

The Insolvency Act 1986

Notice of move from administration to creditors' voluntary liquidation

2.34B

Name of Company
DLG Realisations Limited

Company number
3680504

In the High Court of Justice, Chancery Division, Companies' Court (full name of court)

Court case number 10127 of 2008

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

We (a) Lee Antony Manning
Deloitte LLP
PO Box 810
66 Shoe Lane
London
EC4A 3WA

Nicholas Guy Edwards
Deloitte LLP
PO Box 810
66 Shoe Lane
London
EC4A 3WA

(b) Insert name and
address of the
registered office of
company

having been appointed administrator(s) of (b) DLG Realisations Limited, Hill House, 1 Little New Street, London, EC4A 3TR

(c) Insert date of
appointment

on (c) 12 November, 2008
by (d) the qualifying floating charge holder (Kaupthing Singer & Friedlander Limited (in administration))

(d) insert name of
appointor/applicant
(e) Insert name(s)
and address(es) of
liquidator(s)

hereby give notice that:
the provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply, and it is proposed that (e) Lee Antony Manning and Nicholas Guy Edwards, both of Deloitte LLP, PO Box 810, 66 Shoe Lane, London, EC4A 3WA will be the liquidator(s) of the company (IP No(s) 006477, 008811)

attach a copy of the final progress report

Signed

Joint / Administrator(s)

Dated

4/11/09

Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form.

The contact information that you give will be visible to searchers of the

Lorna Mode
Deloitte LLP
PO Box 810
66 Shoe Lane
London
EC4A 3WA

DX Number LDE: DX599

Tel: 020 7007 2542
DX Exchange

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

THURSDAY



COMPANIES HOUSE

**DLG REALISATIONS LTD (FORMERLY DATA
LOCATOR GROUP LTD)
DLG HOLDINGS LTD
DLG ACQUISITIONS LTD
DLG BIDCO LTD
CALL CONNECTOR LTD
EPIC CARE LTD
DLG FINANCE LTD
DLG EQUITY HOLDINGS LTD
(ALL IN ADMINISTRATION)
("the Companies")**

Case No. 10127 of 2008

Case No. 10126 of 2008

Case No. 10128 of 2008

Case No. 10131 of 2008

Case No. 10133 of 2008

Case No. 10130 of 2008

Case No. 10132 of 2008

Case No. 10129 of 2008

**FINAL PROGRESS REPORT TO CREDITORS
PURSUANT TO RULE 2.110 OF THE INSOLVENCY RULES 1986**

4 November 2009

This report has been prepared for the sole purpose of advising the Creditors. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by Creditors for any purpose other than advising them, or by any other person for any purpose whatsoever.

The Administrators act as agents of the Companies without personal liability

**Lee Antony Manning & Nicholas Guy Edwards
Deloitte LLP
PO Box 810
66 Shoe Lane
London
EC4A 3WA**

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ABBREVIATIONS

For the purpose of this report the following abbreviations shall be used:

"Act"	Insolvency Act 1986 (as amended)
"the Administrators"	Refers to the Joint Administrators, Lee Anthony Manning and Nicholas Guy Edwards
"the Companies" or "the Group"	DLG Realisations Ltd (formerly Data Locator Group Ltd), DLG Holdings Ltd, DLG Acquisitions Ltd, DLG Bidco Ltd, Call Connector Ltd, Epic Care Ltd, DLG Finance Ltd and DLG Equity Holdings Ltd
"Call Connector"	Call Connector Ltd
"CVL"	Creditors Voluntary Liquidation
"DBI"	DLG Bidco Ltd
"DEQ"	DLG Equity Holdings Ltd
"DFI"	DLG Finance Ltd
"DLA"	DLG Acquisitions Ltd
"DLG"	DLG Realisations Ltd (formerly Data Locator Group Ltd)
"DLH"	DLG Holdings Ltd
"Deloitte"	Deloitte LLP
"Epic Care"	Epic Care Ltd
"k"	Thousand
"the Lender" or "secured creditor"	Kaupthing Singer & Friedlander Ltd (In Administration)
"m"	Million
"the Purchaser"	Rowan (238) Ltd and Rowan (240) Ltd (now known as Data Locator Group Ltd)
"Rules"	The Insolvency Rules 1986

1. INTRODUCTION

1.1 Introduction

This report has been prepared in accordance with Rule 2.110 of the Rules to provide creditors with a summary of the administrations of the Companies.

