliers and landlords.

Further information, including a draft sale and purchase agreement, was provided to two interested parties, and meetings were facilitated with major suppliers. Neither party was able to conclude an executable transaction.

On 30 January 2019, we received a further expression of interest in the business and assets as a whole from Sunrise. We provided additional information and on 5 February 2019 negotiations were concluded for a sale of the majority of the Companies' business and assets to Sunrise. We were supported by Howard Kennedy LLP during the sale of business process.

Sunrise has been granted temporary licences to occupy 100 of Retail's leasehold store properties and the two head offices and has agreed to pay a weekly licence fee of c.£330,000 plus VAT to cover a period of occupation to July 2019. The licence fee will be passed on to the relevant landlords. The temporary licences allows Sunrise a period of occupation whilst negotiations are undertaken between Sunrise and the relevant landlords regarding the ongoing use of the premises. The sale also included the online platform run by Ecommerce.

As part of the transaction 1,487 store and head office employees have transferred to Sunrise. This includes 4 employees who were employed by Ecommerce. These employees were all sent a communication confirming that they had transferred via TUPE to Sunrise.

27 stores and two distribution centres were not part of the transaction, and arrangements were immediately made to close the 27 stores. We note that 5 of these stores have subsequently reopened.

We engaged agents to attend each of the closed stores on 5 February 2019 to remove all cash and confidential information within the stores, collect keys, lock the stores and return the keys to the landlords.

The agents engaged to close the stores and carry out the tasks above are Hilco Capital. We invited quotes from both Hilco Capital and another firm to act as our agent for the store closures and selected Hilco Capital on the basis that they provided the cheapest and most efficient option.

#### Steps post completion of sale

##### Stock in the closed stores

Following the sale of 100 stores we re-considered the stock repatriation options for the 27 closed stores.

As previously set out, despite material engagement with industry groups and key suppliers, no practical or financially viable stock repatriation solution could be found with the suppliers who either owned or had retention of title claims over the stock across the closed stores. In light of this we had no option but to close the stores and seek to surrender the leases of the closed stores with the stock left in situ.

##### Stock in Distribution Centres

As mentioned above, Sunrise did not require either of the Companies' distribution hubs at Merlin Park and Electra Park, both located in Birmingham.

Upon the completion of the sale we surrendered the lease at Electra Park. We continued to operate Merlin Park for a period of 17 days to allow suppliers time to collect remaining stock, and then we sought to formally surrender the lease on 21 February 2019.

Merlin Park contained a significant volume and value of stock. Following a review of the costs and the legal advice we obtained from Addleshaw Goddard the decision was taken to provide suppliers with the opportunity to collect any consignment stock or stock supplied subject to retention of title that was not acquired or required by Sunrise. In this regard, we wrote to suppliers on 5 February 2019, providing them with an opportunity to collect any stock located within the warehouse.

A number of suppliers have subsequently collected stock from Merlin Park, with a significant amount of stock being repatriated to suppliers or removed by Sunrise for sale in the ongoing business by agreement with suppliers.

Sunrise has agreed to contribute to the costs of keeping Merlin Park open to allow them to collect stock they acquired under the sale and purchase agreement.

#### Supplier and landlord communications post-completion of sale

Immediately following completion of the sale, we contacted all the suppliers and landlords of the closed stores to inform them that unfortunately we would be closing the 27 stores not taken on by Sunrise.

We wrote to the landlords of the closed stores seeking to formally surrender each of the leases and provided suppliers with both the landlords' details and stock schedules, per the Companies' records, to enable them to make direct arrangements to collect their stock.

#### Rent, rates and utilities

All costs incurred in respect of rent, rates and utilities are payable as an expense of the administration, and the administrators are in the process of settling amounts due.

We have engaged an external agent, PHD Property Advisory Limited ('PHD'), to contact the landlords of all stores leased by Retail to confirm amounts due to them for rent during the trading period.

We have also contacted the councils of the Retail stores to request rate rebates and to confirm the amounts due to them during the trading period.

PHD will also contact all the utility suppliers to Retail and confirm amounts due to them for the trading period.

#### Non-trading matters

##### Debtors

Retail had arrangements with a number of third party 'gift card' providers whereby Retail redeemed vouchers and received a monthly settlement from the provider. There were some pre-appointment balances outstanding, part of which has now been collected.

*There are a number of non-consignment suppliers who provided rebates and volume discounts that resulted in some debtor balances due. We are in the process of reconciling the accounts to take into account the amounts due from these suppliers after rebates, incentives and post administration payments to establish the total of any debtor balances owed. Once this position has been determined we will take steps to recover these sums.*

## Royalties

We have held discussions with the Performance Rights Society ('PRS') and the Mechanical Copyright Protection Society ('MCPS') regarding royalty payments on audio and visual stock that are due to MCPS from the audio and visual suppliers as a consequence of the sales made during the administration trading period.

## Settlement of liabilities

We are currently going through the process of settling all administration liabilities, including those sums due to all stock and non-stock suppliers for goods and services provided during the trading period.

If you have provided services and have not yet provided an invoice, please contact [hmvuk@kpmg.co.uk](mailto:hmvuk@kpmg.co.uk).

If we have sold stock during the administration period and you are entitled to raise an invoice but have not already done so please contact [hmvsupplierinvoices@kpmg.co.uk](mailto:hmvsupplierinvoices@kpmg.co.uk)

We also continue to liaise with Sunrise regarding transitional arrangements.

## 4.2 Asset realisations

Realisations from the date of our appointment to 8 February 2019 are set out in the attached receipts and payments accounts for each Company (Appendix 2).

Summaries of the most significant realisations to date are provided below.

### *The Companies*

#### Sale of business

The majority of the consideration for the sale was deferred and apportioned as follows:

Sales consideration	£
Customer orders	1
Goodwill	1
Plant and equipment	1
Stock*	500,000
Vehicles	1
Leasehold properties	1
Transferred records	1
Online platform**	1
Cash float	335,086
Rent deposit	48,400
Total	883,493

*\*Whatever right title and interest we held in the non-consignment stock sold to Sunrise.*

*\*\*Owned by Ecommerce. Everything else owned by Retail.*

The consideration relating to stock and cash float was deferred consideration at the point of completion of the sale of business. This has now been received. As this was received after

the period covered by these Proposals, this receipt is not shown in our receipts and payments account (Appendix 2), but will be included in our next report.

The plant and equipment and stock were valued by the Joint Administrators' agents, European Valuations. The amounts realised are in excess of net realisation estimates on an ex-situ basis.

### *Retail*

#### **Cash at bank and in transit**

Cash at bank and available to Retail on appointment of c.£220,000 after deduction of fees reflects the balance of cash at accounts held with RBS to which Retail had access, and which was not controlled by PNC as secured creditor or the Security Trustee or Goodmans.

We have received £17.1 million from PNC (shown as £5.8 million from blocked accounts and £11.3 million of funding from lenders), which was covered by the security held by the Security Trustee and Goodmans, which was made available to us by the Secured Creditors to fund the administration. This receipt is shown as a floating charge realisation for Retail on the attached receipts and payment account at Appendix 2.

As mentioned in Section 4.1, we have realised balances held by Worldpay in respect of sales payments taken on credit/debit cards in the period prior to appointment. Worldpay will release the balance of funds over time as their risk unwinds.

#### **Sales receipts**

The receipts in the receipts & payments account at Appendix 2 reflect the cash received to 8 February 2019 from Worldpay and American Express (sales made on credit and debit cards) and cash sales in stores following cash collections made by G4S.

Receipts are not equal to the value of sales because of the volume of sales made by redeeming gift cards purchased pre-appointment. The Administrators have reconciled the receipts to date and will work with G4S, Worldpay and American Express to recover the balance of sales receipts that remain outstanding.

We are in the process of making payments to suppliers in respect of stock sold and services provided during the trading period. Whilst the trading receipts & payments accounts in Appendix 2 show a large surplus, we expect that once all payments have been made, the trading position will be largely neutral, or will show a small surplus. We will provide an update in this regard in our next report.

Post completion of the sale of business, we continue to collect sales receipts into the Administrators' bank accounts on behalf of Sunrise.

Any costs due to the Administrators from Sunrise (e.g. payroll and certain IT costs that the Administrators paid in advance as part of the transitional arrangements and the initial licence to occupy fees) will be deducted from these sales receipts before remittance to Sunrise as per the terms of the sale agreement.

Please note that the current trading surplus shown in Appendix 2 will not equate to the final trading surplus, as we continue to make payments in relation to costs incurred during the trading period.

All sales are currently shown including VAT (on a gross basis) and VAT is to be deducted and accounted for to HMRC.

#### **Investigations**

We are reviewing the affairs of the Companies to find out if there are any actions which can be taken against third parties to increase recoveries for creditors.

In this regard, if you wish to bring to our attention any matters which you believe to be relevant, please do so by writing to the Joint Administrators at KPMG LLP, 15 Canada Square, London E14 5GL, United Kingdom or by email to [hmvuk@kpmg.co.uk](mailto:hmvuk@kpmg.co.uk).

#### **Ecommerce**

##### **Sales receipts**

The receipts in the receipts & payments account at Appendix 2 reflect the cash received to 8 February 2019 from Worldpay (sales made on credit and debit cards on the website).

Receipts are not equal to the value of sales because of the volume of sales made by redeeming gift cards purchased pre-appointment. The Administrators have reconciled the receipts to date and will work with Worldpay and PayPal, who also hold cash from sales both before and during the trading period, to recover the balance of sales receipts that remain outstanding.

We are in the process of making payments to suppliers in respect of stock sold and services provided during the trading period. Whilst the trading receipts & payments accounts in Appendix 2 show a surplus for Ecommerce, we expect that once all payments have been made, the trading position will be largely neutral. We will provide an update in this regard in our next report.

Post completion of the sale of business, we continue to collect sales receipts into the Administrators' bank accounts on behalf of Sunrise.

Any costs due to the Administrators from Sunrise (e.g. payroll and certain IT costs that the Administrators paid in advance as part of the transitional arrangements and the initial licence to occupy fees) will be deducted from these sales receipts before remittance to Sunrise as per the terms of the sale agreement.

Please note that the current trading surplus shown in Appendix 2 will not equate to the final trading surplus, as we continue to make payments in relation to costs incurred during the trading period.

All sales are currently shown including VAT (on a gross basis) and VAT is to be deducted and accounted for to HMRC.

### **4.3 Costs**

Payments made from the date of our appointment to 8 February 2019 are set out in the attached receipts and payments accounts for each administration (Appendix 2).

An estimate of all the anticipated costs likely to be incurred throughout the duration of the administrations is set out in the attached summary of expenses for each company (Appendix 4).



Summaries of the most significant payments made to date, which predominantly relate to the costs of ongoing trading, are provided below.

### *Retail*

#### **Direct labour**

Payroll costs for Retail staff in stores, head offices and the distribution centres of c.£2.8 million have been paid to date, representing salaries up to the end of January 2019.

Further direct labour expenses of c.£1.1 million are expected to be paid in relation to the period from the start of February up to the point of sale of business.

#### **Stock**

Up to 8 February, we have paid c.£2.2 million to suppliers in respect of consignment stock sold during the administration period, and c.£205,000 in respect of non-consignment stock.

All invoices received by the Administrators are verified against the Companies' data on a sale by sale basis, and take into account the support provided by suppliers to enable trading to continue in the lead up to the sale of business.

As mentioned earlier in our proposals, costs of goods sold totalling c.£593,000 have been paid by Retail in respect of stock sold through the Ecommerce platform, and this will be reimbursed between Retail and Ecommerce in due course.

We continue to settle supplier invoices as we receive them, and expect future costs in respect of both consignment and non-consignment stock to be c.£4.5 million.

#### **Pre-appointment wages and salaries**

We have paid c.£468,000 in respect of pre-appointment wages and salaries for the staff retained during the trading period. The majority of these payments related to the temporary seasonal staff employed during the Christmas trading period and who were required during the administration trading period.

#### **Cash float to stores**

We have paid c.£260,000 out to stores during the trading period as float money for trading purposes. This was recouped as part of the sale of business consideration as previously mentioned.

#### **Rent**

Costs of c.£111,000 have been paid in respect of rents for stores, head office and distribution centres during the trading period. The majority of costs in respect of rent have not yet been paid, and we expect further costs to be c.£2.8 million for rent, rates and service charge.

#### **Repairs and maintenance**

We have currently paid c.£101,000 in respect of repairs and maintenance in stores during the trading period. This included costs to comply with health and safety requirements, as well as ensuring the continued running of the stores.

#### Ransom payments

We paid c.£118,000 to certain suppliers in order to ensure continuity of supply and enable the business to continue trading. These sums were paid on the basis that it preserved value to creditors by enabling us to trade and bridge to a sale of business.

#### IT supplies

We have paid IT costs of c.£95,000 to date. This included costs to maintain servers, email, EPOS and stock data systems, as well as HR databases.

#### Other

Other costs incurred to date include outright purchases of non-consignment stock from certain suppliers (c.£48,000), fees of £65,000 paid to Worldpay for use of their merchant acquirer services, and hiring of subcontractors to assist us with the property and maintenance work streams (c.£32,000).

#### **Ecommerce**

##### Worldpay fees

Fees of c.£45,000 have been paid to Worldpay for continued merchant acquirer services for card sales made through the Ecommerce website.

##### IT supplies

To date, costs of c.£35,000 have been paid for ongoing IT support that was essential for the running of the website during the trading period.

##### Freight and carriage

Freight and carriage costs of c.£22,000 have been paid primarily to Royal Mail for delivery of goods ordered through the website.

##### Other

We paid £4,500 to certain suppliers as ransom payments in order to ensure continuity of supply and enable the business to continue trading. These sums were paid on the basis that it preserved value to creditors by enabling us to trade and bridge to a sale of business. We have also paid costs of c.£7,000 for staff costs/expenses to date.

## **5 Dividend prospects**

### **5.1 Secured creditors**

The Security Trustee and Goodmans hold fixed and floating charge security over the assets of Retail, with the charges registered at Companies House on 5 April 2013 and relating to the acquisition and further advances.

HUK 40 Limited holds fixed charge security over the assets of Ecommerce, with the charges registered at Companies House on 27 May 2015 and relating to further advances.



At the time of our appointment they were owed £46.8 million (including balances cross guaranteed in respect of other group companies but excluding non-cross guaranteed debt in the wider HMV group). There were cross guarantees in place across the Group which means that this amount is owed by both Companies.

Both Goodmans and HUK 40 Limited are financing vehicles originating from the 2013 transaction and further advances. Per their accounts, they are beneficially owned by Hilco Trading LLC in the USA.

The Companies had also granted a fixed charge to PNC. As referred to above, we have confirmed that no monies were outstanding to PNC at the time of our appointment.

We engaged Addleshaw Goddard, a firm of independent lawyers, who had no previous involvement with the Companies, to review the security held over the Companies, which they have since confirmed is valid.

To date we have made distributions of £17 million from the Retail administration estate to the Security Trustee for the first ranking charge-holder, with £5 million of this being paid after the period covered by these Proposals. Whilst further distributions will be made we do not expect secured creditors to be repaid in full and are forecast to suffer a shortfall of c.£25 million based on secured debt of £46.8 million.

## **5.2 Preferential creditors**

Claims from employees in respect of (1) arrears of wages up to a maximum of £800 per employee, (2) unlimited accrued holiday pay and (3) certain pension benefits, rank preferentially.

The amount of preferential claims for Retail is currently estimated at c.£175,000. Preferential claims for Ecommerce are expected to be negligible.

Based on current estimates, we anticipate that preferential creditors for both Retail and Ecommerce should receive a dividend of 100p in the £. The timing and amount of any distribution are dependent upon the realisations and associated costs of the administration.

## **5.3 Unsecured creditors**

Based on current estimates, we anticipate that unsecured creditors of both Retail and Ecommerce should receive a dividend. We have yet to determine the amount of this, but we will do so when we have completed the realisation of assets and the payment of associated costs.

# **6 Ending the administrations**

## **6.1 Exit route from administrations**

We consider it prudent to retain all of the options available to us, as listed in Section 9 to bring the administrations to a conclusion in due course.

However, at this stage we anticipate that the most likely exit route for each of the Companies will be either dissolution or compulsory liquidation.

## **6.2 Discharge from liability**

For each Company we will seek approval from the secured and preferential creditors that we will be discharged from liability in respect of any action as Joint Administrators upon the filing of our final receipts and payments account with the Registrar of Companies.

Discharge does not prevent the exercise of the Court's power in relation to any misfeasance action against us.

# **7 Approval of proposals**

## **7.1 Deemed approval of proposals**

The Administrators' proposals for each Company will be deemed approved, with no requirement to seek deemed consent or use a decision procedure, as it appears that the Companies have insufficient property to enable us to make a distribution to the unsecured creditors, other than by virtue of the Prescribed Part, as detailed in Appendix 1.

On expiry of eight business days from the date our proposals were delivered to the creditors, they will be deemed to have been approved by the creditors unless 10% in value of creditors request that a decision procedure is convened. Further details of the steps to convene a procedure are detailed below.

## **7.2 Creditors' right to request a decision**

We will use a decision making procedure or deemed consent to seek approval of our proposals (1) if asked to do so by creditors whose debts amount to at least 10% of the total debts of each company, and (2) if the procedures set out below are followed.

Requests for a decision must be made within eight business days of the date on which our proposals were delivered. They must include:

- a statement of the requesting creditor claim;
- a list of the creditors concurring with the request, showing the amounts of their respective debts in the administration;
- written confirmation of their concurrence from each concurring creditor; and
- a statement of the purpose of the proposed meeting;

In addition, the expenses of the decision procedure at the request of a creditor must be paid by that creditor. That creditor is required to deposit security for such expenses with us.

