

2.24B

The Insolvency Act 1986

Administrator's progress report

Name of Company

TransBus International Limited

Company number

00970239

In the
High Court of Justice, Chancery Division,
Companies Court

(full name of court)

Court case number
2255 of 2004(a) Insert full
name(s) and
address(es) of
administrator(s)We (a)
Nicholas James Dargan
Deloitte & Touche LLP
PO Box 810
66 Shoe Lane
London
EC4A 3WAJohn Charles Reid
Deloitte & Touche LLP
Lomond House
9 George Square
Glasgow
G2 1QQ

Administrators of the above company attach a progress report for the period

From

To

(b) Insert date

(b) 31 March 2004

(b) 30 September 2004

Signed

Nick Dargan
Joint Administrator

Dated

26 October 2004

Contact Details:

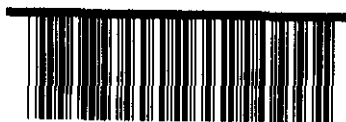
You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form.

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

Simon Willmetts
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DX Number

DX Exchange

A53
COMPANIES HOUSE0290
29/10/04

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

THE MAYFLOWER CORPORATION PLC	Case No. 2253 of 2004
TRANSBUS INTERNATIONAL LIMITED	Case No. 2255 of 2004
MAYFLOWER VEHICLE SYSTEMS PLC	Case No. 2252 of 2004
MAYFLOWER MANAGEMENT SERVICES LTD	Case No. 2254 of 2004
MAYFLOWER ENERGY LIMITED	Case No. 2322 of 2004
MAYFLOWER ENERGY HOLDINGS LIMITED	Case No. 2646 of 2004
TRANSBUS FLEET MANAGEMENT LIMITED	Case No. 2340 of 2004
(ALL IN ADMINISTRATION) (together "the Companies")	

**ADMINISTRATORS' REPORT TO CREDITORS PURSUANT TO
RULE 2.47 OF THE INSOLVENCY RULES 1986**

26 OCTOBER 2004

This report has been prepared for the sole purpose of updating creditors pursuant to the Insolvency Act 1986. 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.

N J Dargan, N G Edwards, J C Reid
W K Dawson, I Brown, A P Peters
Deloitte & Touche LLP
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London
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CONTENTS	Page
1. INTRODUCTION	1
2. BACKGROUND	2
3. THE ADMINISTRATORS' PROPOSALS	4
4. ACHIEVEMENT/CURRENT STATUS OF APPROVED PROPOSALS	5
5. REALISATIONS IN THE ADMINISTRATIONS	7
6. ESTIMATED OUTCOME	10
7. DISTRIBUTIONS TO CREDITORS	12
8. INVESTIGATIONS	14
10. OTHER INFORMATION TO ASSIST CREDITORS	20

APPENDICES

- 1. Statutory Information**
 - 2. Summary of the Directors' Statement of Affairs for MVS UK**
 - 3. Consolidated Receipts and Payments at 30 September 2004**
 - 4. Consolidated Estimated Outcome at 30 September 2004**
 - 5. Administrators' Time Cost Analysis**
-
- 6. A Creditors' Guide to Administrator's Fees**

ABBREVIATIONS

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

"Act"	Insolvency Act 1986 (as amended)
"the Administrators"	Refers to the Administrators of the specific entity: Plc: N J Dargan and N G Edwards TBI: N J Dargan and J C Reid MVS UK: N J Dargan, W K Dawson and A P Peters Services: N J Dargan and N G Edwards Energy: N J Dargan and I Brown Energy Holdings: N J Dargan and I Brown Fleet: N J Dargan and J C Reid
"Cameron's"	CMS Cameron Mckenna
"the Companies"	The administration entities
"DWS"	Denton Wilde Sapte
"Energy Holdings"	Mayflower Energy Holdings Limited
"Energy"	Mayflower Energy Limited
"Fleet"	TransBus Fleet Management Limited
"Group"	The Mayflower Corporation Plc and its subsidiaries
"MVS GmbH"	Mayflower Vehicle Systems GmbH
"MVS Inc"	Mayflower Vehicle Systems Inc
"MVS UK"	Mayflower Vehicle Systems plc
"NatWest"	National Westminster Bank Plc
"Noteholders"	Holders of \$75m 8.32% & \$30m 8.42% private placement notes
"Plc"	The Mayflower Corporation Plc
"RBS"	The Royal Bank of Scotland Plc
"Resolution"	The Mayflower Resolution
"Roadlease companies"	Roadlease Contracts Limited and Roadlease Vehicles Limited
"Services"	Mayflower Management Services Limited
"TBI"	TransBus International Limited
"Wyles"	Wyles Hardy & Co

1. INTRODUCTION

1.1 Introduction

This report is prepared pursuant to Rule 2.47 of The Insolvency Rules 1986. The purpose of the report is to provide creditors with an update on the progress of the administrations since the Administrators first report to creditors dated 10 May 2004.

Given the information previously provided, we have not included detailed background information and we would refer you to our first report and the minutes of the creditors meeting held on 28 May 2004 for additional background information.

The main purpose of the creditors' meeting held on 28 May 2004 was to consider and vote on the Administrators' proposals. These are referred to in Section 3.1 below.

1.2 Details of the Appointments of Administrators

The following Partners of Deloitte and Touche LLP were appointed Joint Administrators of the Companies as set out below. The appointments in respect of Energy and Energy Holdings were made under the out of court process by the qualifying floating charge holders. The remaining appointments were also made out of court but were applications by the Directors of the respective company.