Given the information previously provided to creditors in our previous reports we have not included detailed background information and we would refer you to our previous reports, copies of which can be obtained free of charge by writing to the Administrators at the address at the front of this report.

A schedule of statutory information in respect of the Companies is attached at Appendix 1.

1.2 Details of the appointment of the administrators

Lee Antony Manning and Nicholas Guy Edwards, partners in Deloitte LLP, were appointed Administrators of the Companies on 12 November 2008. The appointments were made by the High Court in London (Court reference numbers detailed on cover sheet) following an application by the qualifying floating charge holder (Kaupthing Singer & Friedlander Limited (in Administration), 21 New Street, Bishopsgate, London EC2M 4HR) in the case of DLG, DLA, DLH, DBI and DFI, and in respect of DEQ, Epic Care and Call Connector the application was made by the directors of those companies.

For the purposes of Paragraph 100(2) of Schedule B1 of the Act the Administrators of the Companies have confirmed that they are authorised to carry out all functions, duties and powers by either of them jointly and severally.

2. THE ADMINISTRATORS' PROPOSALS

2.1 Introduction

As previously reported to creditors, the Administrators concluded that the first part of the prescribed objective under paragraph 3(1)(a) of Schedule B1 of the Act, namely "rescuing the company (the legal entity) as a going concern" is not achievable in respect of the Companies in administration.

Consequently, the Administrators have performed their functions in relation to the Companies with the second part of the objective set out in Paragraph 3(1)(b), which is for the Administrators to perform their functions with the objective of achieving a better result for the Companies creditors, as a whole, than would be obtained through an immediate liquidation of the Companies. The purpose of the administrations was achieved through a sale of the business and the assets of the Companies.

As was expected there would be insufficient funds for a distribution to the unsecured creditors of the Companies, and in accordance with Paragraph 52 (1)(b) of Schedule B1, the Administrators notified creditors in their report dated 15 December 2009, that they would not be convening a meeting of creditors to

consider the Administrators proposals unless requested to do so within 12 days of the issue of the report. No request in the prescribed manner was received and the Administrators' proposals were deemed to be approved.

The Administrators' proposals which were deemed approved are as follows:

1. the Administrators continue to seek to realise the remaining assets of the Group, including the book debts;
2. the Administrators continue with their enquiries into the conduct of the directors of the Companies and continue to assist any regulatory authorities with their investigations into the affairs of the Companies (to the extent required by law or other regulatory rules);
3. the Administrators be authorised to agree the claims of the secured, preferential (should any exist) and unsecured creditors unless the Joint Administrators conclude, in their reasonable opinion, that the Companies will have no assets available for distribution to that class of creditor; and
4. if creditors of the Companies so determine, at a meeting of creditors, the Administrators will appoint a creditors' committee to assist the Joint Administrators (such committee must comprise of between 3 and 5 creditors); and
5. that in respect of the Companies, the creditors' committee, if one is appointed, shall be asked to agree that the Administrators' fees, plus VAT, be fixed by reference to the time given in attending to matters arising in the Administration. If a creditors' committee is not appointed, the secured and preferential creditors (to the extent they exist) of the Companies shall be asked to agree the Administrators' fees, in accordance with Rule 2.106(5A), by reference to the time given in attending to matters arising in the administration.
6. in the absence of a creditors' committee, the secured and preferential creditors (to the extent they exist) of the Companies shall be asked to agree that the Joint Administrators be discharged from liability per Paragraph 98 of Schedule B1 of the Act, immediately upon the Joint Administrators' filing their final report to creditors; and
7. the Administrators, on conclusion of their obligations will take steps to finalise the administrations in the most expedient and cost effective manner and should this be by way of a Creditors Voluntary Liquidation it is proposed that the Joint Administrators will be the Joint Liquidators.