If you wish to request a decision, please complete and return the decision requisition form available at both [www.kpmg.co.uk/hmv-retail](http://www.kpmg.co.uk/hmv-retail) and [www.kpmg.co.uk/hmv-ecommerce](http://www.kpmg.co.uk/hmv-ecommerce).

## 8 Joint Administrators' remuneration, disbursements and pre-administration costs

### 8.1 Approval of the basis of remuneration and disbursements

For each Company, we propose to seek approval from the secured and preferential creditors that:

- our remuneration will be drawn on the basis of time properly given by us and the various grades of our staff in accordance with the fees estimate provided in Appendix 3 and the charge-out rates included in Appendix 5;
- disbursements for services provided by KPMG (defined as Category 2 disbursements in Statement of Insolvency Practice 9) will be charged in accordance with KPMG's policy as set out in Appendix 5.

Agreement to the basis of our remuneration and the drawing of Category 2 disbursements is subject to specific approval. It is not part of our proposals.

Should the circumstances of either administration change, we reserve the right to revert to the unsecured creditors in order to seek approval for the basis of remuneration and the drawing of Category 2 disbursements.

#### Time costs

##### *Retail*

From the date of our appointment to 8 February 2019, we have incurred time costs of £1.4 million. These represent 3,373 hours at an average rate of £408 per hour.

##### *Ecommerce*

From the date of our appointment to 8 February 2019, we have incurred time costs of £49,940. These represent 127 hours at an average rate of £395 per hour.

#### Disbursements

##### *Retail*

We have incurred disbursements of £11,971 during the period. None of these have yet been paid.

##### *Ecommerce*

We have incurred disbursements of £2,984 during the period. None of these have yet been paid.

#### Additional information

We have attached (Appendix 5) an analysis of the time spent, the charge-out rates for each grade of staff and the disbursements paid directly by KPMG for the period from our

appointment to 8 February 2019 for each Company. We have also attached our charging and disbursements recovery policy.

## 8.2 Pre-administration costs

The following pre-administration costs have been incurred in relation to the pre-administration work detailed in Section 3.4:

Pre-administration costs						
	Retail			Ecommerce		
	Paid (£)	Unpaid (£)	Total (£)	Paid (£)	Unpaid (£)	Total (£)
KPMG fees	0	28,320	<b>28,320</b>	0	0	<b>0</b>
Addleshaw Goddard	0	22,712	<b>22,712</b>	0	6,200	<b>6,200</b>
<b>Total</b>	<b>0</b>	<b>51,032</b>	<b>51,032</b>	<b>0</b>	<b>6,200</b>	<b>6,200</b>

The payment of unpaid pre-administration costs as an expense of the administrations is subject to the same approval as our remuneration, as outlined above. It is not part of our proposals.

## 9 Summary of proposals

### *Retail*

The trading receipts and sale of the business and assets of Retail to Sunrise achieved the purpose set out in Paragraph 3(1)(b).

Given that a sale of most of the business and assets of Retail was completed rather than a sale of the shares, we believe that rescuing Retail in accordance with Paragraph 3(1)(a) is no longer achievable.

Therefore our primary objective is to continue to seek to achieve a better result for Retail's creditors as a whole than would be likely if Retail were wound up, in accordance with Paragraph 3(1)(b).

In addition to the specific itemised proposals below, this document in its entirety constitutes our proposals.

We propose the following:

### General matters

- to continue to do everything that is reasonable, and to use all our powers appropriately, in order to maximise realisations from the assets of Retail in accordance with the objective as set out above;
- to investigate and, if appropriate, to pursue any claims Retail may have;
- to seek an extension to the administration period if we consider it necessary.

### Distributions

- to make distributions to the secured and preferential creditors where funds allow;
- to make distributions to the unsecured creditors if funds become available, and to apply to the Court for authority to do so, where applicable.

### Ending the administration

We might use any or a combination of the following exit route strategies in order to bring the administration to an end:

- apply to Court for the administration order to cease to have effect from a specified time and for control of Retail to be returned to the directors;
- place Retail into creditors' voluntary liquidation. In these circumstances we propose that we, Neil Gostelow, David Pike and Will Wright, be appointed as Joint Liquidators of Retail without any further recourse to creditors. If appointed Joint Liquidators, any action required or authorised under any enactment to be taken by us may be taken by us individually or together. The creditors may nominate different persons as the proposed Joint Liquidators, provided the nomination is received before these proposals are approved;
- petition the Court for a winding-up order placing Retail into compulsory liquidation and to consider, if deemed appropriate, appointing us, Neil Gostelow, David Pike and Will Wright, as Joint Liquidators of Retail without further recourse to creditors. Any action required or authorised under any enactment to be taken by us as Joint Liquidators may be taken by us individually or together;
- file notice of move from administration to dissolution with the Registrar of Companies if we consider that liquidation is not appropriate because (1) no dividend will become available to creditors, and (2) there are no other outstanding matters that require to be dealt with in liquidation. Retail will be dissolved three months after the registering of the notice with the Registrar of Companies.

Alternatively, we may allow the administration to end automatically.

### Joint Administrators' remuneration and pre-administration costs

We propose that:

- our remuneration will be drawn on the basis of time properly given by us and the various grades of our staff in accordance with the fees estimate provided in Appendix 3 and the charge-out rates included in Appendix 5.;
- disbursements for services provided by KPMG (defined as Category 2 disbursements in Statement of Insolvency Practice 9) will be charged in accordance with KPMG's policy as set out in Appendix 5;
- unpaid pre-administration costs be an expense of the administration.

### Ecommerce

The trading receipts and sale of the business of Ecommerce to Sunrise achieved the purpose set out in Paragraph 3(1)(b).

Given that a sale of most of the business and assets of Ecommerce was completed rather than a sale of the shares, we believe that rescuing Ecommerce in accordance with Paragraph 3(1)(a) is not achievable.

Therefore our primary objective is to achieve a better result for Ecommerce's creditors as a whole than would be likely if Retail were wound up, in accordance with Paragraph 3(1)(b).

In addition to the specific itemised proposals below, this document in its entirety constitutes our proposals.

We propose the following:

#### General matters

- to continue to do everything that is reasonable, and to use all our powers appropriately, in order to maximise realisations from the assets of Ecommerce in accordance with the objective as set out above;
- to investigate and, if appropriate, to pursue any claims Ecommerce may have;
- to seek an extension to the administration period if we consider it necessary.

#### Distributions

- to make distributions to the secured and preferential creditors where funds allow;
- to make distributions to the unsecured creditors if funds become available, and to apply to the Court for authority to do so, where applicable.

#### Ending the administration

We might use any or a combination of the following exit route strategies in order to bring the administration to an end:

- apply to Court for the administration order to cease to have effect from a specified time and for control of Ecommerce to be returned to the directors;
- place Ecommerce into creditors' voluntary liquidation. In these circumstances we propose that we, Neil Gostelow, David Pike and Will Wright, be appointed as Joint Liquidators of Ecommerce without any further recourse to creditors. If appointed Joint Liquidators, any action required or authorised under any enactment to be taken by us may be taken by us individually or together. The creditors may nominate different persons as the proposed Joint Liquidators, provided the nomination is received before these proposals are approved;
- petition the Court for a winding-up order placing Ecommerce into compulsory liquidation and to consider, if deemed appropriate, appointing us, Neil Gostelow, David Pike and Will Wright, as Joint Liquidators of Ecommerce without further recourse to creditors. Any action required or authorised under any enactment to be taken by us as Joint Liquidators may be taken by us individually or together;
- file notice of move from administration to dissolution with the Registrar of Companies if we consider that liquidation is not appropriate because (1) no dividend will become available to creditors, and (2) there are no other outstanding matters that require to be dealt with in liquidation. Ecommerce will be dissolved three months after the registering of the notice with the Registrar of Companies.

Alternatively, we may allow the administration to end automatically.

## Joint Administrators' remuneration and pre-administration costs

We propose that:

- our remuneration will be drawn on the basis of time properly given by us and the various grades of our staff in accordance with the fees estimate provided in Appendix 3 and the charge-out rates included in Appendix 5.;
- disbursements for services provided by KPMG (defined as Category 2 disbursements in Statement of Insolvency Practice 9) will be charged in accordance with KPMG's policy as set out in Appendix 5;
- unpaid pre-administration costs be an expense of the administration.

## Appendix 1 Statutory information for each company

### Retail

Company information	
Company and Trading name	HMV Retail Limited
Date of incorporation	29 January 2013
Company registration number	08380689
Trading address	80 New Bond Street, London, W1S 1SB
Previous registered office	80 New Bond Street, London, W1S 1SB
Present registered office	15 Canada Square, Canary Wharf, London, E14 5GL
Company Directors	Neil Alan Taylor Sally Wood Henry William Foster (a director of Hilco Capital Limited) Paul Patrick McGowan (a director of Hilco Capital Limited)
Company Secretary	Inca Lockhart-Ross (an employee of Hilco Capital Limited)

Administration information	
Administration appointment	The administration appointment granted in High Court of Justice, 011094 of 2018
Appointor	Directors
Date of appointment	28 December 2018
Joint Administrators	Neil Gostelow, David Pike and Will Wright
Purpose of the administration	Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up.
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2).
Current administration expiry date	27 December 2019
Prescribed Part	The Prescribed Part is applicable on this case.  It has been taken into account when determining the dividend prospects for unsecured creditors (Section 5.3).
Estimated values of the Net Property and Prescribed Part	Estimated Net Property is c.£19 million. The Prescribed Part is capped at the statutory maximum of £600,000.
Prescribed Part distribution	The Joint Administrators do not intend to apply to Court to obtain an order that the Prescribed Part shall not apply. Accordingly, the Joint Administrators intend to make a distribution to the unsecured creditors.
Application of EC Regulations	EC Regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC Regulations.



## Ecommerce

### Company information

Company and Trading name	HMV Ecommerce Limited
Date of incorporation	20 November 2014
Company registration number	09321397
Trading address	80 New Bond Street, London, W1S 1SB
Previous registered office	80 New Bond Street, London, W1S 1SB
Present registered office	KPMG LLP, 15 Canada Square, Canary Wharf, London, Greater London, E14 5GL
Company Directors	Neil Alan Taylor Sally Wood Henry William Foster (a director of Hilco Capital Limited) Paul Patrick McGowan (a director of Hilco Capital Limited)
Company Secretary	Inca Lockhart-Ross (an employee of Hilco Capital Limited)

### Administration information

Administration appointment	The administration appointment granted in High Court of Justice, 011102 of 2018
Appointor	Directors
Date of appointment	28 December 2018
Joint Administrators	Neil Gostelow, David Pike and Will Wright
Purpose of the administration	Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up.
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2).
Current administration expiry date	27 December 2019
Prescribed Part	The Prescribed Part is applicable on this case.  It has been taken into account when determining the dividend prospects for unsecured creditors (Section 5.3).
Estimated values of the Net Property and Prescribed Part	Estimated Net Property is c.£10,000. Estimated Prescribed Part is c.£6,000.
Prescribed Part distribution	The Joint Administrators do not intend to apply to Court to obtain an order that the Prescribed Part shall not apply. Accordingly, the Joint Administrators intend to make a distribution to the unsecured creditors.
Application of EC Regulations	EC Regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC Regulations.

## Appendix 2      Joint Administrators' receipts and payments accounts for each company

### **Retail**

<b>HMV Retail Limited - in Administration</b>		
<b>Trading accounts</b>		
Statement of Affairs (P)	From 26/12/2018 To 08/02/2019 (P)	From 26/12/2018 To 08/02/2019 (P)
<b>POST-APPOINTMENT SALES</b>		
Cash float from stores	222,045.85	222,045.85
Gross Credit Card Receipts	13,735,075.89	13,735,075.89
Gross Cash Receipts	8,780,157.27	8,780,157.27
Gross Sales Receipts for Ecommerce	20,938.23	20,938.23
	<u>22,758,217.24</u>	<u>22,758,217.24</u>
<b>PURCHASES</b>		
Purchases	(48,088.38)	(48,088.38)
Purchases of consignment stock	(2,190,514.61)	(2,190,514.61)
Purchases of non-consignment stock	(205,169.49)	(205,169.49)
Cash Float to Stores	(259,995.00)	(259,995.00)
	<u>(2,703,767.48)</u>	<u>(2,703,767.48)</u>
<b>OTHER DIRECT COSTS</b>		
Direct labour	(2,754,856.28)	(2,754,856.28)
Pre-appointment wages & salaries	(468,390.94)	(468,390.94)
	<u>(3,223,247.22)</u>	<u>(3,223,247.22)</u>
<b>TRADING EXPENSES</b>		
Sub-contractors	(32,378.63)	(32,378.63)
Rent	(110,965.00)	(110,965.00)
Heat & light	(2,056.28)	(2,056.28)
Worldpay Fees	(65,000.00)	(65,000.00)
Repairs and maintenance	(101,255.24)	(101,255.24)
IT supplies	(95,099.22)	(95,099.22)
Vehicle running costs	(400.30)	(400.30)
Marketing & advertising	(22,759.74)	(22,759.74)
Ransom payments	(118,840.29)	(118,840.29)
	<u>(548,754.70)</u>	<u>(548,754.70)</u>
<b>Trading surplus/(deficit)</b>	<b>16,282,447.84</b>	<b>16,282,447.84</b>

# HMV Retail Limited - in Administration

## Abstract of receipts & payments

Statement made as at

14/01/2019

10/03/2019

14/01/2019

10/03/2019

FIXED CHARGE CREDITORS			
(46,831,817.00)	Fixed charge creditor	NIL	NIL
		NIL	NIL
ASSET REALISATIONS			
2,520,952.35	Shop fitting, fixtures, fittings, furniture	NIL	NIL
12,661,468.23	Debtors	324,395.73	324,395.73
	Cash in blocked account	5,797,273.61	5,797,273.61
	Sunrise gross sales receipts	548,163.62	548,163.62
	Sunrise Ecomm gross sales receipts	89.09	89.09
	Cash advance by secured lender	11,342,174.87	11,342,174.87
240,443.62	Cash at bank	220,986.19	220,986.19
4,186,980.64	Cash In Transit	5,769,881.38	5,769,881.38
	Insurance refund	1,227.55	1,227.55
	Cash at Bank for Ecommerce	3,679.27	3,679.27
		24,007,871.31	24,007,871.31
OTHER REALISATIONS			
	Bank interest, gross	13,407.15	13,407.15
	Rates refunds	18,065.89	18,065.89
	Sundry refunds	9,391.34	9,391.34
	Trading surplus/(deficit)	16,282,447.84	16,282,447.84
392,955.76	Computer hardware and software	NIL	NIL
3,722,188.38	Inventory	NIL	NIL
601,506.48	Tills and safes	NIL	NIL
5,531,670.95	Cash in charged blocked accounts	NIL	NIL
		16,323,312.22	16,323,312.22
COST OF REALISATIONS			
	Statutory advertising	(71.00)	(71.00)
	Bank charges	(832.50)	(832.50)
		(903.50)	(903.50)
PREFERENTIAL CREDITORS			
(1,259,536.34)	Employees' wage arrears	NIL	NIL
		NIL	NIL
FLOATING CHARGE CREDITORS			
	Distribution to floating charge creditor	(12,000,000.00)	(12,000,000.00)

# HMV Retail Limited - in Administration

## Abstract of receipts & payments

Statement of affairs (€)		From 28/12/2016 To 08/07/2019 (€)	From 28/12/2016 To 08/07/2019 (€)
		(12,000,000.00)	(12,000,000.00)
UNSECURED CREDITORS			
(49,113,380.53)	Trade & expense	NIL	NIL
(9,489,649.69)	Employees	NIL	NIL
(4,172,065.85)	Intercompany creditors	NIL	NIL
(2,436,665.07)	Pre-paid consumer creditors	NIL	NIL
		NIL	NIL
DISTRIBUTIONS			
(1.00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
<b>(83,444,949.07)</b>		<b>28,330,280.03</b>	<b>28,330,280.03</b>
REPRESENTED BY			
	Floating ch. VAT rec'able		528,592.62
	Floating charge current		27,791,263.15
	Floating ch. VAT payable		13,000.00
			<b>28,332,855.77</b>

## Ecommerce

HMV Ecommerce Limited - in Administration			
Trading accounts			
Statement of financial position		From 28.10.2018 To 28.01.2019 (P)	From 28.10.2018 To 28.01.2019 (P)
POST-APPOINTMENT SALES			
	Gross Credit Card Receipts	852,985.44	852,985.44
		<u>852,985.44</u>	<u>852,985.44</u>
OTHER DIRECT COSTS			
	Direct labour	(7,267.53)	(7,267.53)
		<u>(7,267.53)</u>	<u>(7,267.53)</u>
TRADING EXPENSES			
	Freight and carriage	(22,078.46)	(22,078.46)
	Worldpay Fees	(44,641.64)	(44,641.64)
	IT Supplies	(34,620.25)	(34,620.25)
	Ransom payments	(4,500.00)	(4,500.00)
		<u>(105,840.35)</u>	<u>(105,840.35)</u>
	<b>Trading surplus/(deficit)</b>	<b>739,877.56</b>	<b>739,877.56</b>
HMV Ecommerce Limited - in Administration			
Abstract of receipts & payments			
Statement of financial position		From 28.10.2018 To 28.01.2019 (P)	From 28.10.2018 To 28.01.2019 (P)
FIXED CHARGE CREDITORS			
(24,901,752.00)	Fixed charge creditor	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
ASSET REALISATIONS			
15,374.09	Furniture & equipment	NIL	NIL
132,261.14	Computer hardware and software	NIL	NIL
4,143.71	Cash at bank	2,098.39	2,098.39
100,175.56	Cash in charged blocked accounts	NIL	NIL
59,234.60	Cash in transit	NIL	NIL
		<u>2,098.39</u>	<u>2,098.39</u>
OTHER REALISATIONS			
	Bank interest, gross	160.34	160.34
	Trading surplus/(deficit)	739,877.56	739,877.56
		<u>740,037.90</u>	<u>740,037.90</u>