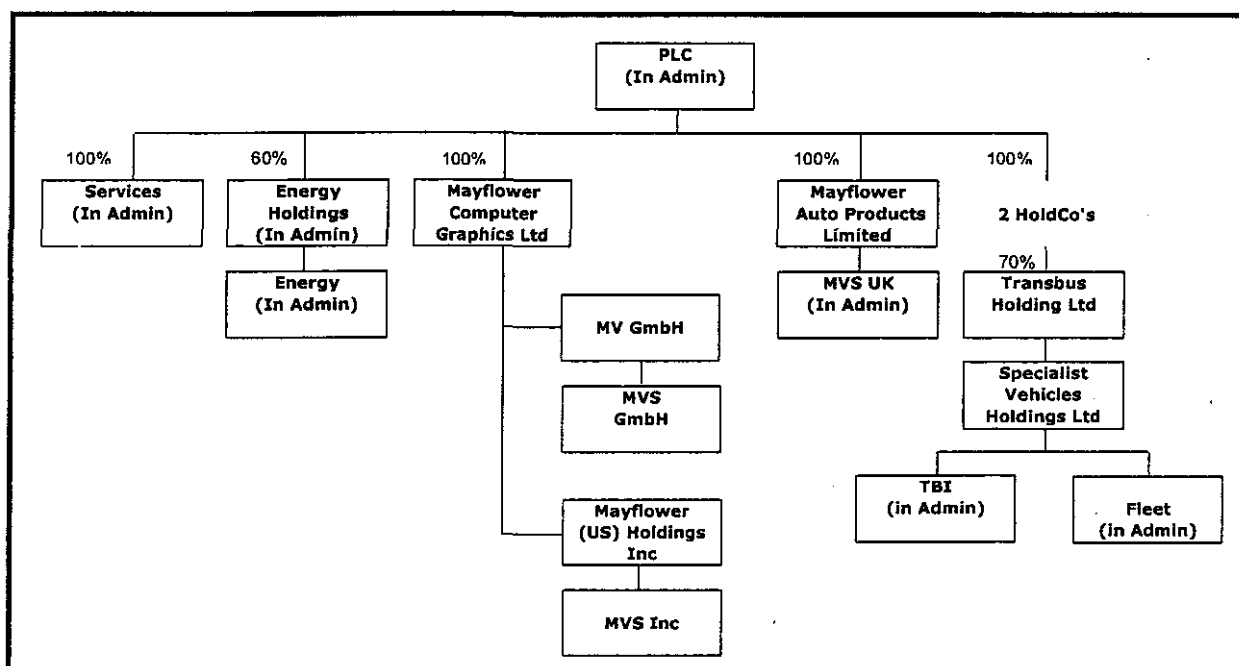
Company	Administrators	Date of Appointment
Plc	Nicholas James Dargan Nicholas Guy Edwards	31 March 2004
TBI	Nicholas James Dargan John Charles Reid	31 March 2004
MVS UK	Nicholas James Dargan William Kenneth Dawson Andrew Philip Peters	31 March 2004
Services	Nicholas James Dargan Nicholas Guy Edwards	31 March 2004
Energy	Nicholas James Dargan Ian Brown	2 April 2004
Energy Holdings	Nicholas James Dargan Ian Brown	21 April 2004
Fleet	Nicholas James Dargan John Charles Reid	7 April 2004

The conduct of the proceedings for all of the Companies' administrations is the High Court, London. For the purposes of paragraph 100 of Schedule B1 of the Act the Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them, jointly or severally.

2. BACKGROUND

2.1 Group Structure and History

A summarised Group structure is set out below. Please note that this summary incorporates the key asset owning or administration entities and does not represent a complete Group structure chart.



Statutory information on the Companies, including details of the Directors and Company Secretary of each company at the date of administration, is provided at Appendix 1.

2.2 Overview of companies in Administration

Plc

Plc was used as a vehicle to form the original Group of Mayflower companies. Its key assets are the indirect investment in MVS Inc and MVS GmbH, and the freehold property used as the Group's head office in High Wycombe.

TBI

TBI was the UK's leading bus and coach builder and operated as five separate divisions across the UK as follows:

- Bus Body - manufactured and assembled single and double decker bus bodies with operations in Larbert (TBI head office and manufacture of bus kits for supply to assembly plants), Falkirk (largest assembly plant for the full range of buses), Lochlands (manufacturing site for People Movers) and Belfast and Wigan (assembly plants for double deck buses).
- Chassis - manufactured bus and coach chassis based in Guildford.

- Coach – manufactured large and small coaches and retailed new and used coaches from Scarborough and Anston.
- Parts – provided spare and replacement parts for buses and coaches primarily based in Anston.
- Customer Care - provided after sales customer service, warranty and repair work for Coach and Bus Body from premises in Anston and a number of satellite offices.

TBI had a significant share of the UK bus market with its key products being double deck and midi buses, chassis (for buses, coaches and fire appliances) and coaches.

MVS UK

MVS UK provided design, engineering and manufacturing services for the automotive industry. It specialised in stamping and the assembly of vehicle body panels for customers including MG Rover and Ford PAG.

MVS UK operated from its own 15 acre site in Coventry. In March 2003 MVS UK commenced construction of a new state of the art stamping facility at a freehold property at Fort Parkway near Birmingham but this was not fully operational at the date of administration.

Energy

Energy was established in 2001 to exploit the development of offshore wind farms in the UK and Europe and was based in Middlesborough.

Energy commissioned a new vessel, the Resolution, which was capable of performing all the functions required to install offshore turbines from a single vessel rather than a number of different vessels previously needed. In addition to wind farm work, the Resolution was also to be deployed on gas and oil projects.

Services

Services acted as the management services company for the Group from the Group's head office at High Wycombe.

Fleet

Fleet acted as a maintenance company providing service, repair and maintenance support but at the date of administration it only had one contract in progress.

2.3 Other Interests

MVS Inc

MVS Inc is not in any form of insolvency. Its business comprises a truck division based at three locations in the US and a high volume pressing plant at South Charleston both of which are subject to sale negotiations at present.

MVS GmbH

MVS GmbH carried out a similar business to that of MVS UK. As previously reported a sale of this loss making business was completed on 2 April 2004, the consideration being repayment of an inter-company debt of €500,000.

3. THE ADMINISTRATORS' PROPOSALS

3.1 Introduction

As previously reported to creditors, the Administrators concluded that the first prescribed objective under Rule 3(1) (a) namely "rescuing the company (the legal entity) as a going concern" was not achievable in respect of any of the companies in Administration given their level of debt.

Consequently, the Administrators have performed their functions in relation to each company with the objective set out in Rule 3(1) (b) which is "to achieve a better result for the company's creditors as a whole than would be likely if the company were wound up".

The Administrators proposals, which were approved by the creditors of each company, are as follows:

1. the Administrators continue to manage the affairs and assets of the Companies including the continued trading operations of TBI and MVS UK, the collection of debts due to the Companies, completion of the sales of the businesses and assets of the Companies and the settlement of all administration expenses;
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;
3. the Administrators be authorised to agree the claims of the secured, preferential and unsecured creditors against each company unless the Administrators conclude, in their reasonable opinion, that a company will have no assets available for distribution;
4. the Administrators be authorised to distribute funds to the secured and preferential creditors as and when claims are agreed and funds permit and in relation to distributions to unsecured creditors when the Court gives permission;
5. that in the event the creditors of each company so determine, at the meetings of creditors, appoint a Creditors Committee in each Administration comprising of not more than five and not less than three creditors of each company;
6. that in respect of each company the Creditors Committee or if one is not appointed the creditors agree that the Administrators' fees and expenses be fixed by reference to the time given in attending to matters arising in the Administrations;
7. the Administrators' fees and expenses for each company for the period to 30 April 2004 as set out in section 5 (per report to creditors dated 10 May 2004), be approved for payment by the creditors of each company;

8. the Administrators' fees and expenses in respect of the period from 30 April 2004 be approved in relation to each company by the Creditors Committee should one be appointed but failing that the Administrators be authorised by the creditors to draw remuneration and expenses based on their time costs on a monthly basis; and
9. on completion of the realisation of assets and distribution of funds to creditors, and as quickly and as efficiently as is reasonably practicable, the Administrators implement the most cost effective steps to formally conclude the Administrations.

Creditors' Committees were established for TBI, MVS and Energy but there were insufficient nominations for Plc, Services, Fleet and Energy Holdings.