In accordance with paragraph 83(7) of the Act and rule 2.117(3) of the Insolvency Rules 1986, creditors may nominate a different person as the proposed Liquidator provided that nomination is made after the receipt of the proposals and before the proposals are approved.

2.2 Amendments to the Proposals

On 9th September 2009 the Administrators wrote to creditors and sought approval to amend the Administrators' original proposal (numbered 7) to the following:

"the Administrators, on conclusion of their obligations will take steps to finalise the administration in the most expedient and cost effective manner and should

this be by way of a Creditors Voluntary Liquidation it is proposed that the Joint Administrators will be the Joint Liquidators.

As per paragraph 83(7) of Schedule B1 of the Act and R2.117(3) of the Insolvency Rules, the creditors may nominate a different person to be Liquidator(s) provided the nomination is made before the proposals are approved by creditors. For the purposes of s231 of the Act the Liquidators will each be authorised to carry out all functions, duties and powers either jointly or severally.

Alternatively, the appointment of Administrators will cease on the following: An application to Court (in the event of a Court appointment); filing a notice in Court with the Registrar of Companies confirming that the purpose of administration has been sufficiently achieved; or in the event that a Group Company has no property the Administrator may notify the Registrar of Companies to that effect at which time the appointment of the Administrator ceases and three months following that date the Company is deemed to be dissolved.

In the absence of a creditors' committees, the creditors of each Company agree that the Administrators be discharged from liability per paragraphs 98 and 99 of Schedule B1 of the Act immediately upon the Administrators' filing their final report to creditors and vacating office."

This amendment was approved by the body of creditors on 25 September 2009.

3. PROGRESS SINCE LAST REPORT (INCLUDING JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT)

3.1 Introduction

Attached at Appendix 2 is a Receipts and Payments Account covering the period from 12 November 2008 to 28 October 2009.

Due to the only realisable assets being within DLG Realisations Ltd we have not provided a Receipts and Payments Account for Call Connector, DBI, DEQ, DFI, DLA, DLH or Epic Care. There have been no receipts or payments within these companies.

As this report focuses on progress in the administrations since our report dated 5 June 2009, we will not set out the circumstances and background of the sale of the business and certain assets of the Companies.

For ease of reference, we can confirm that the sale of the business and certain assets to the Purchaser was concluded by the Administrators on 12 November 2008. The detailed terms of the sale and purchase agreement are confidential. We can confirm, however, that the sum of £3.25m in consideration for the goodwill, database, equipment, stocks and WIP of the Companies was received as set out in Appendix 2.

3.2 Asset realisations

Further to the sale of the business and certain assets, the Administrators have collected £1,933,241 of book debts within DLG to 20 October 2009 against a ledger of £2,530,987 at the date of appointment.

A balance of £155,332 which was in DLG's bank account at the date of the Administrators' appointment was received in full on 5 December 2009.

3.3 Estimated future realisations

The Administrators engaged Legal and Receivables Ltd (trading as Largo) to investigate any possible value vesting in DLG's residual debtor ledger. Following the collection of £51,023, all remaining debtor balances have now been written off. This is due to a number of debtors becoming insolvent, claiming set off for disputed invoices and unallocated credit notes.

The Administrators expect to recover £27,699 of VAT receivable.

4. DISTRIBUTIONS TO CREDITORS

4.1 Secured creditors

As advised in our earlier reports, the Lender is a secured creditor of the Companies having been granted a debenture conferring fixed and floating charges over the assets of the Companies.

The debts due to the Lender at the date of appointments of the Administrators amounted to £39.5m. As a result of the successful sale of the business and certain assets of the Companies and the collection of the debtor book, the Lender has been paid a total of £4.23m.

4.2 Preferential creditors

Preferential creditors relate to employee liabilities for arrears of wages, holiday pay and certain pension contributions and are paid in priority to unsecured creditors out of net floating charge realisations.