# HMV Ecommerce Limited - in Administration

## Abstract of receipts & payments

Statement of affairs (£)		From 26/12/2016 To 08/02/2019 (£)	From 26/12/2016 To 08/02/2019 (£)
COST OF REALISATIONS			
	Statutory advertising	(71.00)	(71.00)
	Bank charges	(40.00)	(40.00)
		<u>(111.00)</u>	<u>(111.00)</u>
PREFERENTIAL CREDITORS			
(1,108.73)	Employees' wage arrears	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
UNSECURED CREDITORS			
(2,037,749.93)	Trade & expense	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
DISTRIBUTIONS			
(1.00)	Ordinary shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(26,629,422.56)</u>		<u>742,025.29</u>	<u>742,025.29</u>
REPRESENTED BY			
	Floating ch. VAT rec'able		21,208.54
	Floating charge current		720,816.75
			<u>742,025.29</u>

## Appendix 3 Joint Administrators' fees estimates for each company

### Retail

Estimated time costs for the engagement				
	Narrative	Estimated total hours	Estimated time cost (£)	Estimated average hourly rate (£)
<b>Administration &amp; Planning</b>				
<b>Cashiering</b> - processing receipts, payments and bank reconciliations	Note 1	397.97	114,298.05	287.20
<b>General</b> - books & records, fees & work in progress	Note 2	284.30	98,235.50	345.53
<b>Statutory and compliance</b> - appointment & related formalities, bonding, checklist & reviews, reports to secured creditors, advertising, strategy	Note 3	449.34	158,841.00	353.50
<b>Tax</b> - VAT & Corporation tax, initial reviews, pre and post appointment tax	Note 4	140.80	62,759.00	445.73
<b>Creditors</b>				
<b>Creditors and claims</b> - general correspondence, notification of appointment, statutory reports	Note 5	932.67	306,326.25	328.44
<b>Employees</b> - correspondence	Note 6	197.75	65,451.50	330.98
<b>Investigations</b>				
<b>Directors</b> - correspondence, statement of affairs, questionnaires	Note 7	68.86	22,924.50	332.91
<b>Investigations</b> - director conduct and affairs of the Company	Note 8	138.00	47,035.00	340.83
<b>Realisation of Assets</b>				
<b>Asset Realisation</b> - including insurance of assets	Note 9	1,337.83	590,965.25	441.73
<b>Trading</b>				
<b>Trading</b> - purchases, sales, cash projections	Note 10	2,314.08	932,122.75	402.80
<b>Total</b>		<b>6,261.67</b>	<b>2,398,958.80</b>	<b>383.12</b>

Below is further detail of the work to be undertaken for this engagement:

#### Note 1

Cashiering costs will include processing of receipts and payments for Retail, performing bank reconciliations, day to day administration of the bank account and processing a large number of transactions in the first few months of the administration, including managing all sales receipts during the trading period and payment of stock and non-stock suppliers. There will also be an amount of reconciliation work to be done as part of the transitional matters with Sunrise.

#### Note 2

General time costs include matters such as securing Retail's books and records, and maintaining files.

#### Note 3

Statutory and compliance work will include notifying the Registrar of Companies and other relevant parties of our appointment, arranging bonding and ensuring compliance with all statutory obligations such as reporting to secured creditors.

**Note 4**

VAT and Tax specialists from within KPMG will review Retail's tax and VAT affairs. We will submit post-administration tax and VAT returns as required.

**Note 5**

This relates to time spent dealing with and agreeing creditor claims, as well as general *communications with creditors, both secured and unsecured, as well as statutory reports to the entire creditor body.*

**Note 6**

Employee costs will involve consultation during the trading period and overseeing the payroll process. It will also include notifying employees of our appointment and communicating with them at the point of sale of business, as well as helping employees with their claim forms and dealing with any subsequent queries.

**Note 7**

Our anticipated work will involve correspondence with the directors regarding their statutory duties, requesting the completion of the Statement of Affairs and directors' questionnaires.

**Note 8**

This work will involve reviewing Retail's affairs, directorship searches, compliance with our *statutory duties and submitting director reports and other relevant reports to the Secretary of State.* We will also be investigating any transactions or disposals made in the lead up to and/or immediately prior to our appointment.

**Note 9**

This primarily includes costs relating to the sale of business process. It will also include collection of book debts and the realisation of cash balances from banks and merchant acquirers.

**Note 10**

As detailed in our report, on appointment it was decided to trade the business to seek a sale of the business and assets. Costs relate to both the trading period and the post-trading period, where payments to stock and non-stock suppliers are being reconciled and paid.

**In the event that additional work is necessary due to a change in the circumstances of the administration we may need to increase our fees estimate and request approval to draw additional remuneration.**



## Ecommerce

Estimated time costs for the engagement				
	Narrative	Estimated total hours	Estimated time cost (£)	Estimated average hourly rate (£)
<b>Administration &amp; Planning</b>				
<b>Cashiering</b> - processing receipts, payments and bank reconciliations	Note 1	27.40	7,354.00	268.39
<b>General</b> - books & records, fees & work in progress	Note 2	17.50	4,920.00	281.14
<b>Statutory and compliance</b> - appointment & related formalities, bonding, checklist & reviews, reports to secured creditors, advertising, strategy	Note 3	113.40	37,732.00	332.73
<b>Tax</b> - VAT & Corporation tax, initial reviews, pre and post appointment tax	Note 4	27.80	10,918.00	392.73
<b>Creditors</b>				
<b>Creditors and claims</b> - general correspondence, notification of appointment, statutory reports	Note 5	43.60	15,686.50	359.78
<b>Employees</b> - correspondence	Note 6	10.10	3,037.50	300.74
<b>Investigations</b>				
<b>Directors</b> - correspondence, statement of affairs, questionnaires	Note 7	6.80	1,938.00	285.00
<b>Investigations</b> - director conduct and affairs of the Company	Note 8	15.10	4,978.50	329.70
<b>Realisation of Assets</b>				
<b>Asset Realisation</b> - including insurance of assets	Note 9	73.30	28,248.50	385.38
<b>Trading</b>				
<b>Trading</b> - purchases, sales, cash projections	Note 10	28.85	11,351.75	393.47
<b>Total</b>		<b>363.85</b>	<b>126,164.75</b>	<b>346.75</b>

Below is further detail of the work to be undertaken for this engagement:

### Note 1

Cashiering costs will include processing of receipts and payments for Ecommerce, performing bank reconciliations, day to day administration of the bank account.

### Note 2

General time costs include matters such as securing Ecommerce's books and records, and maintaining files.

### Note 3

Statutory and compliance work will include notifying the Registrar of Companies and other relevant parties of our appointment, arranging bonding and ensuring compliance with all statutory obligations such as reporting to secured creditors.

### Note 4

VAT and Tax specialists from within KPMG will review Ecommerce's tax and VAT affairs. We will submit post-administration tax and VAT returns as required.

**Note 5**

This relates to time spent dealing with and agreeing creditor claims, as well as general communications with creditors, both secured and unsecured, as well as statutory reports to the entire creditor body.

**Note 6**

Employee costs will involve consultation during the trading period and overseeing the payroll process. It will also include notifying employees of our appointment and communicating with them at the point of sale of business, as well as helping employees with their claim forms and dealing with any subsequent queries.

**Note 7**

Our anticipated work will involve correspondence with the directors regarding their statutory duties, requesting the completion of the Statement of Affairs and directors' questionnaires.

**Note 8**

This work will involve reviewing Ecommerce's affairs, directorship searches, compliance with our statutory duties and submitting director reports and other relevant reports to the Secretary of State. We will also be investigating any transactions or disposals made in the lead up to and/or immediately prior to our appointment.

**Note 9**

This primarily includes costs relating to the sale of business process. It will also include collection of any book debts due and the realisation of cash balances from banks and merchant acquirers.

**Note 10**

As detailed in our report, on appointment it was decided to trade the business to seek a sale of the business and assets. Costs relate to both the trading period and the post-trading period, which will primarily involve reconciling the trading position with Retail.

**In the event that additional work is necessary due to a change in the circumstances of the administration we may need to increase our fees estimate and request approval to draw additional remuneration.**

## Appendix 4 Joint Administrators' expenses estimate for each company

### **Retail**

Summary of Expenses from appointment				
Expense Category	Notes	Paid to date	Estimated future costs	Total estimated costs
Cost of Goods Sold	1	2,443,772	4,533,654	6,977,426
Employees	2	3,223,247	1,079,438	4,303,494
Rents & Service Charge	3	110,965	3,033,914	3,144,879
Rates & Utilities	4	2,056	1,705,185	1,707,241
Logistics & Maintenance	5	101,255	187,496	303,673
IT and Telecoms	6	95,099	119,882	206,305
Marketing	7	22,760	61,577	85,475
Insurance	8	-	28,500	28,500
Other Costs	9	97,779	100,837	597,779
Ransom Payments and Cash Floats	10	378,835	-	378,835
Legal and Agent's Fees	11	-	1,050,000	1,050,000
Pre-appointment administrators' costs	12	-	28,230	28,230
Pre-appointment legal costs	12	-	22,712	22,712
<b>Total</b>		<b>6,475,768</b>	<b>11,951,425</b>	<b>18,427,193</b>

Below is further detail of the expected costs for this engagement:

#### **Note 1 – Cost of Goods Sold**

Sales made by Retail during the administration relate to goods purchased from a multitude of audio, visual, technology, games and merchandise suppliers. Costs are also being paid out for stock sold on the Ecommerce platform, and this will be reconciled with Ecommerce in due course.

#### **Note 2 – Employees**

Employee costs represents the gross payroll costs (i.e. salary, employer's taxes and pension contributions) in relation to staff retained during the administration. Included within this figure are amounts paid to temporary and agency staff who worked over the Christmas period.

#### **Note 3 – Rent and Service Charge**

Retail's 129 stores, 2 offices and 2 distribution centres were all leasehold. These costs comprise our estimates of what will be required to be paid to landlords for rent and service charge for the period the properties were occupied for the benefit of the administration.

**Note 4 – Rates and Utilities**

This represents our estimate of rates, utilities and other non-rental property costs for the period of beneficial occupation in the administration.

**Note 5 – Logistics & Maintenance**

Our estimated logistics costs include the cost of shipping goods from warehouses to stores as well as between stores during the trading period. Maintenance costs relating to stores, including cleaning, ensuring safe access and secure working environments for staff throughout the business in compliance with health and safety regulations.

**Note 6 – IT and Telecoms**

This comprises of software and hardware costs of keeping Retail's systems running during the administration period. This includes till machines in stores, finance systems and inventory tracking systems.

**Note 7 – Marketing**

The costs of marketing and advertising mainly related to in-store displays to ensure information provided to customers correlated with stock available and EPOS systems.

**Note 8 – Insurance**

Our estimated insurance costs include the costs of obtaining public liability insurance, employers' insurance and general asset insurance etc. during the administration.

**Note 9 – Other Costs**

*Other costs incurred during the administration primarily comprise fees paid or estimated to be paid to Worldpay for merchant acquirer services. They also include costs paid to subcontractors hired to assist with maintenance and property issues as well as the costs of consumables such as till rolls, shopping bags and other packaging items for use in the distribution centres.*

**Note 10 – Ransom Payments & Cash Floats**

During the administration period over £200,000 worth of cash was circulated to stores to be used as till floats. Cash floats were accounted for at the point of sale of business as part of the consideration. Ransom payments were made to ensure continuity of supply and enable the business to continue trading.

**Note 11 – Legal and Agent's Fees**

Professional costs are made up of legal fees and agent's fees. Legal fees comprise the costs estimated to be incurred by our lawyers, Addleshaw Goddard and Howard Kennedy, on a number of matters including: agreements with suppliers, proposals to landlords, assistance with contingency planning in the event of store closures and assistance with the sale of business (drafting of sale agreement). Agent's fees represent costs of valuations undertaken, use of retail agents for store closures, and use of agents for coordinating payments of rent and utilities.

**Note 12 – Pre-appointment costs**

Please refer to Section 3.4.

## Ecommerce

Summary of Expenses from appointment				
Expense Category	Notes	Paid to date	Estimated future costs	Total estimated costs
Cost of Goods Sold	1	-	593,496	593,496
Employees	2	7,268	3,516	10,784
Logistics	3	22,078	81,642	103,720
IT and Telecoms	4	34,620	19,125	53,745
Marketing	5	-	4,439	4,439
Insurance	6	-	3,167	3,167
Other Costs	7	44,642	5,358	50,000
Ransom Payments	8	4,500	-	4,500
Legal Fees	9	-	50,000	50,000
Pre-appointment costs	10	-	6,200	6,200
<b>Total</b>		<b>113,108</b>	<b>766,943</b>	<b>880,051</b>

Below is further detail of the expected costs for this engagement:

### Note 1 – Cost of Goods Sold

Sales made by Ecommerce during the administration relate to goods purchased from a multitude of audio, visual, technology, games and merchandise suppliers. These have currently been paid out by Retail and a reconciliation will be made in due course.

### Note 2 – Employees

Employee costs represents the gross payroll costs (i.e. salary, employer's taxes and pension contributions) in relation to staff retained during the administration.

### Note 3 – Logistics

Our estimated logistics costs primarily comprise of costs for shipping goods to customers making purchases through Ecommerce's online portal.

### Note 4 – IT and Telecoms

These comprise of software and hardware related costs of keeping Ecommerce's systems and website running during the administration trading period.

### Note 5 – Marketing

Costs mainly compromise fees to advertising agencies to ensure on line traffic continued to be directed towards Ecommerce's website throughout the administration period.

### Note 6 – Insurance

Our estimated insurance costs include the costs of obtaining public liability insurance, employers' insurance and general asset insurance etc. during the administration.

**Note 7 – Other Costs**

Other costs incurred during the administration primarily comprise fees paid and estimated to be paid to Worldpay for merchant acquirer services for the online platform.

**Note 8 – Ransom payments**

Ransom payments were predominantly made to security and facility companies to ensure continuity of supply and enable the business to continue trading.

**Note 9 – Legal Fees**

Legal fees comprise the costs estimated to have been incurred by our lawyers, Addleshaw Goddard and Howard Kennedy, on a number of matters including agreements with suppliers and sale of business.

**Note 10 – Pre-appointment costs**

Please refer to section 3.4.

## Appendix 5 Joint Administrators' charging and disbursements policies

### *Joint Administrators' charging policy*

The time charged to each of the administrations is by reference to the time properly given by us and our staff in attending to matters arising in the respective administration. This includes work undertaken in respect of tax, VAT, employee and pensions advice from KPMG in-house specialists.

Our policy is to delegate tasks in the administrations to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

A copy of "A Creditors' Guide to Joint Administrators Fees" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available at:

<https://www.r3.org.uk/what-we-do/publications/professional/fees/administrators-fees>

If you are unable to access this guide and would like a copy, please contact us c/o 15 Canada Square, London, E14 5GL or by email at [hmvuk@kpmg.co.uk](mailto:hmvuk@kpmg.co.uk).

### *Hourly rates*

Set out below are the relevant hourly charge-out rates for the grades of our staff actually or likely to be involved on each administration. Time is charged by reference to actual work carried out on the respective administration, using a minimum time unit of six minutes.

All staff who have worked on the administrations, including cashiers and secretarial staff, have charged time directly to the administrations and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the administrations but is reflected in the general level of charge-out rates.

Charge-out rates (£) for Restructuring:		
Grade	From 01 Nov 2016 to 31 Dec 2016	From 01 Jan 2017 to 31 Dec 2017
Partner	625	655
Director	560	590
Senior Manager	510	535
Manager	425	445
Senior Administrator	295	310
Administrator	215	225
Support	131	140

The charge-out rates used by us might periodically rise (for example to cover annual inflationary cost increases) over the period of the administrations. In our next statutory report, we will inform creditors of any material amendments to these rates.

#### Policy for the recovery of disbursements

Where funds permit the officeholders will seek to recover both Category 1 and Category 2 disbursements from the estate. For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

**Category 1 disbursements:** These are costs where there is specific expenditure directly referable to both the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

**Category 2 disbursements:** These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Category 2 disbursements charged by KPMG Restructuring include mileage. This is calculated as follows:

Mileage claims fall into three categories:

- Use of privately-owned vehicle or car cash alternative – 45p per mile.
- Use of company car – 60p per mile.
- Use of partner's car – 60p per mile.

For all of the above car types, when carrying KPMG passengers an additional 5p per mile per passenger will also be charged where appropriate.

We have incurred the following disbursements during the period 28 December 2018 to 8 February 2019.

#### Retail

SIP 9 - Disbursements				
Disbursements	Category 1		Category 2	
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)
Courier & delivery costs		133.50	NIL	
Meals		800.97	NIL	
Mileage		NIL	58.29	
Printing		2,406.39	NIL	
Postage		4,844.80	NIL	
Land Registry search		11.00	NIL	
Stationery		141.96	NIL	
Sundry		1,364.00	NIL	
				<b>Totals (£)</b>
				<b>133.50</b>
				<b>800.97</b>
				<b>58.29</b>
				<b>2,406.39</b>
				<b>4,844.80</b>
				<b>11.00</b>
				<b>141.96</b>
				<b>1,364.00</b>



SIP 9 - Disbursements				
Disbursements	Category 1		Category 2	
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)
Telecommunications		213.32	NIL	
Travel		1,996.88	NIL	
<b>Total</b>		<b>11,912.82</b>	<b>58.29</b>	<b>11,971.11</b>

### Ecommerce

SIP 9 - Disbursements				
Disbursements	Category 1		Category 2	
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)
Courier & delivery costs		10.92	NIL	
Printing		950.46	NIL	
Postage		2,012.50	NIL	
Land Registry search		11.00	NIL	
<b>Total</b>		<b>2,984.88</b>	<b>NIL</b>	<b>2,984.88</b>

We have the authority to pay Category 1 disbursements without the need for any prior approval from the creditors of the Companies.