4. ACHIEVEMENT/CURRENT STATUS OF APPROVED PROPOSALS

We have summarised below the current status of each proposal

Proposals	TBI	MVS UK	Energy	Plc
1	<p>Business sold.</p> <p>Majority of book debts collected (£800,000 to collect).</p> <p>VAT and corporation tax to finalise (possible tax recoveries).</p>	<p>Business sold.</p> <p>Majority of book debts collected (£150,000 to collect)</p> <p>Potential recovery from Leyland Daf liquidation.</p> <p>VAT and corporation tax to finalise (possible tax recoveries).</p>	<p>Resolution sold.</p> <p>Only outstanding asset recovery is debt under North Hoyle contract</p> <p>VAT and corporation tax to finalise</p>	<p>Sale of MVS Inc anticipated within three months.</p> <p>Sale of Mayflower House - due 3 Nov'04.</p> <p>Other assets have been realised.</p> <p>VAT and corporation tax to finalise (possible tax recoveries)</p>
2	<p>Directors' returns submitted.</p> <p>Other investigations continuing but well advanced</p>	<p>Directors' returns submitted.</p> <p>Other investigations continuing but well advanced</p>	<p>Directors' returns submitted.</p>	<p>Directors' returns submitted.</p> <p>Other investigations continuing but well advanced</p>
3	<p>Banks and Noteholders claims agreed, majority of preferential claims agreed.</p> <p>Ongoing review & agreement of Unsecured claims</p>	<p>Banks and Noteholders claims agreed, majority of preferential claims agreed.</p> <p>Ongoing review & agreement of Unsecured claims</p>	<p>Banks and Noteholders claims agreed.</p> <p>Agreement of preferential and unsecured claims on hold until North Hoyle recovery</p>	<p>Banks and Noteholders claims agreed, majority of preferential claims agreed.</p> <p>Unsecured creditors immaterial.</p>

Proposals	TBI	MVS UK	Energy	Plc
4	<p>Distributions made to secured creditors under fixed charge. Floating charge subject to ongoing security review.</p> <p>Distribution to preferential creditors when claims agreed.</p> <p>Distribution to unsecured creditors under Prescribed Part subject to claims and court directions.</p>	<p>Distributions made to secured creditors under fixed charge. Floating charge subject to ongoing security review.</p> <p>Distribution to preferential creditors when claims agreed.</p> <p>Distribution to unsecured creditors under Prescribed Part subject to claims and court directions.</p>	<p>Distributions made to secured creditors under ship mortgage.</p> <p>Additional distributions subject to recovery under North Hoyle contract.</p>	<p>To distribute fixed charge proceeds on sale of Mayflower House.</p> <p>Proceeds from sale of MVS Inc subject to Banks and Noteholders guarantees.</p> <p>Distribution to preferential creditors when claims agreed.</p> <p>Distribution to unsecured creditors under Prescribed Part subject to claims and court directions.</p>
5	Committee established	Committee established	Committee established	No committee
6	Remuneration agreed on time basis	Remuneration agreed on time basis	Remuneration agreed on time basis	Remuneration agreed on time basis
7	Fees and expenses to 30.4 approved by creditors	Fees and expenses to 30.4 approved by creditors	Fees and expenses to 30.4 approved by creditors	Fees and expenses to 30.4 approved by creditors
8	Ongoing fees and expenses approved by Committee	Ongoing fees and expenses approved by Committee	Ongoing fees and expenses approved by Committee	Ongoing fees and expenses approved by Creditors at meeting on 28.5.04.
9	Closure and exit route to be agreed with Committee	Closure and exit route to be agreed with Committee	Closure and exit route to be agreed with Committee	Creditors to be advised

In respect of Services and Fleet the majority of the above proposals have been achieved and once the remaining asset realisations have been concluded and tax clearance received these administrations will be completed and dissolution sought. In respect of Energy Holdings there has been no activity and dissolution of the company will be sought.

Further information in respect of the realisation of assets, the status of liabilities and the estimated outcome is contained in the following sections of the report.

5. REALISATIONS IN THE ADMINISTRATIONS

5.1 Introduction

Attached at Appendix 3 is a consolidated receipts and payments account as at 30 September 2004 for all the Mayflower companies in administration. However, this excludes the recoveries made in the Roadlease companies, which were placed into creditors' voluntary liquidation on 30 July 2004. Gross realisations to date for these two companies total approximately £538,000.

In this section we summarise the asset realisations to 30 September for each company and the estimated future realisations.

5.2 TBI

We previously advised that it was our intention to complete a sale of TBI by 15 May and in order to meet that timeframe we requested final offers by 11 May. However, the final offers received were lower than expected and the sale process was therefore extended to 22 May to seek improved offers.

During the sale process, it was decided that separate sales of the Coach and Bus divisions were most likely to maximise realisations.

The business and assets of the Coach business, excluding debtors, was sold to the management team for £10.5m on 14 May.

Negotiations for the sale of the remaining parts of TBI continued with five interested parties whilst they carried out further detailed due diligence. The process culminated in an offer and a sale of the remaining parts of TBI, excluding operations in Belfast, which were subsequently closed down, to a consortium of investors on 21 May for some £38.5m. The offer was materially higher than any other offer and it was also some £9.5m higher than the original final offers submitted on 11 May.

Debtors were not included in the business sales and in the period to 30 September some £10.8m has been realised with other recoveries, comprising mainly bank interest, totalling approximately £300,000.

Although the outcome of trading indicates a loss of some £9m this includes amounts paid to settle retention of title claims (to secure goods) and supplier duress payments of some £14.2m. Trading could not have continued without settlement of these payments and it was critical for trading to continue in order to secure sales of the businesses as going concerns and maximise value.

5.3 MVS UK

A significant level of interest was shown in the business with approximately 21 parties commencing initial due diligence work. By 21 April, 12 serious offers had been received and a small number were taken forward to a further stage of due diligence and given access to further information on customers, suppliers and additional detailed legal and commercial documents.

Best and final offers were received on 14 May 2004 and one party was taken forward as the preferred bidder although negotiations with this party subsequently collapsed following a reduction of their offer.

We therefore recommenced negotiations with a further party, a previously unsuccessful bidder. After further negotiations a sale of the business and assets to this party, excluding the freehold property at Coventry, was completed on 25 June for £14.5m.

Our agents, GVA Grimley were instructed to market the freehold property and following extensive negotiations a sale of the property was completed on 10 September for £3.1m.

Debtors were not included in the sale of the business and in the period to 30 September realisations of £3.4m have been achieved. Interest of £167,000 has been earned on administration funds in the same period.

The trading loss of £2.8m reflected in the receipts and payments account is after the settlement of retention of title claims and duress payments of some £1.8m. As with TBI it was necessary to continue trading to secure a sale of the business and assets as a going concern to maximise value.

A summary of the directors' statement of affairs for MVS UK had previously been redacted from the report to creditors dated 10 May 2004 due to confidential and commercially sensitive reasons. As the sale has now been completed a summary of the MVS UK statement of affairs together with the Administrators' comments is attached at Appendix 2.

5.4 Energy and Energy Holdings

As outlined in the creditors' report dated 10 May 2004, the business and the primary asset, the Resolution, was sold for £13 million on 21 April 2004.

Energy Holdings was placed into administration on 21 April 2004 to facilitate the sale of the Resolution. It acted as a holding company only and there have been no asset recoveries.