DLG has one preferential creditor for £5k which relates to one employee's claim. No distributions to the preferential creditor have been made in the period.

4.3 Unsecured creditors

Due to the large deficit suffered by the Lender, there will be no distribution to unsecured creditors other than by virtue of the Section 176(2)(a) of the Act explained in section 4.4.

4.4 Prescribed Part

By virtue of Section 176(2)(a) of the Act, the Administrators must make a Prescribed Part of the Companies net property available for the satisfaction of unsecured debts. Net property is the amount of the Companies property which would, but for this section, be available for the holders of floating charges created by the Companies.

The Prescribed Part equates to:

- 50% of net property up to £10,000;

- 20% of net property in excess of £10,000;
- Subject to a maximum of £600,000.

The amount due to unsecured creditors under the Prescribed Part is estimated to be approximately £390,000 within DLG. Unsecured claims are estimated at approximately £6,700,000, including intercompany creditors. After considering the flow of the Prescribed Part from DLG to intercompany creditors, it is expected that there will also be a Prescribed Part within DLH, DLA, DBI, DFI and DEQ, however at this time the amount is uncertain.

5. JOINT ADMINISTRATORS' FEES AND EXPENSES

5.1 Joint Administrators' Fees

There will be no funds available to the unsecured creditors other than by virtue of Section 176A(2)(a) of the Act, the Prescribed Part. Fixing of Administrators' remuneration and disbursements was approved in accordance with Rule 2.106(5A) of the Rules, which is outlined as follows:

- Where the Administrators have made a statement under Paragraph 52(1)(b), and in the absence of a creditors' committee, the Administrators' remuneration may be fixed (in accordance with paragraph (2)) by the approval of:
 - (a) each secured creditor of the company: or
 - (b) if the administrator has made or intends to make a distribution to preferential creditors—
 - (i) each secured creditor of the company; and
 - (ii) preferential creditors whose debts amount to more than 50% of the preferential debts of the company, disregarding debts of any creditor who does not respond to an invitation to give or withhold approval.

The Administrators have written to the secured and preferential creditors to agree their remuneration in respect of fixed and floating charge realisations.

In line with paragraph 52(1)(b) of Schedule B1 of the Act outlined above there is no requirement for unsecured creditors to pass a resolution in respect of Administrators' remuneration.

To date the Administrators have drawn a total of £120,591 in relation to fees and disbursements.

5.2 Other professional costs

To advise on appropriate legal matters and to prepare required legal documentation the Administrators instructed Berwin Leighton Paisner LLP, a firm of lawyers with the appropriate expertise and experience in dealing with this type of Administration.

As at the date of reporting payments of £54,022 have been made. In addition Legal and Receivables Ltd (trading as Largo), a debt collection agency, have been instructed by the Administrators to collect the remaining outstanding receivables.

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

6. OTHER MATTERS AND INFORMATION TO ASSIST CREDITORS

6.1 Investigations

As required by legislation, reports on the Directors' conduct in the three years prior to the Administrators appointments have been submitted to the UK Department for Business, Innovation and Skills.

The reports and their contents are confidential and cannot be disclosed to creditors.

6.2 Exit routes from Administration

It is envisaged that DLG, DLH, DLA, DBI, DFI and DEQ will be put into Creditors Voluntary Liquidation (CVL) while Call Connector and Epic Care will be dissolved.

The Joint Administrators consider these routes to be most expedient and cost effective for creditors and will allow a dividend to be paid to the creditors of those companies placed into CVL.

The Joint Administrators are due to be discharged automatically on 11 November 2009, one year since their date of appointment.

6.3 SIP 13 – Transactions with connected parties

In accordance with Statement of Insolvency Practice Number 13, we confirm that there have been no transactions with connected parties during the administration or in the two years prior to our appointment.