Category 2 disbursements are to be approved in the same manner as our remuneration.

Narrative of work carried out for the period 28 December 2018 to 8 February 2019

The key areas of work for the Companies have been:

Statutory and compliance	<ul style="list-style-type: none"> <li>■ collating initial information to enable us to carry out our statutory duties, including creditor information, details of assets and information relating to the licences;</li> <li>■ providing initial statutory notifications of our appointment to the Registrar of Companies, creditors and other stakeholders, and advertising our appointment;</li> <li>■ issuing press releases and posting information on a dedicated web page;</li> <li>■ preparing statutory receipts and payments accounts;</li> <li>■ arranging bonding and complying with statutory requirements;</li> <li>■ ensuring compliance with all statutory obligations within the relevant timescales.</li> </ul>
Strategy documents, Checklist and reviews	<ul style="list-style-type: none"> <li>■ formulating, monitoring and reviewing the administration strategies, including the decision to trade and meetings with internal and external parties to agree the same;</li> <li>■ briefing of our staff on the administration strategies and matters in relation to various work-streams;</li> <li>■ regular case management and reviewing of progress, including regular team update meetings and calls;</li> <li>■ meeting with management to review and update strategies and monitor progress;</li> <li>■ reviewing and authorising junior staff correspondence and other work;</li> <li>■ dealing with queries arising during the appointments;</li> <li>■ reviewing matters affecting the outcome of the administrations;</li> <li>■ allocating and managing staff/case resourcing and budgeting exercises and reviews;</li> <li>■ liaising with legal advisors regarding the various instructions, including agreeing content of engagement letters;</li> <li>■ complying with internal filing and information recording practices, including documenting strategy decisions.</li> </ul>

Reports to debenture holders	<ul style="list-style-type: none"> <li>■ providing oral updates to, and meeting with, representatives of the secured creditors regarding the progress of the administration and case strategies.</li> </ul>
Cashiering	<ul style="list-style-type: none"> <li>■ setting up administration bank accounts and dealing with the Companies' pre-appointment accounts;</li> <li>■ preparing and processing vouchers for the payment of post-appointment invoices;</li> <li>■ creating remittances and sending payments to settle post-appointment invoices;</li> <li>■ preparing payroll payments for retained staff, dealing with salary related queries and confirming payments with the employee's banks;</li> <li>■ reviewing and processing employee expense requests;</li> <li>■ reconciling post-appointment bank accounts to internal systems;</li> <li>■ ensuring compliance with appropriate risk management procedures in respect of receipts and payments.</li> </ul>
Tax	<ul style="list-style-type: none"> <li>■ gathering initial information from the Companies' records in relation to the taxation position of the Company;</li> <li>■ submitting relevant initial notifications to HM Revenue and Customs;</li> <li>■ reviewing the Companies' pre-appointment corporation tax and VAT position;</li> <li>■ analysing and considering the tax effects of various sale options, tax planning for efficient use of tax assets and to maximise realisations;</li> <li>■ working initially on tax returns relating to the periods affected by the administration;</li> <li>■ analysing VAT related transactions;</li> <li>■ dealing with post appointment tax compliance.</li> </ul>
Shareholders	<ul style="list-style-type: none"> <li>■ providing notification of our appointment;</li> <li>■ responding to enquiries from shareholders regarding the administration;</li> <li>■ providing copies of statutory reports to the shareholders.</li> </ul>
General	<ul style="list-style-type: none"> <li>■ reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9;</li> <li>■ locating relevant books and records for the Companies, imaging the Companies' internal database to ensure Companies' books and records are electronically stored</li> </ul>
Trading	<ul style="list-style-type: none"> <li>■ preparing cash flow statements to monitor the cash position and monitoring the trading models on a daily basis;</li> <li>■ tending to supplier and customer queries and correspondence;</li> <li>■ meeting with management on a daily basis to monitor trading positions and deal with ad hoc trading queries;</li> <li>■ raising, approving and monitoring purchase orders and setting up control systems for trading;</li> <li>■ negotiating and making direct contact with suppliers as necessary to provide additional information and undertakings, including agreeing terms and conditions, in order to ensure continued support;</li> <li>■ dealing with issues in relation to stock and other assets required for trading;</li> <li>■ dealing with all maintenance requests in stores and ensuring compliance with health and safety regulations;</li> <li>■ monitoring stock and stock reconciliations;</li> <li>■ dealing with hauliers to ensure ongoing services;</li> <li>■ arranging cash floats for the Retail stores;</li> <li>■ contacting merchant acquirers and G4S to ensure banking arrangements for sales receipts were in place.</li> </ul>
Asset realisations	<ul style="list-style-type: none"> <li>■ collating information from the Companies' records regarding the assets;</li> <li>■ liaising with finance companies in respect of assets subject to finance agreements;</li> <li>■ engaging and liaising with agents regarding the sale of assets;</li> <li>■ dealing with issues associated with the sale of stock;</li> <li>■ reviewing outstanding debtors and management of debt collection strategy;</li> <li>■ liaising with Companies' credit control staff and communicating with debtors;</li> <li>■ reviewing the inter-company debtor position between the Companies and other group companies.</li> </ul>
Property matters	<ul style="list-style-type: none"> <li>■ reviewing Retail's leasehold properties, including review of leases;</li> <li>■ communicating and negotiating with landlords regarding rent, property occupation and other issues during the administration trading period;</li> <li>■ performing land registry searches.</li> </ul>
Sale of business	<ul style="list-style-type: none"> <li>■ planning the strategy for the sale of the business and assets, including instruction and liaison with professional advisers;</li> <li>■ seeking legal advice regarding sale of business, including regarding non-disclosure agreements;</li> <li>■ collating relevant information and drafting information memorandum in relation to the sale of the Companies' business and assets and advertising the business for sale;</li> <li>■ dealing with queries from interested parties and managing the information flow to potential purchasers, including setting up a data room;</li> </ul>

	<ul style="list-style-type: none"> <li>■ managing site visits with interested parties, fielding due diligence queries and maintaining a record of interested parties;</li> <li>■ carrying out sale negotiations with interested parties.</li> </ul>
Health and safety	<ul style="list-style-type: none"> <li>■ liaising with health and safety specialists in order to manage all health and safety issues and environmental issues, including ensuring that legal and licensing obligations are complied with;</li> <li>■ liaising with the Health and Safety Executive regarding the administrations and ongoing health and safety compliance.</li> </ul>
Open cover insurance	<ul style="list-style-type: none"> <li>■ arranging ongoing insurance cover for the Companies' business and assets;</li> <li>■ liaising with the post-appointment insurance brokers to provide information, assess risks and ensure appropriate cover in place;</li> <li>■ assessing the level of insurance premiums.</li> </ul>
Employees	<ul style="list-style-type: none"> <li>■ notifying employees of the respective administrations; the Administrators' trading and sale of business strategy as soon as possible following appointment;</li> <li>■ dealing with queries from employees regarding various matters relating to the administrations and their employment;</li> <li>■ dealing with statutory employment related matters, including statutory notices to employees and making statutory submissions to the relevant government departments;</li> <li>■ electing employee representatives across the business and holding regular update meetings on progress of the administration and our strategy with these employees, sharing minutes of these meetings;</li> <li>■ administering the Companies' payroll, including associated taxation and other deductions, and preparing PAYE and NIC returns;</li> <li>■ communicating and corresponding with HM Revenue and Customs;</li> <li>■ engaging Insol to assist us with employee related matters, including the consultation process for employees of a store where the decision to close had been taken prior to administration;</li> <li>■ dealing with issues arising from employee redundancies, including statutory notifications and liaising with the Redundancy Payments Office;</li> <li>■ managing claims from employees;</li> <li>■ ensuring security of assets held by employees.</li> </ul>
Pensions	<ul style="list-style-type: none"> <li>■ collating information and reviewing the Companies' pension schemes;</li> <li>■ calculating employee pension contributions and review of pre-appointment unpaid contributions;</li> <li>■ ensuring compliance with our duties to issue statutory notices;</li> <li>■ liaising with the trustees of the defined benefit pension scheme, the Pensions Regulator and the Pensions Protection Fund concerning the changes caused to the pension scheme as a result of our appointment;</li> <li>■ ensuring death-in-service cover for employees remains in place;</li> <li>■ communicating with employees' representatives concerning the effect of the administration on pensions and dealing with employee queries.</li> </ul>
Creditors and claims	<ul style="list-style-type: none"> <li>■ drafting and circulating our proposals;</li> <li>■ creating and updating the lists of unsecured creditors;</li> <li>■ responding to enquiries from creditors regarding the administration and submission of their claims;</li> <li>■ reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records;</li> <li>■ dealing with suppliers with retention of title claims, including reviewing supporting documentation and arranging and carrying out stock inspection visits;</li> <li>■ agreeing the secured creditor's claim;</li> <li>■ arranging distributions to the secured creditor;</li> <li>■ drafting our progress report.</li> </ul>
Investigations/ directors	<ul style="list-style-type: none"> <li>■ reviewing company and directorship searches and advising the directors of the effect of the administrations;</li> <li>■ liaising with management to produce the Statements of Affairs and filing these documents with the Registrar of Companies;</li> <li>■ reviewing the questionnaires submitted by the directors of the Companies;</li> <li>■ reviewing pre-appointment transactions;</li> </ul>

## Time costs

### Retail

Pre-administration costs (28/12/2018 to 28/12/2018)			
	Hours	Time Cost (£)	Average Hourly Rate (£)
Advising directors	7.00	3,570.00	510.00
Appointment documents	42.50	18,342.50	431.59
Pre-administration checks	12.00	6,407.50	533.96
<b>Total in period</b>	<b>61.50</b>	<b>28,320.00</b>	<b>460.49</b>

SIP 9 –Time costs analysis (28/12/2018 to 08/02/2019)			
	Hours	Time Cost (£)	Average Hourly Rate (£)
<b>Administration &amp; planning</b>			
Cashiering			
Fund management	1.40	434.00	310.00
General (Cashiering)	162.67	43,161.55	265.33
Reconciliations (& IPS accounting reviews)	9.00	3,015.00	335.00
General			
Books and records	141.70	51,744.50	365.17
Fees and WIP	1.10	341.00	310.00
Statutory and compliance			
Advising directors	7.00	3,570.00	510.00
Appointment and related formalities	13.00	5,864.50	451.12
Appointment documents	42.50	18,342.50	431.59
Bonding & Cover Schedule	0.30	115.50	385.00
Budgets & Estimated outcome statements	4.60	1,397.00	303.70
Checklist & reviews	15.94	3,830.00	240.28
Pre-administration checks	12.00	6,407.50	533.96
Reports to debenture holders	4.20	2,751.00	655.00
Strategy documents	57.20	20,801.50	363.66
Tax			
Initial reviews - CT and VAT	10.60	5,226.00	493.02
Post appointment corporation tax	11.90	6,054.50	508.78
Post appointment PAYE (Non Trading)	0.30	67.50	225.00
Post appointment VAT	23.30	12,373.50	531.05

## SIP 9 –Time costs analysis (28/12/2018 to 08/02/2019)

	Hours	Time Cost (£)	Average Hourly Rate (£)
<b>Creditors</b>			
<b>Creditors and claims</b>			
General correspondence	<b>243.92</b>	69,907.00	286.60
Legal claims	<b>0.40</b>	214.00	535.00
Notification of appointment	<b>58.35</b>	14,120.75	242.00
Payment of dividends	<b>0.80</b>	428.00	535.00
ROT Claims	<b>3.00</b>	675.00	225.00
Secured creditors	<b>15.70</b>	8,891.50	566.34
Statutory reports	<b>18.40</b>	7,751.00	421.25
<b>Employees</b>			
Correspondence	<b>98.05</b>	31,594.00	322.22
Pensions reviews	<b>1.80</b>	447.50	248.61
<b>Investigation</b>			
<b>Directors</b>			
Correspondence with directors	<b>2.40</b>	654.00	272.50
D form drafting and submission	<b>4.61</b>	1,037.25	225.00
Directors' questionnaire / checklist	<b>3.25</b>	782.25	240.69
Statement of affairs	<b>1.90</b>	769.00	404.74
<b>Investigations</b>			
Correspondence re investigations	<b>3.40</b>	1,819.00	535.00
<b>Realisation of assets</b>			
<b>Asset Realisation</b>			
Cash and investments	<b>4.20</b>	1,422.00	338.57
Debtors	<b>1.10</b>	247.50	225.00
Freehold property	<b>0.70</b>	217.00	310.00
Health & safety	<b>11.00</b>	3,490.00	317.27
Insurance	<b>32.60</b>	7,702.50	236.27
Leasehold property	<b>260.15</b>	117,225.75	450.61
Other assets	<b>4.70</b>	2,492.00	530.21
Sale of business	<b>477.73</b>	235,908.75	493.81
Stock and WIP	<b>60.30</b>	30,574.50	507.04
<b>Trading</b>			
Cash & profit projections & strategy	<b>242.01</b>	112,747.75	465.88
Employee Matters / PAYE	<b>21.70</b>	11,400.50	525.37
Negotiations with customers	<b>3.00</b>	1,567.50	522.50
Negotiations with suppliers / landlords	<b>618.12</b>	241,688.75	391.01

**SIP 9 –Time costs analysis (28/12/2018 to 08/02/2019)**

	Hours	Time Cost (£)	Average Hourly Rate (£)
Post trading related matters	<b>85.50</b>	39,885.50	466.50
Purchases and trading costs	<b>143.40</b>	34,840.50	242.96
Sales	<b>39.90</b>	16,997.00	425.99
Trading Management	<b>392.22</b>	193,750.25	493.98
<b>Total in period</b>	<b>3,373.02</b>	<b>1,376,745.05</b>	<b>408.16</b>

Brought forward time (appointment date to SIP 9 period start date)	0.00	0.00
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	3,373.02	1,376,745.05
Carry forward time (appointment date to SIP 9 period end date)	3,373.02	1,376,745.05

## Ecommerce

### SIP 9 –Time costs analysis (28/12/2018 to 08/02/2019)

	Time cost hours	Cost £	Average cost per hour £
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#### Administration & planning

##### Cashiering

General (Cashiering)	10.00	2,332.00	233.20
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##### General

Fees and WIP	0.60	186.00	310.00
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##### Statutory and compliance

Appointment and related formalities	10.80	4,472.50	414.12
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Bonding & Cover Schedule	0.20	62.00	310.00
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Budgets & Estimated outcome statements	0.50	112.50	225.00
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Checklist & reviews	0.90	279.00	310.00
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Strategy documents	10.25	3,917.25	382.17
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##### Tax

Initial reviews - CT and VAT	2.00	890.00	445.00
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Post appointment corporation tax	4.20	1,920.50	457.26
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Post appointment VAT	1.90	713.50	375.53
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#### Creditors

##### Creditors and claims

General correspondence	6.60	2,435.00	368.94
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Notification of appointment	0.90	264.50	293.89
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Secured creditors	0.20	62.00	310.00
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Statutory reports	2.60	1,188.50	457.12
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##### Employees

Correspondence	4.00	1,240.00	310.00
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Pensions reviews	1.10	247.50	225.00
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#### Investigation

##### Directors

Correspondence with directors	1.40	434.00	310.00
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Directors' questionnaire / checklist	0.60	186.00	310.00
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Statement of affairs	0.80	248.00	310.00
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##### Investigations

Correspondence re investigations	0.10	53.50	535.00
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#### Realisation of assets

##### Asset Realisation



**SIP 9 –Time costs analysis (28/12/2018 to 08/02/2019)**

	Hours	Time Cost (£) Hourly Rate (£)	Average Rate (£)
Freehold property	<b>0.70</b>	217.00	310.00
Health & safety	<b>0.70</b>	284.50	406.43
Insurance	<b>0.80</b>	180.00	225.00
Leasehold property	<b>2.50</b>	562.50	225.00
Sale of business	<b>33.30</b>	16,100.00	483.48
<b>Trading</b>			
Employee Matters / PAYE	<b>0.40</b>	214.00	535.00
Negotiations with suppliers / landlords	<b>22.45</b>	8,167.75	363.82
Purchases and trading costs	<b>1.00</b>	295.00	295.00
Sales	<b>1.90</b>	1,016.50	535.00
Trading Management	<b>3.10</b>	1,658.50	535.00
<b>Total in period</b>	<b>126.50</b>	<b>49,940.00</b>	<b>394.78</b>
Brought forward time (appointment date to SIP 9 period start date)	0.00	0.00	
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	126.50	49,940.00	
Carry forward time (appointment date to SIP 9 period end date)	126.50	49,940.00	

All staff who have worked on these assignments, including cashiers and secretarial staff, have charged time directly to the assignments and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignments but is reflected in the general level of charge out rates.

All time shown in the above analyses is charged in units of six minutes



## **Appendix 6      Statement of Affairs, including creditor list, for each company**

These are the Statement of Affairs for the Companies as at the date of our appointment as provided by Sally Wood.

We have not carried out anything in the nature of an audit on the information provided. The figures do not take into account the costs of the administrations.