5.5 Plc

Realisations to date include a VAT refund of £663,000, a corporation tax refund of £280,000 and other book debt recoveries of approximately £103,000.

Also included in Plc's realisations is the sum of €500,000 representing the consideration received for the sale of MVS GmbH.

5.6 Services

Asset recoveries to 30 September 2004 total £39,000 following the sale of head office motor vehicles. Shortly after the six month anniversary an amount of £177,000 was recovered from the Group's insurers in respect of past insurance premiums paid.

5.7 Fleet

Net recoveries total some £49,000 following the assignment of the company's only contract, reimbursement of wages and collection of book debts. No other realisations are anticipated.

5.8 Estimated future realisations

TBI

Further debtor recoveries are estimated at approximately £812,000 and there may also be recoveries from the sale of tax losses and/or tax refunds but no value has been attributed to these potential realisations in the outcome statement at this stage.

MVS UK

Further debtor recoveries are estimated at £150,000. In addition MVS UK has a claim of some £1.6m against Leyland Daf Limited which is in receivership and liquidation. There is a great deal of uncertainty about the amount and timing of any payments to Leyland Daf's creditors and therefore at this stage we have not attributed any value to this claim in the estimated outcome statement.

Energy

The company undertook a contract at North Hoyle prior to administration and the administrators are continuing to pursue claims arising from this contract. Negotiations are ongoing but for the purposes of confidentiality and commercial sensitivity we are unable to disclose any detailed information at present. We will, however, continue to keep the Energy Creditors Committee apprised of our work in this respect.

PLC

Included in estimated future recoveries under Plc are the sale of MVS Inc and the sale of Mayflower House. There are also possible recoveries from the sale of tax losses or receipt of tax refunds that could arise across the Group to which no value is attributed at present.

(i) Sale of MVS Inc

The MVS Inc business has continued to trade profitably during the administration period. As previously indicated, MVS Inc is not in any form of insolvency but as it is an ultimate subsidiary of Plc the Administrators have been managing, in conjunction with advisors and the company's management, the sale of its business.

There has been significant interest in the business and based on the level of interest it was concluded that realisations would be maximised by selling the two distinct business divisions, namely Truck and South Charleston, separately.

In respect of Truck, an offer from a trade buyer has been accepted and this party is currently conducting due diligence. It is anticipated that a sale of Truck will be concluded within the next two to three months.

In respect of South Charleston an offer has been accepted from a financial buyer and it is hoped that the final aspects of the sale contract can be concluded over the next three to four weeks.

At this stage the details of the offers for both Truck and South Charleston are commercially sensitive and we are therefore unable to disclose any further information.

(ii) Sale of Mayflower House

Agents were instructed to market this property, formerly the Group's head office, seeking offers in the region of £1.3m. A high level of interest was shown in the property although the level of offers submitted at the end of July, the date for best and final offers, were below the agents guide price. On their recommendation, the marketing period was extended for a further three months.

This resulted in two parties offering £1.2m and after further negotiations we accepted the offer from the party with funding in place and who was able to first complete the purchase. Contracts have been exchanged and completion is anticipated on 3 November 2004.

(iii) Taxation

We have been reviewing and investigating the tax position across the Group to identify tax losses that can be used (subject to Inland Revenue agreement) to mitigate any tax liabilities arising from administration realisations and furthermore to establish whether there are any excess losses that may be of value either through their sale or through tax repayments.

Given that neither the pre administration tax returns for the period from 2001 to 2003 nor the administration tax returns have been finalised, we have not, at present, attributed any value to potential tax refunds or the sale of tax losses (if agreed) in the estimated outcome statement.

Services and Fleet

Apart from an insurance refund of £177,000, which was received by Services earlier this month, we do not anticipate any further significant recoveries in either Services or Fleet.

6. ESTIMATED OUTCOME

6.1 Summary

Attached at Appendix 5 is a consolidated estimated outcome statement for the Group. This reflects both the receipts and payments to date together with the estimated future recoveries and costs to complete the administrations. For the reasons referred to in Section 5.8 above we have included the future outcome as "Uncertain" in respect of the sale of MVS Inc and debtor recoveries in Energy. The outcome statement is summarised over the page.

Estimated Outcome at 30 September 2004	£'000
Fixed Charge Realisations	43,004
Fixed Charge Costs	<u>(6,424)</u>
Estimated Net Fixed Charge Assets	<u>36,580</u>
 Floating Charge Realisations	 43,036
Floating Charge Costs	<u>(7,919)</u>
	35,117
Preferential Creditors	(1,290)
Prescribed Part	<u>(1,445)</u>
	32,382
Estimated Cash at Bank (after NatWest set-off)*	<u>7,100</u>
Estimated Net Floating Charge Assets	<u>39,482</u>

* The cash at bank of £7.1m represents credit balances held by the Group's bankers at the date of administration and over which they were entitled to exercise set off.

6.2 Creditors' interests

The amounts ultimately available for the different classes of creditors will depend on the validity of certain security granted by the Group (see Section 6.3) and subject to that, the different creditor priorities, as follows:

- Secured creditors: Security was granted to a number of Banks and Noteholders. This security comprises both fixed (and a ship mortgage) and floating charges over specific assets. Fixed charge security ranks in priority to any claim by preferential or unsecured creditors. Floating charge security has priority subject to payments to preferential creditors (see below) and unsecured creditors under the Prescribed Part (see Section 7.3).
- Preferential creditors: These relate to employee arrears of wages and salaries (subject to statutory limits), holiday pay and certain pension contributions and are paid in priority to unsecured creditors out of net floating charge realisations before the Prescribed Part and before payment to a floating chargeholder.
- Unsecured creditors: These rank behind secured and preferential creditors and receive any surplus available from net realisations after payment of the secured and preferential creditors. The exception is that a certain amount of net floating charge realisations (after payment of the preferential creditors) is made available under the Prescribed Part.

In the following sections we identify the various issues that may impact on the final outcome to the different class of creditors.

6.3 Security Review

As previously reported, the Group granted security to various Banks and Noteholders to whom some £238m was due at the date of administration.

The security was granted in December 2003 and March 2004 and as is usual in such circumstances we instructed our lawyers and leading counsel to advise on the validity of the security.

Following receipt of their advice, interim distributions have been made to the Banks and Noteholders under their fixed charges and the ship mortgage. However, we were advised to carry out further work in respect of the validity of the floating charges. This arises from the provisions of Section 245 of the Insolvency Act 1986 which states that a floating charge created within 12 months of administration is only valid to the extent of the value provided as consideration for the charge if the company granting the security was insolvent at the date the security was created.

This work (which comprises investigating the extent of new monies and the financial position of the companies when they granted security) is still ongoing but as it is critical in order to determine the potential outcome for creditors we are making every effort to conclude our work as soon as possible.

6.4 HSBC's proprietary claim

We have received notification from HSBC of a potential proprietary claim against the assets of various Group companies in respect of the monies they allege to have been misappropriated in breach of an express trust in their favour pursuant to an invoice purchase agreement.