6.4 EC Regulations

As stated in the Administration Order in respect of the Company, Council Regulation (EU) No 1346/2000 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

Lee Antony Manning and Nicholas Guy Edwards
Deloitte LLP
PO Box 810
66 Shoe Lane
London
EC4A 3WA

SUMMARY OF STATUTORY INFORMATION

DLG Realisations Limited (IN ADMINISTRATION)	
Company name	DLG Realisations Limited (DLG)
Previous names	Data Locator Group Limited (Until 21/11/08)
Company number	3680504
Date of incorporation	8/12/1998
Registered office	Hill House 1 Little New Street London EC4A 3TR
Ordinary issued and called up share capital	DLG Acquisitions Ltd - 50,000 ordinary shares of £1
Directors	Jeremy Stewart Whitaker, James Neil and John Richard Fleming
Company secretary	Mr John Richard Fleming
Bankers	Kaupthing Singer & Friedlander Ltd (In Administration)
Auditors	Grant Thornton UK LLP

DLG Acquisitions Limited (IN ADMINISTRATION)	
Company name	DLG Acquisitions Limited
Previous names	Data Locator Acquisitions Limited (Until 07/06/2006)
Company number	5688990
Date of incorporation	26/1/2006
Registered office	Hill House 1 Little New Street London EC4A 3TR
Ordinary issued and called up share capital	DLG Holdings Ltd – 1,500,000 ordinary shares of £1
Directors	Jeremy Stewart Whitaker, James Neil and John Richard Fleming
Company secretary	Mr John Richard Fleming
Bankers	Kaupthing Singer & Friedlander Ltd (In Administration)
Auditors	Grant Thornton UK LLP

DLG Bidco Limited (IN ADMINISTRATION)	
Company name	DLG Bidco Limited
Previous names	Pimco 2696 Limited (Until 15/10/2007)
Company number	6384165
Date of incorporation	27/9/2007
Registered office	Hill House 1 Little New Street London EC4A 3TR
Ordinary issued and called up share capital	DLG Finance Ltd – 1,000,000 ordinary shares at £1
Directors	Jeremy Stewart Whitaker, Royston Gary Goodwell Boss, James Neil and John Richard Fleming
Company secretary	Mr John Richard Fleming
Bankers	Kaupthing Singer & Friedlander Ltd (In Administration)
Auditors	N/A

Call Connector Limited (IN ADMINISTRATION)	
Company name	Call Connector Limited
Previous names	N/A
Company number	4485602
Date of incorporation	15/7/2002
Registered office	Hill House 1 Little New Street London EC4A 3TR
Ordinary issued and called up share capital	DLG Realisations Ltd – 100 ordinary shares at £1
Directors	Jeremy Stewart Whitaker and John Richard Fleming
Company secretary	Mr John Richard Fleming
Bankers	Kaupthing Singer & Friedlander Ltd (In Administration)
Auditors	N/A

Epic Care Limited (IN ADMINISTRATION)	
Company name	Epic Care Limited
Previous names	Chorus Direct Limited (Until 12/08/2005)
Company number	4053979
Date of incorporation	16/8/2000
Registered office	Hill House 1 Little New Street London EC4A 3TR
Ordinary issued and called up share capital	DLG Realisations Ltd – 100 ordinary shares of £1
Directors	Jeremy Stewart Whitaker and John Richard Fleming
Company secretary	Mr John Richard Fleming
Bankers	Kaupthing Singer & Friedlander Ltd (In Administration)
Auditors	N/A

DLG Finance Limited (IN ADMINISTRATION)	
Company name	DLG Finance Limited
Previous names	Pimco 2695 Limited (Until 15/10/2007)
Company number	6367840
Date of incorporation	11/9/2007
Registered office	Hill House 1 Little New Street London EC4A 3TR
Ordinary issued and called up share capital	DLG Equity Holdings Ltd – 1,000,000 ordinary shares at £1
Directors	Jeremy Stewart Whitaker, Royston Gary Goodwell Boss, James Neil and John Richard Fleming
Company secretary	Mr John Richard Fleming
Bankers	Kaupthing Singer & Friedlander Ltd (In Administration)
Auditors	N/A

