

The Insolvency Act 1986

Administrator's progress report

Name of Company

TDL Infomedia Limited

Company number

03794451

In the Royal Courts of Justice,
Chancery Division, Companies Court

(full name of court)

Court case number

5438 of 2013

(a) Insert full
name(s) and
address(es) of
administrator(s)We (a)
David Dunckley
Grant Thornton UK LLP
30 Finsbury Square
London
EC2P 2YUIan Corfield
Grant Thornton UK LLP
30 Finsbury Square
London
EC2P 2YU

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

From

(b) Insert date

(b) 14 February 2014

To

(b) 1 July 2014

Signed


Joint Administrator

Dated

2 July 2014

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
formThe contact information that you give
will be visible to searchers of the
public registerDavid Dunckley
Grant Thornton UK LLP
30 Finsbury Square
London
EC2P 2YU

DX Number

0161 953 6900
DX Exchange

A16

04/08/2014

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COMPANIES HOUSE

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



Our Ref DJD/ZLC/BZM/JET/T00921/
Your Ref

To the creditors

Recovery and Reorganisation

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2 July 2014

Dear Sirs

TDL 2013 Realisations Limited (formerly Thomson Directories Limited) (TDL) and TDL Infomedia Limited (TIL Both in Administration (together the Companies) Royal Courts of Justice, Chancery Division, Companies Court No 5437 of 2013 and 5438 of 2013 respectively

1 Introduction

1.1 Following the appointment of David Dunckley and myself as joint administrators of the Companies by the directors on 14 August 2013, I now report on the progress of the administrations to date and attach

- Appendix A, Form 2.24B, together with an account of our receipts and payments for the period from 14 February 2014 to date and also for the whole administration to date,
- Appendix B, a statement of the remuneration charged by the joint administrators in the period 14 February 2014 to date and a statement of expenses incurred in the period,
- Appendix C, an analysis of our time costs as required by Statement of Insolvency Practice 9,
- Appendix D, an extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the administrator (Rule 2.48A), and
- Appendix E, an extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the administrators' remuneration or expenses, if excessive (Rule 2.109)

1.2 Please note that we are both authorised by the Insolvency Practitioners Association to act as insolvency practitioners

1.3 In accordance with paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the functions of the administrators are to be exercised by any or all of them

Chartered Accountants

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2 Statutory information

2 1 The Companies' statutory details are as follows

	TDL	TIL
Registered number	00902438	03794451
Date of incorporation	31/03/1967	23/06/1999
Registered office	c/o Grant Thornton UK LLP, 4 Hardman Square, Spinningfields, Manchester, M3 3EB	c/o Grant Thornton UK LLP, 4 Hardman Square, Spinningfields, Manchester M3 3EB

3 Update on the Administration to date

3 1 This report should be read in conjunction with my statement of proposals dated 26 September 2013, whereby various terms expressed below are defined. An update on the Administrations to date are as follows

Thomson House, Farnborough ("the Property")

- 3 2 As you are aware, TDL has a freehold property located at 296 Farnborough Road, Farnborough. Our appointed agents, GVA Grimley Limited ("GVA"), has now conducted and completed a marketing process for the sale of the Property
- 3 3 An initial 15 bids were received for the Property on 4 December 2013, and final offers were subsequently received on 9 December 2013. From this process, a preferred bidder was identified and we are proceeding to finalise the sale. The conclusion of the sale of the Property has however suffered unforeseen complications delaying completion, which we elaborate upon below. However, we remain confident that the sale will be concluded as soon as practicably possible, which is likely to be in the next 6 to 10 months, subject to any further unforeseen issues
- 3 4 The delays referred to relate to the provision of Suitable Alternative Natural Green (SANG) space allocated in the borough. During the formal planning application, which was pursued in tandem with concluding the sale, the local planning authority (LPA) advised of the higher than anticipated restrictions in the borough. Despite this, the proposed purchaser has continued to work diligently to resolve the issue with the LPA and we understand has incurred significant costs in good faith and on the basis that the sale will be concluded
- 3 5 The SANG restriction has reduced the units the purchaser can build on the site from c 150 to c 100. Accordingly, this has impacted on the anticipated revenue generated from the sale of these units and the purchaser has reflected this loss of revenue (and costs incurred in resolving the SANG allocation) in a recently revised offer
- 3 6 However, we and our agents are of the opinion that the reduced offer remains the best available offer to creditors, especially given the advanced status of the discussions with the LPA on the planning process and SANG allocation. Furthermore, any alternative bidder would likely apply a similar discount to reflect the SANG issue