To date we have not been provided with full details of HSBC's claim and therefore it is difficult, at present, for us, or our lawyers, to comment on the validity of the claim. We will, however, continue to keep the Creditor Committees apprised of developments in this respect.

7. DISTRIBUTIONS TO CREDITORS

7.1 Secured Creditors

As indicated in Section 6.3, we have made distributions to the Banks and Noteholders under their fixed charge security.

To date an amount of £32m has been distributed from TBI, MVS UK and Energy and a further distribution is anticipated on the completion of the sale of Mayflower House.

7.2 Preferential creditors

The estimated preferential claims are currently as follows:

£'000	TBI	MVS	ENERGY	PLC
Employees – wages/holiday pay	768	11	-	60
Pension	355	60	12	36
Total	1,123	71	12	96

The preferential claims have yet to be admitted and in administrations of this nature it is unusual for preferential liabilities to be agreed within 6-9 months of the commencement of the administrations.

We have received the DTI's claims in the administrations and we are currently reviewing the breakdown of the claims submitted by them to ensure they agree to our information and estimate of claims.

We have received some pension preferential claims and we continue to liaise with the independent trustees and various pension scheme administrators to finalise the outstanding claims. We are unable to make a distribution to preferential creditors until the outstanding claims have been submitted and agreed.

At present, on the basis of our estimate of the outcome, we anticipate there being sufficient funds in TBI, MVS UK and Plc to pay preferential creditors in full but there may not be sufficient floating charge funds available in Energy for the preferential creditors. We should stress that this is subject to future realisations from the North Hoyle contract referred to in Section 5.8.

7.3 The Prescribed Part

The Prescribed Part (Section 176A and the Insolvency Act 1986 (Prescribed Part) Order 2003) applies where there are floating charge realisations, net of costs, to be set aside for unsecured creditors. This equates to:

- 50% of net property up to £10,000
- 20% of net property in excess of £10,000
- Subject to a maximum amount of £600,000.

Based on our estimate of the outcome it is expected that there will be distributions to TBI, MVS UK and Plc unsecured creditors under the Prescribed Part. We have written to unsecured creditors of TBI and MVS UK (the claims of Plc are minimal) asking them to submit their claims and we would urge any creditor of these companies to submit their claims if they have yet to do so. As at 30 September we had received the following claims:

(Value - £'000)	Statements of affairs		Claims submitted		Claims admitted	
	Number	Value	Number	Value	Number	Value
TBI	3,023	203,000*	687	17,227	466	6,959
* includes trade & expense creditors of £53m						
MVS	419	76,000*	176	7,321	30	1,026
* includes trade & expense creditors of £10m						

We are required to obtain court approval to make any distributions of the Prescribed Part to unsecured creditors and Cameron's have been instructed accordingly.

The amount distributable to unsecured creditors under the Prescribed Part will depend on the costs associated with agreeing creditors' claims as well as the final quantum of claims.

There is, at present, some uncertainty (due to drafting of new legislation) about whether the holders of a floating charge are entitled to participate in a distribution of the Prescribed Part in respect of the unsecured element of their debt. We have therefore instructed Cameron's to prepare an application to Court for directions.

Given the issues above it is not possible to confirm the level of dividend under the Prescribed Part but even if the Banks and Noteholders were not able to participate in any distribution, the likely distribution (in TBI, MVS and Plc) to unsecured creditors will be less than 1%.

7.4 Unsecured creditors

Distributions to unsecured creditors (excluding distributions under the Prescribed Part as referred to above) will depend on the outcome of our security review (Section 6.3 above) and the validity of HSBC's proprietary claim. Therefore, given the ongoing work in respect of these issues, we are unable to confirm, at this stage, whether there will be any distribution to unsecured creditors of TBI, MVS, Energy and Plc. Creditors will be advised of any developments in this respect in due course.

We can confirm, however, there will be no distributions to the unsecured creditors of Services, Fleet and Energy Holdings.

8. INVESTIGATIONS

Report on directors' conduct

As required by legislation, reports on the Directors' conduct have been submitted to the Department of Trade and Industry for each company in administration. The reports and their contents are confidential and cannot be disclosed to creditors.

Investigation by regulatory bodies

The Accountancy Investigation and Discipline Board, which is a new regulatory body for the accounting profession, have commenced an investigation into the conduct of the previous auditors as well as the Group finance director. We have been assisting them with their enquiries and we have also been assisting other regulatory bodies in respect of matters arising from the collapse of the Group.

Midfes accounting irregularities

As we reported at the first creditors' meeting certain monies due to HSBC from the TBI Chassis division were not paid to them in the time provided for in the terms of an invoice purchase agreement. As our investigations into this matter are ongoing we are unable to provide creditors with any further information at present.

Other investigations

We are currently following various lines of investigation to establish whether there are any issues that might give rise to monetary claims and further value for creditors. These investigations are at a relatively early stage and we will continue to advise the Creditor Committees of developments and in particular seek their approval before incurring costs.

Our work has concentrated on reviewing group accounting records, statutory records and other management information and correspondence.

9. PROFESSIONAL COSTS

9.1 Administrators' Remuneration

The Administrators' time costs, for the period from the making of the Administration Orders to 30 April 2004 for all companies in administration were approved by the creditors at the creditors' meetings held on 28 May 2004. At those meetings Creditors' Committees were established for TBI, MVS UK and Energy and since 30 April 2004 both time cost resolutions and disbursement requests up to 15 September 2004 have been put to the respective Committees for approval before payment.

In respect of Plc, Services and Fleet, the creditors resolved that the Administrators could draw their remuneration on a time cost basis and that their remuneration and expenses could be drawn monthly.

In the following sections we have summarised the Administrators' time costs for each company and at Appendix 5 we have included a more detailed analysis which shows the time categorised into various task headings and sub categories and the time attributable to these categories which can be explained as follows:

- Administration and Planning includes such tasks as case planning and set-up, appointment notification, statutory reporting (including reporting to the Committee), compliance, cashiering, accounting and administrative functions.
- Investigations include such tasks as reporting on the directors' conduct, investigating antecedent transactions, reviewing and obtaining advice in relation to security granted to Banks and Noteholders, liaising with AIDB and other regulatory bodies and any other investigations that may be deemed appropriate.
- Trading includes such tasks as planning, devising and developing strategy, preparing and monitoring cash flow and trading forecasts, managing operations, corresponding and negotiating with suppliers and customers, landlord issues and employee matters including payroll.
- Realisation of Assets includes such tasks as identifying and securing assets, sales of businesses, property issues, activities in relation to other fixed assets, stock, debtors, investments and any related legal issues.
- Creditors include such tasks as communication and meetings, reviewing and agreeing preferential and unsecured claims, retention of title issues, corresponding with secured creditors, and recording and progressing employee related claims.

- Other tasks include pension related matters, VAT and corporation tax issues.

"A Creditors' Guide to Administrator's Fees", as required by our professional body, is attached for your information and guidance.

The range of charge out rates for the separate categories of staff (i.e. Partner, Manager and Assistants/Support Staff) are based on our normal charge out rates and reflect the different rates for London and regional offices. The Manager rates include all grades of manager up to Director. The ranges are summarised below:

Grade	Range £ per hour
Partners	445 to 555
Managers	175 to 445
Assistants/Support Staff	50 to 170

9.2 TBI

The Administrators' time costs for the period 31 March to 15 September 2004 for TBI are set out below.