# SHM RETAIL LTD

## A - SUMMARY OF ASSETS

		Book Value £	Estimated to Realise £
<b>Assets</b>			
Assets subject to fixed charge		0.00	0.00
Total Assets subject to fixed charge		0.00	0.00
Less: Amounts due to fixed charge holders		-46,831,817.00	-46,831,817.00
Shortfall/Surplus to fixed charge holders c/d		-46,831,817.00	-46,831,817.00
Assets subject to floating charge:			
Fixed assets:			
Leases		786,713.32	0.00
Shopfitting, Fixtures, Fittings and Furniture; Other Equipment		7,341,508.87	2,520,952.35
Computer Hardware and Software		462,300.89	392,955.76
Inventory:		5,718,133.69	3,722,188.38
Debtors:		14,342,487.31	12,661,468.23
Cash at Bank and in Hand:		601,506.48	601,506.48
Trade and Sales		5,531,670.95	5,531,670.95
Cash in Charge/ Blocked Accounts		4,186,980.64	4,186,980.64
Cash in transit		240,443.62	240,443.62
Cash at Bank			
Total assets subject to floating charge		29,851,744.97	29,851,166.41
Uncharged Assets		0.00	0.00
Total uncharged assets		0.00	0.00
ESTIMATED TOTAL ASSETS AVAILABLE FOR PREFERENTIAL CREDITORS		29,851,744.97	29,851,166.41

Signature

*[Handwritten Signature]*  
S. WOOD

Date

14/2/19

**HMV RETAIL LTD**  
**A1 - SUMMARY OF LIABILITIES**

	Book Value £
Estimated total assets available for preferential creditors (carried from page A)	29,858,166.41
<b>Liabilities</b>	
Preferential Creditors:	
Preferential Creditors	-1,259,536.34
	<u>-1,259,536.34</u>
Estimated surplus as regards preferential creditors	28,598,630.07
Less uncharged assets	0.00
	<u>28,598,630.07</u>
<b>Net Property</b>	
Estimated prescribed part of net property where applicable (to carry forward)	-600,000.00
Estimated total assets available for floating charge holders	<u>27,998,630.07</u>
Debts secured by floating charges	-46,831,817.00
Estimated deficiency of assets after floating charges	<u>-18,833,186.93</u>
Estimated prescribed part of net property where applicable (brought down)	600,000.00
Uncharged assets	0.00
Total assets available to unsecured creditors	<u>600,000.00</u>
Unsecured non-preferential claims (excluding shortfall to floating charge holders):	
Unsecured (trade) (non-preferential) creditors	-39,275,943.04
Unsecured intercompany creditors	-4,172,065.85
Unsecured (pre-paid consumer) creditors	-2,436,665.07
Unsecured employee creditors	-9,489,649.69
Unsecured (other) creditors	-9,837,437.49
	<u>-65,211,761.14</u>
Estimated deficiency as regards unsecured creditors	-64,611,761.14
Shortfall to fixed charge holders (brought down) (NB debt is fixed and floating charge so given no fixed charge assets all recoveries against floating charge assets)	0.00
Shortfall to preferential creditors (brought down)	0.00
Shortfall to floating charge holders (brought down)	-18,833,186.93
Estimated deficiency as regards creditors	<u>-83,444,948.06</u>
Issued and called up capital	-1.00
Estimated deficiency as regards members	<u>-83,444,949.06</u>

Signature

*S-W*  
*S-WOOD*

Date

14/2/19

HMV RETAIL LTD  
COMPANY TRADE CREDITORS

Name	Address	Amount of Debt (£)
UNIVERSAL RECORD OPERATIONS LTD	Beaumont House, Kensington Village, Avonmore Road, Greater London, LONDON, W14 8TS	-751,272.55
THE STATES CONSPIRACY LTD	17 HERFORD STREET, LONDON, E2 6EX	-44.40
G L DANIECK LTD	YARD ROAD, BLANGOWHIRE, PERTSHIRE, PH10 6NW	-150,879.20
TURTLE BEACH EUROPE LIMITED	2200 RENAISSANCE, BASING VIEW, BASINGSTOKE, HAMPSHIRE, RG21 4EQ	-43,771.22
MANSON & WAREHAM (MUSIC) LTD	14 CORLESTONE COURT, HOLLIS ESTATE, WALKER ROAD, NEWCASTLE, NE6 1AB	-35,303.41
GEIGER BTC GROUP	BTC HOUSE, 9 MILLINGTON ROAD, HAYES, MIDDLESEX, UB3 4AZ	-33,000.00
7-34 LIMITED	STUDIO 11, THE WATERMARK, RIBBLETON LANE, PRESTON, PR1 5EZ	-10.80
OMNIBUS PRESS	14/15 BEURNERS STREET, LONDON, W1T 3U	-7,504.76
LITTLEHAMPTON BOOK SERVICES LTD (O'MARA)	9 LOIN YARD, TREMADOC ROAD, LONDON, SW4 7NQ	-96,980.68
66 BOOK LTD	86 WOOD LANE END, HEAEL HEMPSTEAD, HP2 4RF	-150,212.51
SPEARMARK HOUSEWARES LIMITED	HOWARD ROAD, EATON SOCOM, 32, NEOTS, ST. NEOTS, CAMBRIDGESHIRE, PE19 8GA	-5.39
HARPER COLLINS PUBLISHERS LIMITED (S&S)	222 GRAYS INN ROAD, LONDON, WC1X 8HB	-12,923.52
LITTLEHAMPTON BOOK SERVICES LTD (DIS)	14 FLOOR, 9 CHURCH ROAD, STANNMORE, MIDDLESEX, W1U 6BX	-283.32
HARPER COLLINS PUBLISHERS LTD (CARLTON)	CARLTON BOOKS LTD, 20 MORTIMER STREET, LONDON, W1T 3JW	-12,191.57
ZAK UK LTD	UNIT 1, VENTURA HOUSE, BULLSBROOK ROAD, HAYES, UB4 0IR	-1.50
ARABESQUE LIMITED	NETWORK HOUSE, 28-39 STIRLING ROAD, LONDON, W3 8D1	-459.00
LITTLEHAMPTON BOOK SERVICES LTD (ABRAMS)	LITTLEHAMPTON BOOK SERVICES, FARADAY CLOSE, WORTHING, WEST SUSSEX, BN13 3RB	-16,430.52
SONY EUROPE LIMITED	THE HEIGHTS, BROOKLANDS, WEYBRIDGE, SURREY, KT13 0XW	-28,067.71
INCOMIN EUROPE LIMITED	SPECTRUM, 1600 PARKWAY, SOLENT BUSINESS PARK, WHITELEY, FAREHAM, HAMPSHIRE, PO15 7AH	-281,145.70
WARNER BROTHERS ENTERTAINMENT UK LTD	WARNER HOUSE, 98 THEOBOLD'S ROAD, LONDON, WC1X 8WB	-121,027.22
TRADEMARK PRODUCTS LTD	BIRCHWOOD FARM, WOODINGHAM ROAD, WOODINGHAM, SURREY, CR3 7LR	-186,199.08
JETSTAR DIGITAL LTD	31-33 BRUNELL ROAD, WESTWAY ESTATE, LONDON, W3 7XR	-53.88
ROCK OFF LIMITED	OAK LODGE, 9 OAK VALE, WEST END, SOUTHAMPTON, SO30 3SE	-110,190.80
WALT DISNEY STUDIOS HOME ENTERTAINMENT	AVNET HOUSE, RUTHERFORD CLOSE, MEADWAY TECHNOLOGY PARK, STEVENAGE, HERTFORDSHIRE, SG1 2EF	-271,535.76
GB EYE	1 Russell Street, Ketham Island, SHEFFIELD, S3 8RW	-588,326.69
UBISOFT LIMITED	3RD FLOOR, RANGER HOUSE, WALNUT TREE CLOSE, GUILDFORD, SURREY, GU1 4UL	-59,466.41
WESTCOAST LIMITED	ARROWHEAD PARK, ARROWHEAD ROAD, THEALE, READING, RG7 4AH	-66,752.08
HALF MOON BAY LIMITED	5-7 PLUGNET MEWS, BATH, BA2 4DS	-9.98
SONY MUSIC ENTERTAINMENT UK LIMITED	9 DERRY STREET, LONDON, W8 5HY	-2,221,213.39
UNIVERSAL MUSIC	Beaumont House, Kensington Village, Avonmore Road, Greater London, LONDON, W14 8TS	-5,521,439.28
PROPER MUSIC DISTRIBUTION LTD	THE NEW POWERHOUSE, GATEWAY BUSINESS CENTRE, KINGSLEY BRIDGE ROAD, LONDON, SE28 5AH	-789,707.11
UNIVERSAL PICTURES (UK) LIMITED	PROSPECT HOUSE, 80-110 NEW OXFORD STREET, LONDON, WC1A 1HB	-3,645,477.14
ELEVATION SALES LTD	45-51 WHITEFIELD STREET, LONDON, W1T 4HB	-640,120.06
FORTE MUSIC DISTRIBUTION LTD	WYASTONE BUSINESS PARK, WYASTONE LEYS, GANAREW, MONMOUTH, NP25 3SR	-8,483.23
SONY DADC EUROPE LIMITED	SONY DADC, 6 SOLAR WAY, INNOVA PARK, OFF MOLLISON AVENUE, ENFIELD, EN3 7XY	-3,318,680.30
SELECT MUSIC & VIDEO (CONSIGNMENT)	PO BOX 225, REDMILL, SURREY, RH1 3DR	-23,130.65

HMV RETAIL LTD  
COMPANY TRADE CREDITORS

Name	Address	Amount of Debt (£)
2 ENTERTAIN VIDEO LTD	2 ENTERTAIN VIDEO LTD, 6 SOLAR WAY, INNOVA PARK, OFF MOLLISON AVENUE, ENFIELD, EN3 7XY	-980,893.58
CINRAM NOVUM LTD	RABANS LANE, AYLESBURY, BUCCS, HP19 3UF	-724,565.16
KOCH DISTRIBUTION	THE BULL PENS, MANOR COURT, SCOTCHFACE LANE, HERRIARD, HAMPSHIRE, RG23 3PH	-32,835.15
WARNER HOME VIDEO (CONSIGNMENT)	WARNER HOUSE, 98 THEOBOLDS ROAD, LONDON, UK, WC1X 8WB	-2,447,257.61
PLASTIC HEAD MUSIC DISTRIBUTION LTD	AVTECH HOUSE, HITHERCROFT ROAD, WALLINGFORD, OXON, OX10 9DA	-5,612.07
MACMILLAN PUBLISHERS INTERNATIONAL LTD	BRUNEL ROAD, HOUNSMILL, BASINGSTOKE, HAMPSHIRE, RG21 6XS	-684.00
GORDON DUNCAN CONSIGNMENT	20 NEWTOWN STR, KILSYTH, GLASGOW, G65 0LY	-11,656.82
DUTTON EPOCH	97 RICKMANSWORTH ROAD, WATFORD, HERTS, WD18 7JD	-206.23
PLASTIC HEAD MUSIC DISTRIBUTION LTD	AVTECH HOUSE, HITHERCROFT ROAD, WALLINGFORD, OXON, OX10 9DA	-154,975.66
PRIME DIRECT DISTRIBUTION LTD	UNIT 8, 203 FAIRCHAM, 8-12 CREEKSIDE, LONDON, SE8 3DX	-9.59
INDIEGO DISTRIBUTION LTD	BOURNE HOUSE, 475 GODSTONE ROAD, WHYTELEAF, SURREY, CR3 0BL	-173.52
SENNHEISER UK LTD	PACIFIC HOUSE, THIRD AVENUE, GLOBE PARK, MARLOW, BUCCS, SL7 1EY	-95,135.83
LITTLEHAMPTON BOOK SERVICES LTD (PITCH)	A2 YEOMAN GATE, WORTHING, WEST SUSSEX, BN13 3QZ	-23,886.17
SPIRIT (CONSIGNMENT)	FIFTH FLOOR, 19 MARGARET STREET, LONDON, W1W 8RR	-426,407.94
FREQUENCY 36 TELECOM LIMITED	UNIT 44, BARWELL BUSINESS PARK, LEATHERHEAD ROAD, CHESSINGTON, SURREY, KT9 2NY	-2,709.82
KUDOS RECORDS LTD	SUITE 2 1ST FLOOR, 1A ELAM PARK, STANMORE, HA7 4UA	-8,169.12
HIGH FLIERS FILMS PLC	PINEWOOD STUDIOS, PINEWOOD ROAD, IVER HEATH, BUCKINGHAMSHIRE, SL0 0NH	-23,502.04
HIT ENTERTAINMENT LIMITED	MAPLE HOUSE, 149 TOTTERHAM COURT RD, LONDON, W11 7NF, W1 7NF	-19,237.09
DUKE MARKETING	PO BOX 46, CHAMPTON HOUSE, DOUGLAS, ISLE OF MAN, IM99 1DD	-6,880.31
BOOK SOURCE	50 CAMBUSLANG ROAD, GLASGOW, G32 8NB	-424.90
PYRAMID INTERNATIONAL & THE ART GROUP	UNIT A, BRUCE WAY, WHETSTONE, LEICESTER, LE8 6HP	-197,274.53
CID	THE WORKS, PARK ROAD, BABY, LEICESTER, LE8 4BF	-522,260.11
SKULLCANDY (CONSIGNMENT)	HEINRICHSTRASSE 235, ZURICH, SWITZERLAND, 8005	-229,970.02
FUNKO UK	UNIT 5-6 GALLIFORD ROAD, THE CAUSEWAY HILL, MALDON, ESSEX, CM9 4XD	-1,585,239.49
FKA BRANDS LIMITED (CON)	HOMEDICS HOUSE, SOMERHILL BUSINESS PARK, FIVE OAK GREEN ROAD, TONBRIDGE, KENT, TN11 0GP	-498,929.22
OCEANIA TRADING LIMITED	2 DULCHES COURT, 2 DINSMORE ROAD, BALHAM, LONDON, SW12 8PS	-12,780.75
CENTURY BOOKS LTD	20 DEVON SQUARE, UPSIDE STATION BUILDING, NEWTON ABBOT, DEVON, TQ12 2HR	-13,896.44
DANILLO PROMOTIONS LTD	55 BAKER STREET, LONDON, W1U 7EU	-134,425.52
HAMA (UK) LTD	68 BEECHWOOD, LIME TREE WAY, CHINEHAM BUSINESS PARK, BASINGSTOKE, RG24 8WA	-106,246.27
TURNAROUND PUBLISHER SERVICES LTD	UNIT 3 TRADING ESTATE, CONJURG ROAD, LONDON, N21 6TZ	-78,270.85
DISCOVERY MUSIC DISTRIBUTION LIMITED	A11 FIVEWAYS INDUSTRIAL ESTATE, WESTWELLS ROAD, CORSHAM, WILTSHIRE, SN13 9OR	-2,908.13
DREAMTEX LTD	N2 CRT, ELXTON LANE, CHORLEY, LANCASHIRE, PR7 6TE	-18,678.42
EPAY LIMITED	2ND FLOOR, MELTING HOUSE, SOUTHERNHAY, BASILDON, ESSEX, SS14 1EL	-130,356.93
SONY MUSIC (NOW) (SONYDADC)	SONY DADC CREDIT SERVICES, 6 SOLAR WAY, ENFIELD, MIDDLESEX, EN3 7XY	-6.00
SONY INTERACTIVE ENTERTAINMENT UK LTD	10 GREAT MARLBOROUGH STREET, LONDON, W1F 7LP	-306,918.77
WARNER MUSIC UK LTD	CINRAM LOGISTICS, RABANS LANE, AYLESBURY, BUCCS, HP19 6TS	-2,930,824.50