- 3 7 The Royal Bank of Scotland Plc (RBS), as security agent for 2 separate groups of creditors, holds two legal mortgages over the Property, and would be required to release this security for us to dispose of the Property. As discussed in our previous report, due to various issues and complications involving Seat's current insolvency proceedings, RBS (as security agent) has been unable to consent to a release of this security. In light of this, the Joint Administrators propose to seek an order from the Court for the release of the fixed charges over the Property so that the sale can be completed, as we are of the opinion that this is the best deal for all creditors.

Sale proceeds

- 3 8 As previously advised, the following principal assets of TDL were sold to the purchaser on the day of our appointment as part of the immediate sale of the business:

- The Thomson database,
- The Local Advertising business unit,
- The Direct Marketing Services ("DMS") business unit, and
- All debtor amounts owing to TDL.

- 3 9 The consideration of these assets consisted of:

- cash of £250,000 payable on completion,
- 5% of all database licensing revenue in the DMS business unit,
- 5% of all proceeds should either the DMS company or the Local Advertising company be sold within 24 months of completion, and
- 3 5% of all cash inflows (BACs and non-BACs inflows) of the Local Advertising business unit starting 1 October 2013 and until 31 December 2014 (payable quarterly in arrears).

- 3 10 The £250,000 initial consideration was in relation to the following:

- £48,000 – database,
- £16,000 – plant and machinery,
- £25,000 – computer equipment and hardware,
- £50,000 – computer software, and
- £111,000 – goodwill (including IP and trademarks).

- 3 11 Since our previous report, further assets have been realised as follows:

- The second instalment of advertising gross cash inflows due on 31 March 2014 of £285,982 from the purchaser in this regard (total of £565,075 realised to date),
- The second instalment of database cash inflows due on 14 February 2014 of £33,188 from the purchaser in this regard (total of £57,714 realised to date),
- Rent received from the Purchaser in respect of occupancy of the Property for the period 14 February 2014 to 31 March 2014 of £28,502 (gross), and
- A prepayment reimbursement from the Purchaser in respect of AVIVA employee pension scheme payments for the period 14 August 2014 to 31 December 2014 totalling £9,185.

- 3 12 It is still estimated that total proceeds from database and advertising inflows will range between £1 0 and £1 5 million.

Cash at bank

- 3 13 At the date of our appointment, the cumulative balance of funds held in TDL's six bank accounts was £1 45 million £850,000 was held by RBS as security trustee and has been validly set-off against the Group's secured debt of £1 3 billion
- 3 14 In addition to the above, on appointment there was a merchant services account held with Barclays which had funds of c £630,000 An extensive amount of work has been done to determine the level of likely chargebacks that may apply to the account Following discussions with Barclays it has been agreed that funds totalling £627,000 will be released to the Administration over the 6 month period from July 2014 to December 2014

Shares in Mobile Commerce Limited ("MCL") owned by TIL

- 3 15 TIL holds 3,998,852 Ordinary A 0 0010p and other shares within MCL There has been no progress on the disposal of the shareholding in MCL since our previous report There is still on-going discussions with interested parties in order to realise this asset, and any value is expected to be fairly low
- 3 16 These shares are, other than the Property, the only remaining asset belonging to either of the Companies subject to fixed charges In the event that these shares can be realised, a similar release (as noted above) of the fixed charges would need to be obtained in order to permit any sale to go ahead
- 3 17 Given the difficulties faced by RBS as security agent in releasing security, and given it would likely not be economically viable to make a separate application to Court for an order that the fixed charges over this asset are released, we are, subject to legal advice, intending to include this asset as part of any application to Court which may be made to address the future release of the fixed charges over the Property

4 Proposed extension of and exit from Administration

- 4 1 The administrations are due to expire on 13 August 2014 Due to the significant delay incurred in concluding the sale of the Property and the reconciliation on the database revenues, the Joint Administrators have filed an application to Court to extend the administrations for twelve months giving rise to a revised date for the automatic termination of the administrations of 13 August 2015
- 4 2 The primary purpose for this extension is to safeguard the Joint Administrators' options to release the security over the remaining assets once a sale is certain (through the use of an application to Court under Paragraph 71 of Schedule B1 to IA86, a provision which is not available should the administrations convert into Creditors' Voluntary Liquidation)
- 4 3 Following the sale of the Property, it is intended that the administrations will each be converted as soon as possible into a Creditors' Voluntary Liquidation and in accordance with the Joint Administrators' approved proposals, David Dunckley and I will be appointed Joint Liquidators

5 Receipts and payments accounts

- 5.1 Our receipts and payments accounts covering the period from 14 February 2014 to date are attached at Appendix A for TDL and TIL respectively. It is noted that there are still no transactions to report in TIL and the below information relates to TDL transactions only.

