

Monday 27 July 2009

Zavvi Retail Limited (in Administration)

Notice to creditors - 27 July 2009

The Joint Administrators of Zavvi Retail Limited are pleased to announce that they have so far realised in excess of £35m from group assets. This is in addition to saving over 600 jobs and £80 million of secured indebtedness being cleared in full.

The Administrators continue to seek to assign or surrender leasehold interests to minimise landlord claims which were estimated by the Zavvi directors at approximately £110m. Together with employee, voucher and trade creditors, total unsecured creditors are estimated to be in excess of £185m.

Preferential creditors amounting to £0.7m will be paid in full and the Joint Administrators anticipate distributing substantially in excess of £15m to unsecured creditors. Based on current estimates of the total outstanding claims this amounts to a distribution to unsecured creditors of between 5p and 10p in the pound.

The Institute of Chartered Accountants in England and Wales authorises T A Jack and S Allport to act as Insolvency Practitioners under section 390(2)(a) of the Insolvency Act 1986 and the Association of Chartered Certified Accountants authorises A M Hudson to act as an Insolvency Practitioner under section 390(2)(a) of the Insolvency Act 1986.

The affairs, business and property of Zavvi Retail Limited (in Administration) are being managed by the Joint Administrators T A Jack, S Allport and A M Hudson. The Joint Administrators act as agents of Zavvi Retail Limited (in Administration) only and without personal liability.