Classification of Work Function	Partner Hours	Manager Hours	Assistants / Support staff Hours	Total Hours	Timecost (£)	Average Hourly Rate (£)
Administration and Planning	48.9	1,669.5	1,554.5	3,272.9	700,694	214
Investigations	40.0	259.0	88.7	387.7	108,364	280
Trading	197.1	6,576.4	1,963.7	8,737.2	2,126,370	243
Asset Realisations	669.2	2,762.7	311.6	3,743.5	1,256,870	336
Creditors	66.4	3,132.1	1,677.4	4,875.9	978,673	201
Other	88.8	970.7	281.0	1,340.5	369,356	276
Total	1,110.4	15,370.3	5,876.9	22,357.6	5,540,326	248
Timecost (£)	538,935	4,278,052	723,340			
Average hourly rate (£)	485	278	123			

9.3 MVS UK

The Administrators' time costs for the period 31 March to 15 September 2004 for MVS UK are set out below.

Classification of Work Function	Partner Hours	Manager Hours	Assistants / Support staff Hours	Total Hours	Timecost (£)	Average Hourly Rate (£)
Administration and Planning	50.7	886.2	616.5	1,553.4	322,531	208
Investigations	7.3	22.0	18.3	47.6	12,460	262
Trading	149.9	2,247.5	274.9	2,672.3	565,954	212
Asset Realisations	277.3	1,283.6	116.5	1,677.4	484,098	289
Creditors	24.1	634.2	184.5	842.8	167,163	198
Other	26.6	242.7	48.6	317.9	95,137	299
Total	535.9	5,316.2	1,259.3	7,111.4	1,647,343	232
Timecost (£)	262,722	1,241,435	143,186			
Average hourly rate (£)	490	234	114			

9.4 Energy

The Administrators' time costs for the period 2 April to 15 September 2004 for Energy are set out below.

Classification of Work Function	Partner Hours	Manager Hours	Assistants / Support staff Hours	Total Hours	Timecost (£)	Average Hourly Rate (£)
Administration and Planning	18.9	106.7	109.5	235.1	58,587	249
Investigations	1.0	22.0	9.0	32.0	8,273	259
Trading	0.0	36.0	58.5	94.5	16,930	179
Asset Realisations	95.1	516.4	12.0	623.5	193,944	311
Creditors	11.5	46.7	95.1	153.3	32,615	213
Other	3.5	39.4	23.4	66.3	15,524	234
Total	130.0	767.2	307.5	1,204.7	325,872	271
Timecost (£)	60,985	227,071	37,816			
Average hourly rate (£)	469	296	123			

9.5 Plc

The Administrators' time costs for the period 31 March to 15 September 2004 for Plc are set out below.

Classification of Work Function	Partner Hours	Manager Hours	Assistants / Support staff Hours	Total Hours	Timecost (£)	Average Hourly Rate (£)
Administration and Planning	44.8	212.2	92.8	349.8	108,309	310
Investigations	52.5	82.9	49.3	184.7	65,920	357
Trading	0.0	176.8	29.9	206.7	51,194	248
Asset Realisations	462.9	744.8	100.4	1,308.1	558,292	427
Creditors	21.2	136.0	53.2	210.4	57,858	275
Other	89.0	507.9	12.7	609.6	222,888	366
Total	670.4	1,860.6	338.3	2,869.3	1,064,460	371
Timecost (£)	372,083	648,654	43,724			
Average hourly rate (£)	555	349	129			

9.6 Services

The Administrators' time costs for the period 31 March to 15 September 2004 for Services are set out below.

Classification of Work Function	Partner Hours	Manager Hours	Assistants / Support staff Hours	Total Hours	Timecost (£)	Average Hourly Rate (£)
Administration and Planning	1.0	66.1	44.2	111.3	26,894.4	242
Investigations	0.0	2.5	6.0	8.5	1,744.5	205
Trading	0.0	40.4	0.0	40.4	9,719.0	241
Asset Realisations	0.0	6.3	0.0	6.3	1,781.3	285
Creditors	0.0	28.0	6.2	34.2	7,401.0	216
Other	0.0	1.1	2.3	3.4	526.0	155
Total	1.0	144.3	58.7	204.0	48,066	236
Timecost (£)	555	39,479	8,032			
Average hourly rate (£)	555	274	137			

9.7 Fleet

The Administrators' time costs for the period 7 April to 15 September 2004 for Fleet are set out below.

Classification of Work Function	Partner Hours	Manager Hours	Assistants / Support staff Hours	Total Hours	Timecost (£)	Average Hourly Rate (£)
Administration and Planning	0.0	22.3	42.0	64.3	11,528	179
Investigations	0.0	0.8	2.5	3.3	560	170
Trading	0.0	5.0	3.6	8.6	1,568	182
Asset Realisations	0.0	23.5	1.0	24.5	7,180.0	293
Creditors	0.0	1.0	1.5	2.5	506.5	203
Other	0.0	17.0	3.5	20.5	5,427.5	265
Total	0.0	69.6	54.1	123.7	26,769	216
Timecost (£)	0	19,543	7,227			
Average hourly rate (£)	n/a	281	134			

9.8 Energy Holdings

A separate time analysis for Energy Holdings has not been prepared. The company was placed into administration on 21 April 2004 to facilitate the sale of the Resolution and therefore any time associated with this appointment, which has been minimal, has been allocated to Energy.

9.9 Administrators Expenses

The Administrators direct expenses submitted as at 15 September 2004 are summarised by company in the table below:

Expenses breakdown to 15 September 2004	TBI £	MVS UK £	Energy £	Plc £	Services £	Total £
Hotel	52,562	7,209	1,631	7,398	-	68,800
Travel - Rail	7,233	1,107	648	692	-	9,680
Travel - Taxi	14,387	2,180	815	1,999	-	19,381
Travel - Car	29,419	20,889	1,849	1,455	181	53,793
Travel - Air	29,333	1,159	2,763	36,829	-	70,084
Subsistence	7,607	867	212	1,618	134	10,438
Telephone	3,281	824	101	2,360	25	6,591
Courier	4,938	451	-	804	110	6,303
Car Hire	-	111	-	1,415	-	1,526
Printing & Photocopying	28,363	7,184	-	-	-	35,547
Insurance Bond	1,000	668	1,000	1,000	150	3,818
Stationery	-	-	-	471	-	471
Other	-	70	178	273	3	524
	<u>178,123</u>	<u>42,719</u>	<u>9,197</u>	<u>56,314</u>	<u>603</u>	<u>286,956</u>

Expenses incurred in Fleet total £306 at 15 September. These relate to courier charges of £150, insurance bond of £150 and other costs of £6.

9.10 Other Professional Costs

To advise on appropriate legal matters the Administrators instructed DWS, a London firm of lawyers with the appropriate expertise and experience in dealing with large complex administrations. The Administrators also instructed Cameron's to advise on the validity of security granted by the Companies and HSBC's proprietary claim. Both Cameron's and DWS costs as advised up to 30 September 2004 are summarised in the table below. Their fees are based upon their recorded time costs incurred at their prevailing charge out rates and their costs are reviewed by the Administrators' staff before being approved for payment.