Receipts

- 5.2 The significant receipts received into the TDL Administration account since our last report are outlined in paragraph 3.9 above.

Payments

- 5.3 The following significant payments have been made out of the TDL Administration bank account since our last report:
- £33,831 (excl. VAT) in respect of legal fees, and
 - £7,498 in respect of rent for Glasgow and the Farnborough Warehouse, all of which was reimbursed by the purchaser who has a License to Occupy the premises.

6 Joint Administrators' remuneration and expenses

- 6.1 Given RBS's difficulties in engaging with the Joint Administrators, we have no alternative but to apply to Court for approval of our fees. This application will be made as part of our paragraph 7.1 application to Court to release the security over the Property and possibly the MCL Shares in order to minimise the overall costs incurred by the estate.
- 6.2 Our Court application will be to fix our fees for acting as Joint Administrators by reference to our time costs. The time costs for the Administrations for the period from 14 August 2013 to 1 July 2014 and the category 1 disbursements, outlined in Appendix B, are as follows:

£	Costs to Date	Paid to Date	Outstanding
Pre-Administration fees			
TDL time costs	155,245	(100,000)	55,245
TIL time costs	8,877		8,877
	164,122	(100,000)	64,122
Administration time			
TDL time costs	408,744	-	408,744
TIL time costs	31,829	-	31,829
	440,573	-	440,573
Total time costs to 1 July 2014	604,695	(100,000)	504,695

- 6.3 Furthermore, it is anticipated that, subject to any further unforeseen delays in achieving a sale of the Property, that the joint administrators (including their subsequent appointment as joint liquidators) will incur total time costs of £775,000.
- 6.4 To date, we have not drawn any fees or disbursements in relation to the Administration of the Companies.

- 6 5 Background information regarding the fees of Administrators can be found at www.insolvency-practitioners.org.uk (navigate via 'Regulation and Guidance' to 'Creditors Guides to Fees') Alternatively, we will supply this information by post on request Time is charged in 6 minute units

7 Other expenses incurred by the Joint Administrators

- 7 1 The following expenses have been incurred to date in the Administration
- £13,664 professional fees relating to Bankside Consultants, ERA Solutions, CBRE and GMS Property, and
 - £17,035 agents' fees relating to the valuation of the fixed and floating charge assets
- 7 2 Further details are set out in Appendix B
- 7 3 Should you have any queries, please contact my colleague, Becky Matten, on 0161 953 6427

Yours faithfully
for and on behalf of TDL 2013 Realisations Limited
and TDL Infomedia Limited



Ian Corfield
Joint Administrator

The affairs, business and property of TDL 2013 Realisations Limited (formerly Thomson Directories Limited) and TDL Infomedia Limited are being managed by David Dunckley and Ian Corfield, appointed as joint administrators on 14 August 2013

Enc

TDL 2013 Realisations Ltd (formerly Thomson
Directories Limited) - in administration
Summary of receipts and payments
from 14 August 2013 to 1 July 2014