**HMV RETAIL LTD**  
**COMPANY TRADE CREDITORS**

Name	Address	Amount of Debt (£)
PREMANTLE MEDIA HOME ENTERTAINMENT	1 STEPHEN STREET, LONDON, W1T 1AL	-176,476.75
FIZZ CREATIONS LIMITED	21 COMMERCIAL WAY, LANCING, WEST SUSSEX, BN15 8TA	-4.00
FAT CAT INTERNATIONAL LTD	UNIT 10, FALCON PARK, MEASDEN LANE, LONDON, NW10 1RZ	-12,822.15
TITAN MERCHANDISE	141 SOUTH PARK STREET, LONDON, SE1 0UP	-247.13
LAZERBUILT LTD	UNIT 1A PIVAMORE CENTRE, LETCHWORTH, SG6 1JG	-18,297.14
STRAAT (UK) LIMITED	THE SORTING OFFICE, MACCLESFIELD ROAD, ALDERLEY EDGE, CHESHIRE, SK9 7BQ	-37,401.73
CMAS DISTRIBUTION LTD	UNIT 5, KEYPOINT BUSINESS PARK, ROSEMOUNT, BALLYCOOLIN ROAD, DUBLIN 11, IRELAND	-6.00
KONOR LIMITED	KONOR HEADQUARTERS, CHRISTCHURCH BUSINESS PARK, THE RUNWAY, CHRISTCHURCH, BH23 4FL	-36,198.67
LITTLE AMBER FISH	THE BOOK SERVICE LIMITED, COLCHESTER ROAD, FRATING GREEN, COLCHESTER, CO7 7DW	-10,217.46
SIGNATURE ENT (TECH CONSIGNMENT)	UNIT 6, DEVONSHIRE BUSINESS CENTRE, CANABORNE ROAD, POTTERS BAR, HERTS, EN6 3JR	-5,745.99
DIAMOND BOOK DISTRIBUTORS	CHARLOTTE STREET STUDIOS, 76-78 CHARLOTTE STREET, LONDON, W1T 4QS	-15,098.22
BOOKSOURCE (HIGHLANDER)	CANALSIDE, WARRINGTON ROAD, RUNCORN, WAT 1SN	-1,451.25
IGLOO BOOKS LTD	52 POLWARTH TERRACE, EDINBURGH, EH11 1NJ	-24,350.03
MACMILLAN DISTRIBUTION LIMITED (EGMONT)	COTTAGE FARM, MEARS ASHBY ROAD, STWELL, NORTHAMPTONSHIRE, NN6 0BU	-58,686.23
WINNING MOVIES UK LTD	MACMILLAN DISTRIBUTION, BRUNEL ROAD, HOUNDWILLS, BASHINGSTON, RG21 7XS	-23,727.99
MY WORLD	7 PRAED STREET, LONDON, W2 1NU	-9,665.56
MODERN TOSS LTD	CHASE HOUSE, 4 MANDARIN ROAD, RAINTON BUSINESS PARK, HOUGHTON LE SPRING, DH4 5RA	-1.45
ORCA BOOK SERVICES (GMC)	40M PROVIDENCE PLACE, BRIGHTON, BN1 4GE	-6,895.53
CANDONGATE BOOKS (TBS COM)	168 HIGH STREET, LEWES, EAST SUSSEX, BN7 1XU	-13,104.20
THE BOOK SERVICE LIMITED (BOHNIER)	14 HIGH STREET, EDINBURGH, EH1 1TE	-5,116.73
COMBINED BOOK SERVICES LTD (RED PLANET)	DISTRIBUTION CENTRE, COLCHESTER ROAD, FRATING GREEN, COLCHESTER, ESSEX, CO7 7DW	-90,867.95
LASGO CHRYSALIS LTD	MAJOR LODGE, GRASS YARD, KIMBOLTO, CAMBRIDGESHIRE, PE28 0NQ	-18.75
BESTSELLERS DIRECT LTD	UNIT 1, FALCON PARK INDUSTRIAL ESTATE, MEASDEN LANE, MEASDEN, LONDON, NW10 1RZ	-81,228.10
OCTAGON BOOKS (WHOLESALE) LIMITED	UNIT 3C, TYLER WAY, SHEFFIELD, S9 1DT	-9,443.92
INNUKSC EUROPE LIMITED	THE OLD EXCHANGE, NEW POND ROAD, HOLMER GREEN, BUCKS, HP15 6SU	-13,283.60
VIVANCO UK LTD	UNIT 3, NEXUS PARK, ASH VALE, HAMPSHIRE, GU12 5QE	-63,630.64
HOMETOWN WORLD (MARSTON COMS)	960 CAPABILITY GREEN, LUTON, BEDFORDSHIRE, LU1 3PE	-59,127.24
MACMILLAN DISTRIBUTION (TITAN)	7 NORTHUMBERLAND BUILDINGS, BATH, BA1 2JB	-13.44
AUDKO-TECHNICA LIMITED	144 SOUTH PARK STREET, LONDON, SE1 0UP	-26,942.35
BOLD & NOBLE	TECHNICA HOUSE, 5 MILLENNIUM WAY, LEEDS, LS11 5AL	-3,661.49
LITTLE BROTHER BOOKS LIMITED	25A HERMITAGE ROAD, HITCHIN, HERTFORDSHIRE, SG5 1BY	-6,401.33
EXERTIS (UK) LTD	23 SOUTHERNWAY EAST, EXETER, DEVON, EX1 1QJ	-26,893.21
SAMRO INTERNATIONAL LIMITED	SHORTEN BROOK DRIVE, ALTHAM BUSINESS PARK, ALTHAM, ACCINGTON, LANCASHIRE, BB5 5YJ	-18,423.00
MACMILLAN DISTRIBUTION LIMITED (RYLANS)	DUMBERS LANE, BURY, MANCHESTER, BL9 9UE	-10.32
THE BOOK SERVICE LIMITED (PRESTEL)	20-21 JOCKEY'S FIELDS, LONDON, WC1R 4BW	-6,244.79
	14-17 WELLS STREET, LONDON, W1T 3PD	-1,339.40

**HMV RETAIL LTD**  
**COMPANY TRADE CREDITORS**

Name	Address	Amount of Debt (£)
BLICE WALSH LTD	UNIT 7 COMMERCIAL WAY, LEIGHTON BUZZARD, BEDS, LU7 4RW	-44.28
KB IMPORTS LTD	BURE BUSINESS PARK CENTRE, CAISTER ROAD, GREAT YARMOUTH, NORFOLK, NR30 4DL	-176,280.00
PUMPKIN WHOLESALERS LTD	GROVE FARM, MILTON HILL, ABBINGDON, OX14 4DP	-4,709.79
MANGA ENTERTAINMENT LIMITED	6 HEDDON STREET, LONDON, W1B 4BT	-193,059.03
POSH PAINS INTERNATIONAL LIMITED	GLoucester House, Bentalls, PIPPS HILL, BASILDON, ESSEX, SS14 3BX	-30.60
TBS PUBLISHERS GROUP UK (PGUK)	63-66 HATTON GARDEN, LONDON, EC1N 6LE	-32,845.09
PEAK DEVELOPMENT LIMITED	UNIT 2 FLANDERS PARK, FLANDERS ROAD, HEDGE END, SOUTHAMPTON, HANTS, SO30 2FZ	-71,012.89
LITTLEHAMPTON BOOK SERVICES LTD (THAMES)	181A HIGH HOLBORN, LONDON, WC1V 7DX	-4,571.37
KOCH MEDIA LTD	2ND FLOOR, BUILDING 1230, WATERSIDE, ARLINGTON BUSINESS PARK, THEALE, BERKSHIRE, RG7 4SA	-5,980.48
DIRTY STOP OUTS LIMITED	RESULTS HOUSE, 656 CHESTERFIELD ROAD, SHEFFIELD, S8 0SB	-814.20
VEHO UK LTD	UNIT 3, FLANDERS INDUSTRIAL ESTATE, HEDGE END, HAMPSHIRE, SO30 2FZ	-76,688.17
DYNAMIC DISTRIBUTION	19A-8 COLIN PARK, ANDOVERSPOD INDUSTRIAL ESTATE, CHELTENHAM, GLOS 4HU	-13,166.73
TWENTIETH CENTURY FOX HOME ENT. (TEC)	PO BOX 318, STEVENAGE, SG1 2WX	-2,096,558.25
SNACKBYTE DISTRIBUTION GAMBH	KOMRAD-ZUG-STR. 13, SCHWERT, GERMANY, 58239,	-5,879.09
THE BOOK SERVICE LIMITED (MAYMES)	SPARKFORD, NR YEAVIL, SOMERSET, BA22 7JH	-8,064.62
HYPER ASSOCIATES LTD	THE BLUECOAT SCHOOL LANE, LIVERPOOL, MERSEYSIDE, L1 3BX	-1,756.20
JAYS	ASOGATAN 121, STOCKHOLM, SWEDEN,	-6,813.76
SINGLETON TRADING LTD	315 BURY OLD ROAD, PRESTWICH, MANCHESTER, M25 1JA	-58,983.60
BAYAN AUDIO LIMITED	5 THE PAVILIONS, BRINGTON ROAD, PEASE POTTS, RH11 9BJ	-17,495.99
BASHMAN LTD	BRAINTREE INDUSTRIAL ESTATE, BRAINTREE ROAD, RUISLIP, HA4 0EL	-15,014.40
TRC SALES LTD	THE OLD SPITFIRE HANGAR, MANOR PARK, THE STRAND, STEEPLE ASHTON, WILTSHIRE, BA14 6EP	-2,268.60
LUKLU GEAR	CALMOUNT PARK, UNIT B1, BLOCK B, CALMOUNT AVE, BALLYMOUNT, DUBLIN 12	-9,238.86
PALADONE PRODUCTS LIMITED	APEX HOUSE, DOLPHIN WAY, SHORBHAM-BY-SEA, WEST SUSSEX, BN43 6NZ	-44,389.07
ROUTES TO RETAIL	STUART HOUSE, PETERBOROUGH, CAMBRIDGESHIRE, PE1 5DD	-6,410.80
THE CARAT SHOP	UNIT 23 KINGSTONS FARM, DOWN HALL ROAD, MATCHING GREEN, HARLOW, ESSEX, CM17 0NB	-609.90
CONKER EDITIONS LTD	22 COSBY ROAD, LITTLETHORPE, LEICESTER, LE19 2HF	-147.68
MEMESIS NOW LTD	108 - 114 CITY ROAD, FENTON, STONE ON TRENT, STAFFORDSHIRE, ST4 2PH	-373.19
LITTLEHAMPTON BOOK SERVICES LTD (QUARTO)	THE OLD BREWERY, 6 BLUNDELL STREET, LONDON, N7 9BH	-6,490.80
KIDULT DESIGN LIMITED	UNIT 11, BLACKWOOD HALL BUSINESS PARK, NORTH DUFFIELD, SELBY, YO8 5DD	-517.80
BESTSELLERS DIRECT LIMITED	UNIT 3C, TYLER WAY, OFF TYLER WAY, SHEFFIELD, S8 1DT	-300.00
HMV ADMIN STOCK (CONS)	Unit 9, The Courtyard, 707 Warwick Road, SOLIHULL, B991 3DA	-18.90
WBJ LUNNEY LTD	ADAMSWAY, MANSFIELD, NOTTINGHAMSHIRE, NG18 4FW	-440,021.49
AM2PM RECRUITMENT SOLUTIONS LTD	SPENCER HOUSE, 62A THE PARADE, GRACECHURCH CENTRE, SUTTON COLDFIELD, B77 1PD	-393,008.18
BRITANNIA SERVICES GROUP LTD	45 BRITANNIA WAY, BRITANNIA BUSINESS PARK, LICHFIELD, WS14 9UY	-243,234.38
HUDSON ENERGY HOLDINGS UK LIMITED	37/ ELDER HOUSE, 586-592 ELDER GATE, MILTON KEYNES, MK9 1LR	-215,563.45
QUICK ON THE DRAW LTD	93 GREAT TITCHFIELD STREET, LONDON, W1W 8RP	-190,730.40

**HMV RETAIL LTD  
COMPANY TRADE CREDITORS**

Name	Address	Amount of Debt (£)
QUILLS OFFICE SUPPLIES LTD	SPITFIRE BUSINESS PARK, UNIT 2, 1 HAWKES ROAD, CHOTYDON, SURREY, CR8 4WD	-144,859.96
WORLDPAY BV	WHOLY 6TH FLOOR, CLAUDE DEBUSSTLAAN 16, 1082MD, AMSTERDAM,	-139,183.47
TOSHIBA GLOBAL COMMERCE SOLUTIONS	HURSLEY PARK, HURSLEY, HAMPSHIRE, SO21 2JN	-106,738.73
ZERO DEGREES WEST LTD	22 STURLEY STREET, LONDON, WC2B 9JF	-98,520.00
TAG COMPANY (UK) LTD	LAKESIDE HOUSE, 1 FURZEBURG ROAD, STOCKLEY PARK, HEATHROW, UB11 1BD	-96,394.20
TNT UK LTD	PO BOX 4, RAMSBOTTOM, BURY, LANCASHIRE, BL9 9AR	-89,742.84
GENIE BTG GROUP	BTC HOUSE, 9 MILLINGTON ROAD, HAYES, MIDDLESEX, UB3 4AZ	-74,309.22
AMBERSTONE TECHNOLOGY LIMITED	CAMBRIDGE HOUSE, BARRINGTON ROAD, SHEPETH, SO8 6QB	-63,000.00
MERCURY SECURITY MANAGEMENT LTD	MERCURY HOUSE, 7 PROTMAN BUSINESS PARK, LISBURN, BT28 2XF	-61,136.65
ALSER UK LTD	UNIT 6, PIONEER ROAD, FARMINGTON, OXFORDSHIRE, SN7 7BU	-59,449.63
CLF PACKAGING LTD	ORCHARD HOUSE, HEATH ROAD, WAINBOYS, HUNTINGDON, CAMBRIDGE, PETERBOROUGH, PE28 2UW	-57,532.91
GAS CASH SERVICES (UK) LTD	ACCOUNTS CENTRE, 4 LANCER HOUSE, WESTSIDE VIEW, HUSSAR COURT, WATERLOOVILLE, PO7 7SE	-56,492.08
MOBILE FREIGHT SERVICES (MIDLANDS) LTD	MFS HOUSE, 200 PARK LANE, CASTLE VALE, BRIMMINGHAM, B35 6UJ	-55,792.76
THE 75TARS UK LTD	65/66 DEAN STREET, LONDON, W1D 4PL	-51,127.00
TI MEDIA LIMITED	161 MARSH WALL, LONDON, E14 9AP	-49,743.72
NOBLE INTERIORS	UNIT 7, GLEN INDUSTRIAL ESTATE, ESSENDINE, STAMFORD, DE9 4LE	-49,014.00
BRITISH GAS BUSINESS	SPINNEYSDENTS OFFICE, PENMAN WAY, GROVE PARK, LEICESTER, LE19 1S2	-41,499.89
XEROX UK LTD	DEPARTMENT 63, PARK VIEW, 82 OXFORD ROAD, LUXBRIDGE, UB8 1UX	-39,044.75
ATOS IT OUTSOURCING SERVICES LIMITED	1 TRINITY COURT, BROADLANDS, WOLVERHAMPTON, WV10 6UH	-38,737.86
QASBY COMMUNICATIONS	DAISY HOUSE, LINDRED ROAD BUSINESS PARK, NELSON, LANCASHIRE, BB9 5SR	-38,401.13
BOLDER CREATIVE	5 PEMBROKE AVENUE, MOVE, BN15 5DB	-36,080.00
GREENZONE FACILITIES MANAGEMENT LIMITED	THE CORNER HOUSE, BRUNEL DRIVE, NEWARK, NOTTINGHAMSHIRE, NG24 2EG	-34,482.36
THE ESCALATOR COMPANY UK LTD	280 THONG LANE, GRAVESEND, KENT, DA12 4LQ	-33,961.82
PRESCOS LIMITED	UNIT 1 THE KO CENTRE WHITTLE, WAY, ARLINGTON BUSINESS PARK, STEVENAGE, HERTFORDSHIRE, SG1 2BD	-33,446.33
KCOM GROUP LTD	TELEPHONE HOUSE, 37 CARL LANE, KINGSTON UPON HULL, HULL, HU1 3RE	-33,080.59
STAIR PROPERTY SOLUTIONS LTD	4 VICTORIA ROAD, PELSALL, WALSALL, WEST MIDLANDS, WS3 4BH	-31,968.00
VALLEY CPT LIMITED	107 BOSTON ROAD, GORSE HILL, LEICESTER, LE4 1AW	-31,200.14
TRUST SYSTEMS LTD	UNIT 20-21, CHEWSTER OFFICE PARK, TETBURY ROAD, CIRENCESTER, GLOUCESTER, GL7 6UJ	-29,256.67
EVERSHEDS SUTHERLAND (INTERNATIONAL) LLP	1 CALLAGHAN SQUARE, CARDIFF, CF10 9BT	-28,924.80
ANGLIAN WATER BUSINESS (NATIONAL) LTD	LANCASTER HOUSE, LANCASTER WAY ERIMINE BUSINESS, PARK, HUNTINGDON, PE29 6XU	-26,459.31
PAD PROPERTY CARE SERVICES LIMITED	81 HIGH STREET, GRAVESEND, DA11 0BH	-25,193.27
ONCE UPON A TIME MARKETING LIMITED	GOLDEN HOUSE, 30 GREAT PLATENEY STREET, LONDON, W1F 9NN	-24,828.00
TAN-YA ASSOCIATES LTD	1-3 HIGH STREET, OLD BANK HOUSE, ARLUNDEL, BN18 9AD	-22,050.00
MCVEIGH TECHNICAL SOLUTIONS LTD	CELSUS HOUSE, 1 HILL LANE CLOSE, HILL LANE IND ESTATE, MARKFIELD, LEICESTER, LE67 9PY	-20,734.65
BRIAN WALKER ELECTRICAL CONTRACTORS	STUBLEY FARM, STUBLEY FARM ROAD, HECKMONDWIRE, WF16 9QQ	-19,548.76
GREAT BENEFIT LIMITED	THE OLD SCHOOL HOUSE, BRIDGE ROAD, HUNTON BRIDGE, HERTFORDSHIRE, WD4 8RQ	-15,938.40