Wyles, a firm of chattel agents, were instructed by the Administrators to undertake inventories and valuations of stock, plant and equipment, fixtures and fittings and other chattel assets where appropriate. Wyles were chosen in light of their expertise and experience in dealing with insolvency appointments of this nature. Their fees for valuation advice are based upon their recorded time costs incurred at their prevailing hourly charge out rates.

Their fees for assisting in realising the assets are calculated on a commission basis, plus disbursements incurred. Their costs to 30 September 2004 are included in the table below and their invoices are reviewed before being approved for payment.

	TBI £'000	MVS UK £'000	Energy £'000	Plc £'000	Services £'000	Fleet £'000	Total £'000
DWS	549	275	95	110	4	10	1,043
CMS	175	72	20	3	-	-	270
Wyles	60	50	47	2	10	0	169
	<u>784</u>	<u>397</u>	<u>162</u>	<u>115</u>	<u>14</u>	<u>10</u>	<u>1,482</u>

GVA Grimley, a firm of surveyors, were instructed by the Administrators to advise on the Parkway property, to market the Coventry property and to also advise on other sundry property issues. GVA Grimley have the appropriate expertise and experience in dealing with insolvency related property issues. Their fees in respect of dealing with the above issues on behalf of MVS UK total £103,000 plus VAT and their invoice for this amount was received after 30 September 2004.

10. OTHER INFORMATION TO ASSIST CREDITORS

10.1 Exit Routes from Administration

Under the Enterprise Act 2002, all administrations automatically come to an end after one year, unless an extension is granted by the court or with consent of the creditors.

Otherwise and unless it is proposed that a company in administration should be placed in Creditors' Voluntary Liquidation the appointment of Administrators ceases on the following:

- an application to Court (in the event of a Court appointment)
- filing a notice in Court and with the Registrar of Companies confirming that the purpose of Administration has been sufficiently achieved
- in the event that the 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

The exit route chosen in relation to the Companies will largely depend on the circumstances of each Administration. It is likely that we will seek to apply for the dissolution of Services, Fleet and Energy Holdings as there is unlikely to be any distribution to any class of creditors from these companies.

A decision on the most appropriate and cost effective exit route for TBI, MVS UK, and Energy will be made in conjunction with the respective Creditors' Committee. This decision is likely to influence the most appropriate and cost effective exit route for Plc.

10.2 EC Regulations

As stated in the Administration Orders in relation to the Companies, Council Regulation (EU) No 1346/2000 applies and these are the main proceedings as defined in Article 3(1) of that Regulation.

Joint Administrators

N J Dargan, N G Edwards, J C Reid, W K Dawson, I Brown and A P Peters
 Deloitte & Touche LLP
 PO Box 36833
 180 Strand
 London
 WC2R 1 WL

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APPENDIX 2

Page 1 of 2

MAYFLOWER VEHICLE SYSTEMS PLC (IN ADMINISTRATION)

Estimated Position as at 31 March 2004
as set out in the Directors' Statement of Affairs

	Notes	Book Value £'000	Estimated to realise £'000
Assets subject to fixed charge			
Discounted book debts		3,041	
Less: Due to HSBC		<u>(3,041)</u>	
Land and buildings		3,863	3,090
Assets under construction:			
Press line		9,786	9,786
Less: associated finance		<u>(9,786)</u>	<u>(9,786)</u>
Land and buildings		7,900	3,140
		<u>11,763</u>	<u>6,230</u>
Less: Amounts due to secured lenders		<u>(238,759)</u>	<u>(238,759)</u>
		<u>(226,996)</u>	<u>(232,529)</u>
Assets subject to floating charge			
Assets under construction:			
Plant, machinery and systems		2,100	720
Plant and machinery		7,090	4,250
Motor vehicles		12	6
Stock		3,564	1,385
Trade and other debtors		6,636	2,450
Group debtors		7,444	-
Cash at bank		12,538	-
Estimated assets available for preferential creditors		<u>39,384</u>	<u>8,811</u>
Preferential creditors			(726)
Estimated surplus as regards preferential creditors			<u>8,085</u>
Estimated prescribed part of net property (to carry forward)			(600)
Estimated total assets available for floating charge holders			<u>7,485</u>
Debts secured by floating charges			<u>(232,529)</u>
Estimated deficiency of assets after floating charges			<u>(225,044)</u>
Estimated prescribed part of net property (brought down)			600
Total assets available to unsecured creditors			<u>600</u>
Unsecured non-preferential claims			(72,550)
Estimated deficiency after floating charge (brought down)			<u>(225,044)</u>
Estimated deficiency as regards creditors			<u>(296,994)</u>
Issued and called up capital			(14)
Estimated total deficiency as regards members			<u>(297,008)</u>

Administrators' Comments on the Previously Redacted Directors' Statements of Affairs for MVS UK

1. No professional valuations have been undertaken and therefore the estimated to realise amounts are based on the directors own assessments.
2. No provision has been made for the costs of the administration.
3. The statement of affairs assumes that the floating charge holders will rank equally with other unsecured creditors in a distribution of the Prescribed Part.

Due to the drafting of new legislation, there is some uncertainty, at present, about whether a floating charge holder is entitled to participate in a distribution of the Prescribed Part in respect of the unsecured element of their debt.

4. The directors made no reference to plant and machinery being subject to the fixed charge but actual recoveries under the fixed charge totalled some £2.3m.

The Mayflower Corporation Plc and Subsidiaries
(In Administration)