	Statement of Affairs £	From 14/08/2013 to 13/02/2014 £	From 14/02/2014 to 01/07/2014 £	Total £
Receipts				
Goodwill	111,000 00	111,000 00	0 00	111,000 00
Database	48,000 00	48,000 00	0 00	48,000 00
Plant & Machinery	15,999 00	0 00	0 00	0 00
Hardware, Office Furniture and Equipment	25,000 00	41,000 00	0 00	41,000 00
Book Debts	1,548,346 00	0 00	313 16	313 16
Software	49,999 00	50,000 00	0 00	50,000 00
Rates Refund		27,547 51	723 48	28,270 99
Cash at Bank		24,645 26	0 00	24,645 26
Rent		21,831 82	28,501 78	50,333 60
Advertising cash inflow receipts		306,092 51	258,982 27	565,074 78
Bank/ISA InterestGross		333 92	509 60	843 52
Database cash inflow receipts		24,525 47	33,188 03	57,713 50
Prepayments	2 00	89,491 42	9,184 70	98,676 12
Misc Refunds		706 65	997 95	1,704 60
Trade Debtors		9,081 23	0 00	9,081 23
Vat on Sales		13,687 85	3,262 89	16,950 74
HMRC - VAT received/paid		0 00	8,418 54	8,418 54
HMRC - Fxd VAT received/paid		0 00	8,602 04	8,602 04
		767,943 64	352,684 44	1,120,628 08
Payments				
Insurance		3,062 22	755 74	3,817 96
Professional Fees		13,620 00	249 49	13,869 49
Property Expenses		900 00	0 00	900 00
Legal Fees		2,500 00	12,700 00	15,200 00
Agents/Valuers Fees (1)		17,035 47	0 00	17,035 47
Legal Fees (1)		30,786 53	21,131 24	51,917 77
Professional Fees		43 94	0 00	43 94
Statutory Advertising		84 60	0 00	84 60
Rents Payable		0 00	7,497 72	7,497 72
Other Property Expenses		0 00	62 77	62 77
Vat on Purchases		20,448 71	9,081 16	29,529 87
Fixed Ch VAT on Purchases		6,232 04	2,540 00	8,772 04

TDL 2013 Realisations Ltd (formerly Thomson
 Directories Limited) - in administration
 Summary of receipts and payments
 from 14 August 2013 to 1 July 2014

Statement of Affairs	From 14/08/2013 to 13/02/2014	From 14/02/2014 to 01/07/2014	Total
£	£	£	£
	94,713.51	54,018.12	148,731.63
Net Receipts/(Payments)	673,230 13	298,666 32	971,896 45
Made up as follows			
Floating Current Account	673,230 13	298,666 32	971,896 45
	673,230 13	298,666.32	971,896.45

TDL Infomedia Limited - in administration
 Summary of receipts and payments
 from 14 August 2013 to 1 July 2014

	Statement of Affairs £	From 14/08/2013 to 13/02/2014 £	From 14/02/2014 to 01/07/2014 £	Total £
Receipts				
Bank/ISA InterestGross		0 07	0 13	0 20
		0 07	0.13	0 20
Payments				
		0.00	0 00	0.00
Net Receipts/(Payments)		0 07	0.13	0 20
Made up as follows				
Floating Current Account		0 07	0 13	0 20
		0 07	0.13	0 20

B Remuneration charged and expenses incurred by the administrators in the period

	Charged/incurred in period 14/02/2014 to 01/07/2014	Cumulative charged/incurred to 01/07/2014	Of which paid to 01/07/2014
	£	£	£
Pre appointment fees	-	164,122	100,000
Joint Administrators' fees			
TDL – Time costs	116,723	408,744	-
TDL – Expenses	433	7,577	-
TIL – Time costs	14,094	31,829	-
TIL – Expenses	-	-	-
Professional fees			
Bankside Consultants	5,250	5,250	5,250
ERA Solutions	6,840	6,840	6,840
GMS Property	1,530	1,530	1,530
CBRE	43 94	43 94	43 94
Legal fees			
Stephenson Harwood	33,831 24	70,200 50	67,118
Agents/valuers			
BSV	17,035	17,035	17,035
Insurance			
JLT	756	3,818	3,818
VAT	(5,399)	21,281	21,281
Property expenses			
Gascoignes	900	900	900
Statutory advertising	85	85	85

C SIP 9 information

Introduction

The following information is provided in connection with the administrators' remuneration and disbursements in accordance with SIP 9

Explanation of Grant Thornton UK LLP charging and disbursement recovery policies

Time costs

All partners and staff are charged out at hourly rates appropriate to their grade, as shown on the attached schedule. Details of the hourly charge-out rates are made available to creditors or committees at the time of fixing the basis of our fees. Support staff (ie secretaries, cashiers and filing clerks) are charged to the case for the time they work on it.

	From 01/07/09	From 01/07/10	From 01/07/11	From 01/07/12	From 01/07/13
	£	£	£	£	£
Partners up to	510	535	560	580	600
Managers up to	385	405	425	440	455
Administrators up to	275	285	300	310	320
Assistants and support staff up to	190	195	205	210	220

Disbursements

Out of pocket expenses are charged at cost. Mileage is charged at standard rates which comply with HM Revenue and Customs limits or AA recommended rates. VAT is added to disbursement charges as necessary.