HMV RETAIL LTD  
COMPANY TRADE CREDITORS

Name	Address	Amount of Debit (£)
TMITI LTD	CONSLEY GARAGE, CONSLEY HEATH, NR WARMINGSTON,	-15,900.00
HILLSIDE AGENCY LIMITED	HILLSIDE AGENCY, 3 COALHILL, THE SHORE, EDINBURGH, SCOTLAND, EH6 6RH	-15,686.40
BIRMINGHAM GATE SERVICES LTD	35 ASHILL ROAD, REDNAL, BIRMINGHAM, B45 9RB	-14,758.08
MEDIAZEST INTERNATIONAL LIMITED	UNIT 9 WOKING BUSINESS PARK, ALBERT DRIVE, WOKING, SURREY, GU21 5JY	-13,360.24
CISION LTD	GUILDFOORD ROAD, LEATHERHEAD, SURREY, KT22 9UT	-13,106.87
HOOTSUITE INC	5 EAST 8TH AVE, VANCOUVER BC, V5T 1R6	-12,997.50
THAMESIDE FIRE PROTECTION CO LIMITED	UNIT 4 SOVEREIGN PARK, CRANES FARM ROAD, BASILDON, SS14 3JD	-12,996.92
IMPACT FACTORY LTD	SUITE 121, BUSINESS DESIGN CENTRE, 52 UPPER STREET, LONDON, N1 0QH	-12,000.00
WORLD PAY (UK) LIMITED	GATESHEAD CARD CENTRE, VICTORY HOUSE, FIFTH AVENUE, GATESHEAD, NE11 0EL	-10,949.35
GF TECHNICAL SERVICES LTD T/A FLAVELL	PRIARY DENE, FRODHE ROAD, HINTON CHARTERHOUSE, BATH, BA2 7TE	-10,232.40
YESPAY INTERNATIONAL LIMITED	THE WALBROOK BUILDING, 25 WALBROOK, LONDON, EC4N 8AF	-8,276.94
IPPOS RETAIL PERFORMANCE	BEECH HOUSE, WOODLANDS BUSINESS PARK, BRECKLAND, LINFORD WOOD WEST, MILTON KEYNES, MK14 6ES	-8,102.40
QUINRY AS	VATTUGATAN 17111 32, STOCKHOLM, SWEDEN,	-7,916.40
SIA GROUP (UK) LONDON LTD	107 CHEAPSIDE, LONDON, EC2V 6DN	-7,500.00
ADVANCED LOCK & SAFE WORKS	34 HERONS PLACE, MARLOW, BUCKINGHAMSHIRE, SL7 3HP	-6,727.50
UK GLASS FORCE LTD	UK GLASS FORCE LTD, 32 ELDON WAY INDUSTRIAL ESTATE, SPA ROAD, HOCKLEY, BIRMINGHAM, B55 4AD	-6,382.80
SSE ENERGY SUPPLY LIMITED T/A SOUTHERN	55 VASTERN ROAD, READING, BERKSHIRE, RG1 8BU	-6,149.55
CAPITA EMPLOYEE BENEFITS CONSULTING LTD	1 ALDORATE, LONDON, EC3N 1LP	-6,000.00
PORTFOLIO PAYROLL LIMITED	NEW LIVERPOOL HOUSE, 15 ELDON STREET, LONDON, EC2M 7LD	-5,940.00
GPK RETAIL & TECHNOLOGY	LEVEL 18, 25 CANADA SQUARE, CANARY WHARF, LONDON, E14 5LQ	-5,834.99
SOFTCAT LIMITED	6TH FLOOR, 101 FINSBURY PAVEMENT, LONDON, EC2A 1RS	-5,691.15
PREPAY TECHNOLOGIES LTD	55 BAKER STREET, LONDON, W1U 8EW	-5,594.80
INVESTEC ASSET FINANCE PLC	READING INTERNATIONAL BUSINESS, PARK, READING, BERKSHIRE, RG2 6AA	-5,295.94
POWOWOW NOW	1ST FLOOR, VECTRA HOUSE, 36 PARADISE ROAD, RICHMOND, TW9 1SE	-5,273.99
CASHTEC LTD	4 HARRIS CLOSE, WOODLEY, READING, BERKSHIRE, RG5 4XH	-4,963.62
DS SMITH PACKAGING LIMITED	350 ELSTON ROAD, LONDON, NW1 3AX	-4,792.98
PASSHA STORAGE AND INTERIORS LTD	RUGBY BUSINESS CENTRE, 21-23 CLIFTON ROAD, RUGBY, CV21 3PY	-4,605.60
YEXT SABL	C/O GENINT SA, RUE JEAN-CALVIN 12, C/O GENINT SA, 1204 GENEVA, SWITZERLAND,	-4,333.57
OPEN TEXT UK LTD	420 THAMES VALLEY PARK DRIVE, THAMES VALLEY PARK, READING, BERKSHIRE, RG6 1PT	-3,991.20
ORE COMMUNICATIONS LTD	DUTTON GREEN, STANNY HILL, CHESTER, CH2 4RA	-3,851.42
SPORTSEEN LLP	17 BREWHOUSE LANE, PUTNEY WHARF, LONDON, SW13 2JX	-3,600.00
EVN TECHNOLOGY LTD	SOUTH TEES BUSINESS CENTRE, ENTERPRISE COURT, MIDDLESBROUGH, NORTH YORKSHIRE, TS6 6TL	-3,488.00
SIMPLY SOLUTIONS (EUROPE) LTD	10 ST BRIDE STREET, LONDON, EC4A 4AD	-3,046.77
ALASDAIR GORDON	C/ JEAN GENET 26, LA MANDARINA, XABIA, 03739, ALACANT, SPAIN	-2,975.00
RETAIL UTILITIES SOLUTIONS LIMITED	RETAIL UTILITIES SOLUTIONS, 6TH FLOOR, MIDCITY PLACE, LONDON, WC1V 6EA	-2,882.15
FIREMARK LIMITED	BFF BUSINESS PARK, BATH ROAD, BRIDGWATER, SOMERSET, TA6 4NZ	-2,644.26

HMV RETAIL LTD  
COMPANY TRADE CREDITORS

Name	Address	Amount of Debt (£)
TULLY FARM HOLDINGS LTD T/A CONTRACT SER	3 BLACKSTAFF WAY, KENEDY WAY INDUSTRIAL ESTATE, BELFAST, BT11 9DS	-2,610.58
SPG PACKAGING UK LTD	UNIT 51, EMPIRE INDUSTRIAL PARK, BRICKYARD ROAD, ALDRIDGE, WALSALL, W59 8RT	-2,538.06
VORTEX EVENTS LIMITED	UNIT 8 SUTHERLAND COURT, BROWNIELDS INDUSTRIAL ESTATE, WELWYN GARDEN CITY, HERTFORDSHIRE, AL7 1BU	-2,526.00
FOURPLY LIMITED	22/23 TOBAGO STREET, GLASGOW, G40 2RH	-2,302.84
ASTERIX CONTRACTING LTD	3 TRUROYS YARD, 121 LONDON ROAD, BRISTOL, BS30 5NA	-2,193.48
TOSHIBA TEC UK IMAGING SYSTEMS LTD	ABBEY CLOSTERS, ABBEY GREEN, CHERTSEY, SURREY, KT16 8RB	-2,087.22
COLLIER PICKARD LIMITED	THE OLD CALF HOUSE, CHEYENING ROAD, SUNDRIDGE, KENT, TN11 4AB	-2,048.40
IFGMAIL INC	124 E WALNUT STREET, STE 310, MANKATO, USA	-2,012.77
DALE BUILDING MAINTENANCE LTD	HALDEN HOUSE, GARTH WORKS, TAFFS WELL, CARDIFF, CF15 7HN	-1,994.70
EXPONENTIAL-E LIMITED	100 LEMAN STREET, LONDON, E1 8EU	-1,980.00
HLA MEDIA ACCESS LIMITED	WELLINGTON GATE, CHURCH ROAD, TUNBRIDGE WELLS, KENT, TN11 1NL	-1,948.40
CALBARRE LTD	BARRINGTON HOUSE, KINGSBITCH LANE, CHELTENHAM, GL51 9NN	-1,906.80
BIFFA WASTE SERVICES LTD	PO BOX 645, HIGH WYCOMBE, HP12 3WF	-1,893.60
PCS ASBESTOS RISK MANAGER	11F FLOOM, 2 MOORE LANE, HIGHBURTON, HUDDERSFIELD, HD8 0QS	-1,579.20
NORTHGATE ARINSO UK LTD	PEOPLEBUILDING 2, PEOPLEBUILDING ESTATE, MAYLANDS AVENUE, HEMEL HEMPSTEAD, HERTFORDSHIRE, HP2 4NW	-1,547.57
RETAIL ENERGY SOLUTIONS LTD	UNIT 6 BARNES WALLIS COURT, WELLINGTON ROAD, CHESSEX BUSINESS PARK, HIGH WYCOMBE, HP12 3PS	-1,511.00
PHS GROUP PLC	WESTERN INDUSTRIAL EST, CAERPHILLY, MID GLAMORGAN, WALES, CF83 1XH	-1,415.40
GAZPHOM ENERGY CLIMATE CHANGE	5TH FLOOR BAUHAUS, 27 QUAY STREET, MANCHESTER, M3 3BY	-1,378.19
BRINSMOOR SIGNS LIMITED	UNIT 2, ARBEL WAY, HUCKNALL, NOTTINGHAM, NG15 8DW	-1,375.20
JOFSON LTD	UNIT 6, WESTGATE PARK INDUSTRIAL EST, TINTAGEL WAY, ALDINGBOROUGH, WEST MIDLANDS, W59 8ER	-1,326.04
SERVOCA SECURE SOLUTIONS LIMITED	1ST FLOOR QUEENSGATE, 121 SUFFOLK STREET, BIRMINGHAM, B1 1LX	-1,074.00
UNIVERSAL LOCKS LTD T/A UNIVERSAL SEC GP	894 PLYMOUTH ROAD, SLOUGH, BERKSHIRE, SL1 4LP	-1,050.37
ISLAND WASTE	POINTE LANE, ST ANDREWS, GLERNSEY, GY6 8UJ	-897.46
DOUBLEDGE PROFESSIONAL SERVICES LTD	50 LIVERPOOL STREET, LONDON, EC2M 7PY	-868.90
RIBBLE VEHICLES TA SVR LTD	UNIT 3-4 WARREN ROAD, LONGWOOD PARK, TRAFFORD PARK, MANCHESTER, M17 1QR	-842.40
AVC DIGITAL LTD	UNIT 1, CALVER ROAD, WINNICK QUAY, WARRINGTON, W12 8UD	-780.60
ESPRESSO PLUS LIMITED T/A SNACKTIME VENO	UNIT C PRIORY HOUSE, PRIORY HOUSE, GILDERHOLME SPUR, MORLEY, LEEDS, LS27 7JZ	-780.00
CHELSFORD CITY COUNCIL	CIVIC CENTRE, DUKE STREET, CHELSFORD, ESSEX, CM1 1JE	-732.81
BUFA OCCUPATIONAL HEALTH LIMITED	ROOM 101, THE ANCHORAGE, SALFORD QUAYS, MANCHESTER, M50 3XL	-727.20
ROOMEX LTD	UNIT D10 NUTGROVE OFFICE PARK, RATHFRANHAM, DUBLIN 14,	-717.86
DWT CYMRU CTF	P O Box 680, CARDIFF, CF1 9WL	-703.40
ULTIMA BUSINESS SOLUTIONS	448A BASINGSTOCK ROAD, READING, RG2 0RX	-610.99
ENDOLINE MACHINERY LTD	STRATTON BUSINESS PARK, LONDON ROAD, BUGGLESWADE, BEDFORDSHIRE, SG18 8QB	-600.00
TUGEL CONTRACTORS LTD	3-3 HERTHROP ROAD, DONCASTER, SOUTH YORKSHIRE, DN4 6AD	-514.34
REDRO LIMITED	MANOR HOUSE ENTERPRISE CENTRE, ROYAL WOOTTON BASSETT, SN4 7HH	-480.00
STEVE CAUNCE NATIONWIDE DRAINAGE CON LTD	7-B STRETTFORD PLACE, LONDON, W1C 1AY	-475.26

**IMVY RETAIL LTD  
COMPANY TRADE CREDITORS**

Name	Address	Amount of Debt (£)
KW ADVISORY LTD	7-10 CHANDOS STREET, LONDON, W1G 9DQ	-450.00
DEELSHUS CATERING LTD	341 ALEXANDRA PARK ROAD, LONDON, N22 7BP	-447.00
GUERNSEY WATER	PO BOX 30, SOUTH ESPLANADE, ST PETER PORT, GUERNSEY, GY1 3AS	-446.96
NATIONAL TYNE SERVICES LTD	REGENT HOUSE, HEATON LANE, STOCKPORT, SK4 1BS	-445.91
BELOM UK LIMITED T/A AUTOGLASS	1 PRIORITY BUSINESS PARK, CARWINGTON, BEDFORD, BEDFORDSHIRE, MK44 3US	-435.80
MRS COMMUNICATIONS LTD	IMPERIAL COURT, VANDYCK ROAD, GWAELOD-Y-GARTH, CARDIFF, CF15 9JN	-390.00
ROKILL LTD	ROSSLAND HOUSE, HEADLANDS BUSINESS PARK, SALISBURY ROAD, RINGWOOD, HAMPSHIRE, BH24 3PB	-374.40
G4S SECURE SOLUTIONS (GUERNSEY)	LOWLANDS BUILDING, LOWLANDS INDUSTRIAL ESTATE, BRIAYE ROAD, VALE, GUERNSEY, GY3 5XH	-369.63
IRON MOUNTAIN (UK) LIMITED	WHITELAW HOUSE, ALDERSTONE HOUSE BUSINESS PARK, MACMILLAN ROAD, LIVINGSTONE, EH54 7DF	-355.80
SAGE (UK) LIMITED	NORTH PARK, NEWCASTLE UPON TYNE, NE13 9AA	-354.00
PCM FIRE DEFENCE	76 TURBERVILLE PLACE, WARWICK, CV34 4JZ	-290.00
BT PLC (ONEBILL)	BT PLC, ONEBILL, TYTE, NEWCASTLE-UPON-TYNE, NE2 6AA	-285.38
SURE (GUERNSEY) LTD	PO BOX NO 3, UPLAND ROAD, ST PETER'S PORT, GUERNSEY, GY1 3AB	-283.99
MPM WRISTBANDS LTD	1M PIRE YARD, KINGS HEAD ROAD, GENDROS, SWANSEA, WEST GLAMORGAN, SA5 8DA	-238.20
FBH FICHT LTD	5 MARKED ROAD, HEMEL HEMPSTEAD, HERTFORDSHIRE, HP2 7DX	-170.40
KEYSPLEASE (AMMERHURST) LTD	COTTON HOUSE, PRINCES AVE, PINCHLEY, LONDON, N3 2DB	-139.20
LEAP UTILITIES SERVICES LTD	53 THE GREENHOUSE, 101-110 BROADWAY, MEDIACTY, M50 2EQ	-108.93
CROWN RECORDS MANAGEMENT	HERITAGE HOUSE, 945 SOUTHBURY ROAD, ENFIELD, EN1 1TW	-63.32
ANCORIS LIMITED	LULY HILL HOUSE, LILY HILL ROAD, BRACKNELL, BERKSHIRE, RG12 2SU	-62.19
ANGEL SPRINGS LIMITED	ANGEL HOUSE, SHAW ROAD, WOLVERHAMPTON, WV10 9LE	-55.86
TUNBRIDGE WELLS SAFE TOWIN PARTNERSHIP	TUNBRIDGE WELLS CSU, TOWN HALL, TUNBRIDGE WELLS, KENT, TN11 1RS	-39.00
WATER PLUS LIMITED	TWO SMITHFIELD, LEONARD COATES WAY, STONE ON TRENT, ST1 4FD	-28.37
IMSEVRY EUROPE LTD	SCORPIO, ROCKINGHAM DRIVE, UNFORD WOOD, MILTON KEYNES, MK14 6LY	-12.10
SCODRO MOTIVATION SOLUTIONS UK LIMITED	AVALON HOUSE, BRECLAND, UNFORD WOOD, MILTON KEYNES, MK14 6LD	-10.00
710 KNIGHT FRANK	180 OXFORD STREET, LONDON, W1D 3EL	-78,345.04
449 STANDARD LIFE	1 GEORGES STREET, EDINBURGH, EH2 2LL	-60,000.00
320 CBRE LTD	PACIFIC HOUSE, 70 WELLINGTON STREET, GLASGOW, G2 6UA	-2,203.50
640 LEE BARON LIMITED	7 SWALLOW PLACE, LONDON, W1B 2AG	-48,787.48
115 - UNIVERSAL MUSIC OPERATIONS LTD	BEAUMONT HOUSE, AVONMORE ROAD, KENSINGTON VILLAGE, LONDON, W14 8TS	-42,354.83
246 JONES LANG LASALLE SC	FIRST FLOOR, 43-45 PORTMAN SQUARE, LONDON, W1H 6LY	-414.29
665 JONES LANG LASALLE	1M PROPERTIES (WELL SQUARE), 1M HOUSE SOUTH DRIVE, COLESHILL, BIRMINGHAM, B46 1DF	-18,000.00
593 - LAND SECURITIES PROPERTY LTD	100 VICTORIA STREET, LONDON, SW1E 5JL	-377.30
527 - JONES LANG LASALLE	40 BENCELEY SQUARE, BRISTOL, BS8 9AQ	-8,300.00
845 INTU TRAFFORD CENTRE	THE TRAFFORD CENTRE LIMITED, THE MANAGEMENT SUITE, THE TRAFFORD CENTRE, MANCHESTER, M17 8AA	-4,441.33
490 MULTI MALL MANAGEMENT	ST ENOCH CENTRE, 55 ST ENOCH SQUARE, GLASGOW, G1 4BW	-3,719.81
608 - CAPITAL & REGIONAL	CAPITAL AND REGIONAL PROPERTY, MANAGEMENT LTD, 52 GROSVENOR GARDENS, LONDON, SW1W 0AU	-67.74