DLG Holdings Limited (IN ADMINISTRATION)	
Company name	DLG Holdings Limited
Previous names	Data Locator Holdings Limited until 07/06/2006
Company number	5692106
Date of incorporation	31/1/2006
Registered office	Hill House 1 Little New Street London EC4A 3TR
Ordinary issued and called up share capital	DLG Bidco Limited (1065000 A ordinary shares and 445800 B Ordinary Shares)
Directors	Jeremy Stewart Whitaker, James Neil and John Richard Fleming
Company secretary	Mr John Richard Fleming
Bankers	Kaupthing Singer & Friedlander Ltd (In Administration)
Auditors	N/A

DLG Equity Holdings Limited (IN ADMINISTRATION)	
Company name	DLG Equity Holdings Limited
Previous names	Pimco 2697 Limited (Until 15/10/2007)
Company number	6384160
Date of incorporation	9/27/2007
Registered office	Hill House 1 Little New Street London EC4A 3TR
Ordinary issued and called up share capital	Kaupthing Capital Partners II Master L P Incorporated – 499,900 A ordinary shares at £0.10 each, 33,026,427 A preference shares at £1.00 each and 1,395,612 AA preference shares at £1.00 each. Jeremy Stewart Whitaker – 170,000 B ordinary shares at £0.10 each Richard Webster – 5,000 B ordinary shares at £0.10 each Graham Bate – 80,000 B ordinary shares at £0.10 each Ivan Parkinson – 80,000 B ordinary shares at £0.10 each Martin Rowland – 80,000 B ordinary shares at £0.10 each Royston Boss – 5,000 B ordinary shares at £0.10 each Butterfield Trust (Guernsey) Ltd – 66,000 B ordinary shares at £0.10 each Michael Murphy – 15,000 B ordinary shares at £0.10 each
Directors	Jeremy Stewart Whitaker, Royston Gary Goodwell Boss, James Neil and John Richard Fleming
Company secretary	Mr John Richard Fleming
Bankers	Kaupthing Singer & Friedlander Ltd (In Administration)
Auditors	N/A

DLG Realisations Limited (in Administration)
Receipts and payments account for period 12 November 2009 to 28 October 2009

		12 Nov 2008 · 11 May 2009	12 May 2009 · 28 Oct 2009	Total (£)
RECEIPTS				
Goodwill	1	2,169,998	-	2,169,998
Database	1	1,000,000	-	1,000,000
Equipment	1	80,000	-	80,000
Stocks and WIP	1	2	-	2
Realisation of book debts	2	1,882,597	50,644	1,933,241
Cash in hand on appointment		155,332	-	155,332
Funds received from the Purchaser for rent		42,032	-	42,032
Bank interest gross		8,817	1,425	10,241
Miscellaneous refunds		-	651	651
		5,338,777	52,720	5,391,497
PAYMENTS				
Distribution to secured creditor	3	4,234,807	-	4,234,807
Administrators' fees		120,341	-	120,341
Administrators' expenses		250	-	250
Legal costs		50,503	3,519	54,022
Rent paid on behalf of the Purchaser		42,032	-	42,032
Corporation tax		-	2,867	2,867
Printing		729	274	1,003
Advertising costs		962	-	962
Insurance of assets		-	289	289
Sundry costs		-	100	100
VAT receivable		24,053	3,616	27,669
		4,473,678	10,664	4,484,342
Balances in hand				907,155

The Receipts and Payments account must be read in conjunction with the attached notes and report.

NOTES TO THE RECEIPTS AND PAYMENTS ACCOUNT

1. Proceeds totalling £3,250,000 were received in consideration for the Companies' goodwill, database, equipment, stocks and WIP.
2. The sale of the business and certain assets excluded the debtor book. To 28 October 2009 £1,933,241 has been collected against a ledger of £2,530,987 at the date of appointment. No further debtor realisations are expected.

3. As a result of the successful sale of the business and certain assets, and the collection of the debtor book, a distribution to the secured creditor of £4,234,807 has been made.
4. No amount has been paid to unsecured creditors by virtue of the application of section 176A (prescribed part).