Thomson Directories Limited - T30200921 - SIP 9 TIME COST ANALYSIS

Job(s) ADM, CMU

Transaction period All transactions

Export version - standard Export version - detail Detailed Version

Standard	Partner		Manager		Executive		Administrator		Total	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£
Administration and Planning	13 60	1,738 50	69 90	38,712 00	175 24	108,803 20	82 40	13,221 50	533 94	239,113 20
Creditors					90 85	29,784 00	56 15	7,598 00	259 60	81,332 50
Hiatus period										
Investigations			44 30	17,412 00	11 10	3,072 50	75	116 25	56 15	20,600 75
Realisation of Assets			110 75	40,930 00	57 95	20,597 50	7 40	1,151 00	179 85	64,478 50
Trading			3 60	1,404 00	7 89	1,814 70			11 49	3,218 70
Total	13 60	1,738 50	73 65	40,512 00	343 03	164,071 90	146 70	22,086 75	1,041 03	408,743 65

Total fees billed to date (Time) . £

TDL Infomedia Limited - in Administration - T30200922 - SIP 9 TIME COST ANALYSIS

Job(s) ADM, CMU

Transaction period All transactions

[Export version - standard](#) [Export version - detail](#) [Detailed Version](#)

Standard	Partner		Manager		Executive		Administrator		Total	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	Avg Hrly Rate
Administration and Planning	1 20	144 00	8 75	5,250 00	17 03	13,335 10	13 10	1,804 00	46 63	22,975 60
Creditors					50	115 00			75	195 00
Hiatus period										260 00
Investigations					2 30	881 00	5 75	891 25	8 05	1,772 25
Realisation of Assets			12 40	4,836 00	1 10	429 00			13 50	5,265 00
Trading					7 05	1,621 50			7 05	1,621 50
Total	1 20	144 00	8 75	5,250 00	27 98	16,381 60	18 85	2,695 25	75 98	31,829 35
										418 92

Total fees billed to date (Time) . £

D An extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the administrator

Rule 2.48A

- (1) If
 - (a) within 21 days of receipt of a progress report under Rule 2.47 -
 - (i) a secured creditor, or
 - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
 - (b) with the permission of the court upon an application made within that period of 21 days, any unsecured creditor makes a request in writing to the administrator for further information about remuneration or expenses (other than pre-administration costs) set out in a statement required by Rule 2.47(1)(db) or (dc), the administrator must, within 14 days of receipt of the request, comply with paragraph (2)
- (2) The administrator complies with this paragraph by either -
 - (a) providing all of the information asked for, or
 - (b) so far as the administrator considers that
 - (i) the time or cost of preparation of the information would be excessive, or
 - (ii) disclosure of the information would be prejudicial to the conduct of the administration or might reasonably be expected to lead to violence against any person, or
 - (iii) the administrator is subject to an obligation of confidentiality in respect of the information,
 giving reasons for not providing all of the information
- (3) Any creditor, who need not be the same as the creditor who requested further information under paragraph (1), may apply to the court within 21 days of -
 - (a) the giving by the administrator of reasons for not providing all of the information asked for, or
 - (b) the expiry of the 14 days provided for in paragraph (1),
 and the court may make such order as it thinks just
- (4) Without prejudice to the generality of paragraph (3), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 2.109(1B) by such further period as the court thinks just

E An extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the administrator's remuneration or expenses if excessive

Rule 2 109

- (1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)
- (1A) Application may be made on the grounds that -
 - (a) the remuneration charged by the administrator,
 - (b) the basis fixed for the administrator's remuneration under Rule 2 106, or
 - (c) expenses incurred by the administrator,
 is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate
- (1B) The application must, subject to any order of the court under Rule 2 48A(4), be made no later than 8 weeks after receipt by the applicant of the progress report which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")
- (2) The court may, if it thinks that no cause is shown for a reduction, dismiss it without a hearing but it shall not do so without giving the applicant at least 5 business days' notice, upon receipt of which the applicant may require the court to list the application for a without notice hearing. If the application is not dismissed, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly
- (3) The applicant shall, at least 14 days before the hearing, send to the administrator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders -
 - (a) an order reducing the amount of remuneration which the administrator was entitled to charge
 - (b) an order fixing the basis of remuneration at a reduced rate or amount
 - (c) an order changing the basis of remuneration
 - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration
 - (e) an order that the administrator or the administrator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify
 and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report
- (5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the administration