ARMY RETAIL LTD  
COMPANY TRADE CREDITORS

Name	Address	Amount of Debt (£)
HARRISON CLARK RICKERBY LIMITED	OVERROSS HOUSE, ROSS PARK, ROSS-ON-WYE, HEREFORDSHIRE, HR9 7US	-40.00
WESTMINSTER CITY COUNCIL	P O Box 397, WARRINGTON, WA55 1GG	-109,012.00
SHEFFIELD CITY COUNCIL	P O Box 295, SHEFFIELD, S1 1GH	-45,004.00
LB OF HAMMERSMITH AND FULHAM	PO BOX 1463, LONDON, W6 9UU	-27,574.00
BIRMINGHAM CITY COUNCIL	PO BOX 5, BIRMINGHAM, B4 7AB	-25,883.00
NEWCASTLE CITY COUNCIL	NEWCASTLE UPON TYNE, NE1 8QH	-23,445.00
RENFREWSHIRE COUNCIL	CORPORATE SERVICES, RENFREWSHIRE HOUSE, COTTON STREET, PAISLEY, PA1 1LD	-24,187.00
DARTFORD BOROUGH COUNCIL	CIVIC CENTRE, HOWE GROVES, DARTFORD, KENT, DA1 1DR	-20,980.00
EXETER CITY COUNCIL	Customer Service Centre, Civic Centre, Paris Street, EXETER, EX1 1JN	-19,515.00
GLASGOW CITY COUNCIL	Glasgow City Council, P O BOX 36, 45 ST JOHN ST, GLASGOW, SCOTLAND, G1 1IE	-18,343.00
NOTTINGHAM CITY COUNCIL	LOVELY HOUSE, STATION STREET, NOTTINGHAM, NG2 3NG	-17,378.00
LEEDS CITY COUNCIL	PO BOX 60, 2 Great George Street, LEEDS, LS2 8JR	-17,273.00
LIVERPOOL CITY COUNCIL	P O Box 1, LIVERPOOL, L69 2NQ	-16,741.00
CHESHIRE WEST & CHESTER COUNCIL	Revenues, Business Rates, P O Box 187, ELLESMERE PORT, CH94 9DB	-16,663.00
BATH AND NORTH EAST SOMERSET COUNCIL	CITY TREASURER, GUILDHALL, BATH, BA1 5AU	-15,679.00
GATESHEAD COUNCIL	CIVIC CENTRE, REGENT STREET, GATESHEAD, NE8 1JH	-14,913.20
MANCHESTER CITY COUNCIL	PO BOX 466, MANCHESTER, M16 6AT	-14,790.00
PLYMOUTH CITY COUNCIL	Finance Services, Civic Centre, PLYMOUTH, PL1 2AA	-14,482.00
CROYDON COUNCIL	MUNICIPAL OFFICES, FELL ROAD, CROYDON, CR9 1BQ	-14,256.00
PETERBOROUGH CITY COUNCIL	TOWN HALL, Bridge Street, PETERBOROUGH, PE1 1HQ	-13,580.00
MILTON KEYNES COUNCIL	P O Box 5327, Civic Offices, 1 Saxon Gate East, MILTON KEYNES, MK8 3ZA	-13,244.00
ABERDEEN CITY COUNCIL	The Podium, St Nicholas House, Upper Kirkgate, ABERDEEN, SCOTLAND, AB10 1AX	-13,498.20
CARDIFF COUNTY COUNCIL	City and County of Cardiff, P O Box 9000, CARDIFF, CF10 3WD	-12,336.00
STOCKPORT METROPOLITAN BOROUGH COUNCIL	Payments, P O Box 4, STOCKPORT, SK1 3PH	-11,978.00
BRISTOL CITY COUNCIL	P O Box 968, Annela Court, Pipe Lane, BRISTOL, BS99 7BL	-11,419.00
CHELMSFORD CITY COUNCIL	P O Box 457, Civic Centre, Dule Street, CHELMSFORD, CM1 2YI	-11,419.00
NORWICH CITY COUNCIL	CITY HALL, NORWICH, NR2 1JH	-10,990.00
CHICHESTER DISTRICT COUNCIL	EAST PALLANT HOUSE, 1 EAST PALLANT, CHICHESTER, PO19 3TY	-10,989.80
THE RB OF KINGSTON UPON THAMES	DIRECTOR OF FINANCE, GUILDHALL 2, KINGSTON UPON THAMES, SURREY, KT1 1EU	-10,984.00
READING BOROUGH COUNCIL	P O BOX 28, CIVIC OFFICES, READING, RG1 2LU	-10,387.00
THE CITY OF EDINBURGH COUNCIL	P O Box 12330, EDINBURGH, SCOTLAND, EH11 3YA	-10,402.00
CANTERBURY CITY COUNCIL	Military Road, CANTERBURY, CT1 1YW	-10,036.00
TORFAEN COUNTY BOROUGH COUNCIL	20/22 THE MALL, NEW TOWN CENTRE, CYMBRIAN, TORFAEN, NP44 1PX	-4,712.00
LEICESTER CITY COUNCIL	YORK HOUSE, 91 GRANBY STREET, LEICESTER, LE1 6FB	-4,478.00
DUNDREE CITY COUNCIL	INCOMES SECTION, PO BOX 6786, DUNDREE, DD1 3YP, Scotland, DD5 4PY	-4,040.00
STIRLING COUNCIL	Newforth, STIRLING, FK8 1ET	-3,262.50

**HMV RETAIL LTD**  
**COMPANY TRADE CREDITORS**

Name	Address	Amount of Debt (£)
CITY OF BRADFORD MDC	BRITANNIA HOUSE, HALL INGS, BRADFORD, BD1 1HX	-1,278.40
Inland Revenue Control PAYE/NI	HM Revenue & Customs, Chillingham House, Benton Park View, Newcastle Upon Tyne, NE98 1ZZ	-1,248,814.76
Pensions Control (Scottish Widows)	Scottish Widows Ltd, 25 Gresham Street, London, EC2V 7HH	-112,374.23
Finance Lease Creditor (Lombard)	Lombard Technology Services Ltd, Ekstree Road, Ekstree, Herts, WD6 3BS	-345,177.60
HMRC	HM Revenue & Customs, Chillingham House, Benton Park View, Newcastle Upon Tyne, NE98 1ZZ	-3,861,434.00
PURE HMV LOYALTY LIMITED	80 NEW BOND STREET, LONDON, W1S 1SR	-61,314.31
HILCO PROPERTY LIMITED	80 NEW BOND STREET, LONDON, W1S 1SR	-33,028.60
HILCO PROFIT RECOVERY LIMITED	80 NEW BOND STREET, LONDON, W1S 1SR	-1,810.66
HMV ECOMMERCE LIMITED	80 NEW BOND STREET, LONDON, W1S 1SR	-4,172,065.85
HMV BRANDS LIMITED	80 NEW BOND STREET, LONDON, W1S 1SR	-3,969,100.00
RETAIL PROCUREMENT SERVICES LIMITED	80 NEW BOND STREET, LONDON, W1S 1SR	-804,383.33
		-33,285,446.38

Signature S. Wood Date 14/2/19

**BRAY RETAIL LTD  
EMPLOYEE CREDITORS**

Name of employee or former employee	Address	Preferential Debt (£)	Unsecured Debt (£)	Total Debt (£)
Preferential creditors (2800 employees)		-1,259,536.34		-1,259,536.34
Unsecured creditors (1933 employees)			-9,489,649.69	-9,489,649.69
		-1,259,536.34	-9,489,649.69	-10,749,186.03

Signature S. Wood Date 14/2/19

S. Wood

HMV RETAIL LTD  
COMPANY PRE-PAID CONSUMER CREDITORS

Name of creditor or Claimant	Address	Amount of Debt (£)
Preferential creditors		-2,436,665.07
N.B. All vouchers allowed to be redeemed. All customer deposits continue to be fulfilled.		
		-2,436,665.07

Signature S. Wood Date 14/2/19  
S wood

**NEW COMMERCIAL LTD**  
**A - SUMMARY OF ASSETS**

		Book Value £	Estimated to Realise £
Assets			
	Assets subject to fixed charge	0.00	0.00
	<b>Total Assets subject to fixed charge</b>	<b>0.00</b>	<b>0.00</b>
	Less: Amounts due to fixed charge holders	-24,901,752.00	-24,901,752.00
	<b>Shortfall/Surplus to fixed charge holders c/d</b>	<b>-24,901,752.00</b>	<b>-24,901,752.00</b>
	Assets subject to floating charge:		
	Fixed assets		
	Refrigerators, fittings and furniture, Other Equipment	43,552.63	15,374.09
	Computer Hardware and Software	153,601.34	132,262.14
	Inventory	0.00	0.00
	Debtors	4,310,563.16	0.00
	Cash at Bank and in Hand	100,175.56	100,175.56
	Cash in Transit	59,234.60	59,234.60
	Cash at Bank	4,143.71	4,143.71
	<b>Total assets subject to floating charge</b>	<b>4,673,271.02</b>	<b>311,189.10</b>
	Uncharged Assets	0.00	0.00
	<b>Total uncharged assets</b>	<b>0.00</b>	<b>0.00</b>
	<b>ESTIMATED TOTAL ASSETS AVAILABLE FOR PREFERENTIAL CREDITORS</b>	<b>4,673,271.02</b>	<b>311,189.10</b>

Signature

*S. Wood*  
*S. Wood*

Date

14/2/19



**HMV ECOMMERCE LTD**  
**A1 - SUMMARY OF LIABILITIES**

	Book Value £
Estimated total assets available for preferential creditors (carried from page A)	311,189.10
<b>Liabilities</b>	
Preferential Creditors:	
Preferential creditors	-1,108.73
	<u>-1,108.73</u>
Estimated surplus as regards preferential creditors	310,080.37
Less uncharged assets	0.00
	<u>310,080.37</u>
<b>Net Property</b>	
Estimated prescribed part of net property where applicable (to carry forward)	-65,016.07
Estimated total assets available for floating charge holders	<u>245,064.30</u>
Debts secured by floating charges	-24,901,752.00
Estimated deficiency of assets after floating charges	<u>-24,656,687.70</u>
Estimated prescribed part of net property where applicable (brought down)	65,016.07
Uncharged assets	0.00
	<u>65,016.07</u>
<b>Total assets available to unsecured creditors</b>	<b>65,016.07</b>
Unsecured non-preferential claims (excluding shortfall to floating charge holders):	
Unsecured (trade) (non-preferential) creditors	-905,541.45
Unsecured intercompany creditors	-556,943.20
Unsecured (pre-paid consumer) creditors	-205,229.72
Unsecured employee creditors	-34,180.24
Unsecured (other) creditors	-335,855.32
	<u>-2,037,749.93</u>
Estimated deficiency as regards unsecured creditors	<u>-1,972,733.86</u>
Shortfall to fixed charge holders (brought down) (NB debt is fixed and floating charge so given no fixed charge assets all recoveries against floating charge assets)	0.00
Shortfall to preferential creditors (brought down)	0.00
Shortfall to floating charge holders (brought down)	-24,656,687.70
Estimated deficiency as regards creditors	<u>-26,629,421.56</u>
Issued and called up capital	-1.00
Estimated deficiency as regards members	<u>-26,629,422.56</u>

Signature

*S.Wood*  
S.WOOD

Date

14/2/19

HMV ECOMMERCE LTD  
COMPANY TRADE CREDITORS

Name	Address	Amount of Debt (£)
GOOGLE IRELAND LIMITED	GOOGLE IRELAND LIMITED, GORDON HOUSE, BARROW STREET, DUBLIN 4, IRELAND,	-301,124.09
ROYAL MAIL GROUP LTD T/A ROYAL MAIL	ROYAL MAIL GROUP LTD T/A ROYAL MAIL, 100 VICTORIA EMBANKMENT, LONDON, EC4Y 0HQ	-215,631.70
CLF PACKAGING LTD	CLF PACKAGING LTD, ORCHARD HOUSE, HEATH ROAD, WARBOYS, HUNTINGDON, CAMBRIDGE, PETERBOROUGH, PE28 2UJ	-131,670.38
AWIN LTD	AWIN LTD, 5TH FLOOR, 2 THOMAS MOORE SQUARE, LONDON, E1W 1YH	-45,086.72
BLOOMREACH BV	BLOOMREACH BV, OORSTEINDE 11, 1017 WT AMSTERDAM, NETHERLANDS	-42,000.00
PAYMENT TRUST LIMITED	PAYMENT TRUST LIMITED, THE WALLBROOK BUILDING, 25 WALLBROOK, LONDON, EC4N 8AF	-41,386.27
MICROSOFT IRELAND OPERATIONS LTD	MICROSOFT IRELAND OPERATIONS LTD, ATRIUM BUILDING BLOCK B, CARMENHALL ROAD, SANDYFORD INDUSTRIAL ESTAT	-38,939.01
WORLDPAY BV	WORLDPAY BV, VIMOLY 6TH FLOOR, CLAUDE DEBUSSTYLAAN 16, 1082MD, AMSTERDAM	-34,796.42
QUILLS OFFICE SUPPLIES LTD	QUILLS OFFICE SUPPLIES LTD, SPITFIRE BUSINESS PARK, UNIT 2, 1 HAWKER ROAD, CROYDON, SURREY, CRO 4WD	-16,900.80
MERBLE PERISCOPE	MERBLE PERISCOPE, ARC HOUSE, 82 TAMMER STREET, LONDON, SE1 3GP	-11,837.35
WEBEVENTS LTD T/A INGENUITY DIGITAL	WEBEVENTS LTD T/A INGENUITY DIGITAL, 17TH FLOOR, HERON TOWER, 110 BISHOPS GATE, LONDON, EC2N 4AY	-10,838.71
COAST DIGITAL LIMITED	8 BEACON END COURTYARD, LONDON ROAD, COLCHESTER, ESSEX, CO3 0NU	-4,860.00
SERVICE MANAGEMENT GROUP LIMITED	SERVICE MANAGEMENT GROUP LIMITED, 3 HOLLYWELL HILL, ST ALBANS, HERTFORDSHIRE, AL1 3ER	-4,800.00
ZEUS ENTERPRISE LTD	ZEUS ENTERPRISE LTD, 5TH FLOOR, AULSGATE TOWER, 2 LEHMAN STREET, LONDON, E1 8FA	-4,320.00
RIDGEWAY STUDIOS MARKETING LTD	RIDGEWAY STUDIOS MARKETING LTD, RIVERSIDE HOUSE, TWO RIVERS, WITNEY, OXFORDSHIRE, OX28 4BH	-1,350.00
HMRC	HM Revenue & Customs, Chillingham House, Benton Park View, Newcastle Upon Tyne, NE98 1ZZ	-335,855.32
PURE HMV LOYALTY LIMITED	80 NEW BOND STREET, LONDON, W1S 1SR	-14,035.20
HMV ONLINE LIMITED	HMV ONLINE LIMITED, ROYAL HOUSE, PRINCES GATE, HOMER ROAD, SOLIHULL, B91 3QQ	-8,400.00
HMV BRANDS LIMITED	80 NEW BOND STREET, LONDON, W1S 1SR	-534,508.00
		-1,798,399.97

Signature

*[Handwritten Signature]*

Date

14/2/19

HMV ECOMMERCE LTD  
EMPLOYEE CREDITORS

Name of employee or former employee	Address	Preferential Debt (£)	Unsecured Debt (£)	Total Debt (£)
Preferential creditors (3 employees)		-1,108.73		-1,108.73
Unsecured creditors (4 employees)			-34,180.24	-34,180.24
		-1,108.73	-34,180.24	-35,288.97

Signature S. Wood Date 14/2/19

S. Wood

**HMV ECOMMERCE LTD**  
**COMPANY PRE-PAID CONSUMER CREDITORS**

Name of creditor or Claimant	Address	Amount of Debt (£)
Preferential creditors		-205,229.72
NB. All vouchers allowed to be redeemed. All customer deposits continue to be fulfilled.		
		-205,229.72

Signature S.W Date 14/2/19

S.wood

## Appendix 7      Glossary

<b>Addleshaw Goddard</b>	Addleshaw Goddard LLP
<b>American Express</b>	American Express Payment Services Limited
<b>Companies</b>	HMV Retail Limited- in Administration & HMV Ecommerce Limited – in Administration
<b>EBITDA</b>	Earnings before interest, tax, depreciation and amortisation.
<b>Ecommerce</b>	HMV Ecommerce Limited – in Administration
<b>EPOS</b>	Electronic Point of Sale
<b>European Valuations</b>	European Valuations Limited
<b>G4S</b>	G4S plc
<b>Goodmans</b>	Goodmans Capital Investments Limited
<b>Hilco Capital</b>	Hilco Capital Limited
<b>HMRC</b>	<i>Her Majesty's Revenue and Customs</i>
<b>Insol</b>	Insol Group (HR) Limited
<b>IP</b>	Intellectual Property
<b>Joint Administrators/we/our/us</b>	Neil Gostelow, David Pike and Will Wright

<b>KPMG</b>	KPMG LLP
<b>LFL</b>	Like-for-like basis
<b>Management</b>	The management of the Companies
<b>MCPS</b>	Mechanical Copyright Protection Society
<b>Paypal</b>	Paypal Limited
<b>PHD</b>	PHD Property Advisory Limited
<b>PNC</b>	PNC Business Credit, a trading style of PNC Financial Services UK Limited
<b>PRS</b>	Performance Rights Society
<b>RBS</b>	The Royal Bank of Scotland Group Plc
<b>Retail</b>	HMV Retail Limited – in Administration
<b>Secured creditors</b>	1846 Security Trustee Limited Goodmans Capital Investments Limited
<b>Sunrise</b>	Sunrise Records & Entertainment Limited
<b>TUPE</b>	Transfer of Undertakings (Protection of Employment) Regulations 2006
<b>Worldpay</b>	Worldpay (UK) Limited

Any references in these proposals to sections, paragraphs and rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency Rules (England and Wales) 2016 respectively.

## Appendix 8      Notice: About this statement of proposals

This statement of proposals ('proposals') has been prepared by Neil Gostelow, David Pike and Will Wright, the Joint Administrators of HMV Retail Limited – in Administration and HMV Ecommerce Limited – in Administration (together, the 'Companies'), solely to comply with their statutory duty under Paragraph 49, Schedule B1 of the Insolvency Act 1986 to lay before creditors a statement of their proposals for achieving the purposes of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

These proposals have not been prepared in contemplation of them being used, and are not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Companies or any other company in the same group.

Any estimated outcomes for creditors included in these proposals are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any person that chooses to rely on these proposals for any purpose or in any context other than under Paragraph 49, Schedule B1 of the Insolvency Act 1986 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of these proposals.

Neil David Gostelow and David John Pike and William James Wright are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England & Wales.

We are bound by the Insolvency Code of Ethics.

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The Joint Administrators act as agents for the Companies and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of these proposals or the conduct of the administration.



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