Consolidated Receipts and Payments account at 30 September 2004

	TB1 £'000	MVS UK £'000	Energy £'000	PLC £'000	Services £'000	Fleet £'000	TOTAL £'000
Gross Fixed Charge Assets							
Goodwill	9,500	-	-	-	-	-	9,500
Freehold and Leasehold Properties	5,000	9,200	-	-	-	-	14,200
Plant & Machinery / Resolution	2,608	2,371	12,912	-	-	-	17,891
Sale of MVS Inc (net proceeds)	-	-	-	-	-	-	-
Head Office Property	-	-	84	-	-	-	214
Bank Interest	93	37	12,996	-	-	-	41,805
	<u>17,201</u>	<u>11,608</u>	<u>(210)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,158)</u>
Realisation Costs							
Administrators' Fees	(1,422)	(526)	(7)	-	-	-	(89)
Administrators' Expenses	(46)	(14)	(104)	-	-	-	(370)
Legal Fees	(155)	(110)	(47)	-	-	-	(71)
Agents Costs	(24)	(114)	(68)	-	-	-	(452)
VAT	(270)	(1,849)	(253)	(535)	-	-	(2,637)
Other Costs	(1,919)	(2,613)	(689)	(535)	-	-	(5,751)
	<u>(14,750)</u>	<u>(5,150)</u>	<u>(12,100)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(32,000)</u>
Distribution to Banks and Noteholders							
	<u>531</u>	<u>3,845</u>	<u>207</u>	<u>(535)</u>	<u>-</u>	<u>-</u>	<u>4,048</u>
Net Fixed Charge Assets							
Gross Floating Charge Assets							
Plant & Machinery / Fixtures	3,969	4,063	34	-	39	15	8,047
Motor Vehicles	-	-	54	-	-	-	73
Stock and WIP	27,924	1,250	-	1,042	40	34	29,228
Book Debts - Other	10,823	3,394	-	-	-	-	15,332
Trading receipts	29,555	13,346	-	-	(199)	-	42,901
Trading payments	(36,260)	(16,187)	-	-	-	-	(52,645)
Sale of MVS Germany	-	-	13	339	-	-	339
Interests/Sundry	209	134	102	1,381	(119)	49	357
	<u>36,219</u>	<u>6,000</u>	<u>(66)</u>	<u>(458)</u>	<u>(119)</u>	<u>49</u>	<u>43,632</u>
Realisation Costs							
Administrators' Fees	(3,424)	(788)	(66)	(458)	-	(23)	(4,760)
Administrators' Expenses	(118)	(22)	(2)	(42)	-	-	(184)
Legal Fees	(470)	(191)	(1)	(84)	(3)	(10)	(757)
Agents Costs	(41)	(49)	(12)	(64)	(9)	(3)	(90)
VAT	(955)	(401)	(40)	(40)	-	-	(1,444)
Other Costs	(5,008)	(32)	(80)	(688)	(12)	(36)	(7,307)
	<u>(9,086)</u>	<u>(1,483)</u>	<u>(80)</u>	<u>(688)</u>	<u>(12)</u>	<u>(36)</u>	<u>(7,307)</u>
Amount paid to Preferential Creditors							
	-	-	-	-	-	-	-
Prescribed Part (subject to cost)							
	-	-	-	-	-	-	-
Net Floating Charge Assets							
	<u>31,211</u>	<u>4,517</u>	<u>22</u>	<u>693</u>	<u>(131)</u>	<u>13</u>	<u>36,325</u>

IMPORTANT NOTE

1. This document is prepared solely for the purpose of reporting to creditors. Nothing in this document or any other document with or appended to it should be relied on for any other purpose including, without limitation, for the purposes of, or in connection with, the trading in any debt or equity of The Mayflower Corporation Plc or any of its subsidiaries or in connection with the purchase of any asset or business of The Mayflower Corporation Plc or any of its subsidiaries.

Consolidated Estimated Outcome Statement at 30 September 2004

Estimated Gross Fixed Charge Assets	TBI £'000	MVS UK £'000	Energy £'000	PLC £'000 (indicative)	Roadlease £'000 (in Liquidation)	Services £'000	Fleet £'000	TOTAL £'000
Goodwill	9,500	-	-	-	-	-	-	9,500
Freehold and Leasehold Properties	5,000	9,200	-	-	-	-	-	14,200
Plant & Machinery / Resolution	2,608	2,371	12,912	-	-	-	-	17,890
Sale of MVS Inc (net proceeds)	-	-	-	Uncertain	-	-	-	0
Head Office Property	-	-	-	1,200	-	-	-	1,200
Bank interest	93	38	84	-	-	-	-	214
	17,201	11,609	12,995	1,200	-	-	-	43,004
Realisation Costs								
Administrators' Fees	(1,590)	(654)	(220)	(1,050)	-	-	-	(3,514)
Administrators' Expenses	(50)	(16)	(8)	(50)	-	-	-	(124)
Legal Fees - DWS	(165)	(110)	(86)	(42)	-	-	-	(403)
Legal Fees - Camerons	(30)	(13)	(20)	-	-	-	-	(63)
Agents Costs	(24)	(101)	(47)	(30)	-	-	-	(202)
Other Costs	(15)	(1,849)	(199)	(55)	-	-	-	(2,118)
	(1,874)	(2,743)	(581)	(1,227)	-	-	-	(6,424)
Estimated Net Fixed Charge Assets	15,327	8,866	12,414	(27)	-	-	-	36,580
Estimated Gross Floating Charge Assets								
Plant & Machinery / Fixtures	3,974	4,063	-	-	-	20	15	8,072
Motor Vehicles	-	-	34	-	-	39	-	73
Stock and WIP	27,924	1,250	54	-	-	-	-	29,228
Book Debts - Other	11,635	3,544	Uncertain	1,042	-	201	34	16,456
Net trading receipts and payments	(9,050)	(2,787)	-	-	-	(190)	-	(12,027)
Roadlease net recoveries	-	-	-	-	535	-	-	535
Sale of MVS Germany	-	-	-	339	-	-	-	339
Interest/Sundry	208	134	13	5	-	-	-	360
	34,691	6,204	101	1,386	535	70	49	43,036
Realisation Costs								
Administrators' Fees	(4,710)	(1,096)	(65)	(500)	-	(50)	(30)	(6,451)
Administrators' Expenses	(130)	(29)	(9)	(10)	-	(1)	(1)	(180)
Legal Fees - DWS	(385)	(165)	(15)	(66)	-	(3)	(10)	(644)
Legal Fees - Camerons	(145)	(60)	-	(3)	-	-	-	(208)
Agents Costs	(42)	(48)	(11)	0	-	(10)	-	(111)
Other Costs	(95)	(181)	(2)	(53)	-	(6)	(8)	(325)
	(5,507)	(1,560)	(101)	(632)	-	(70)	(49)	(7,919)
Amount due to Preferential Creditors	(1,123)	(71)	-	(96)	-	-	-	(1,290)
Prescribed Part (subject to cost)	(600)	(600)	-	(135)	(110)	-	-	(1,445)
Estimated Net Floating Charge Assets	27,461	3,973	-	523	425	-	-	32,382

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2. The estimated outcome in respect of PLC is indicative only as the sales of the MVS US business and certain other assets have not been completed and the estimated outcome reflected above is subject to change

ADMINISTRATORS' TIME COST ANALYSIS

1	TBI	31 March 2004 to 15 September 2004
2	MVS UK	31 March 2004 to 15 September 2004
3	Energy	2 April 2004 to 15 September 2004
4	Plc	31 March 2004 to 15 September 2004
5	Services	31 March 2004 to 15 September 2004
6	Fleet	7 April 2004 to 15 September 2004

APPENDIX 5

Page 2 of 7

TRANSBUS INTERNATIONAL LIMITED (IN ADMINISTRATION)

ADMINISTRATORS' TIME COSTS 31 MARCH TO 15 SEPTEMBER 2004

	Partner		Manager		Assistants and Support Staff		TOTAL	
	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost
Administration & Planning								
Administration Strategy	11.9	5,333	228.5	74,178	1.0	120	241.4	79,630
Administration & Filing	-	-	106.0	27,624	299.2	30,982	405.2	58,606
Arranging Banking Facilities/Daily Bankings	-	-	14.9	5,541	10.7	1,313	25.6	6,854
Cashiering/voucher preparation and authorisation	5.0	2,541	280.4	65,801	1,071.0	146,165	1,356.4	214,507
Insurance	1.0	445	12.3	2,214	11.0	3,576	24.3	6,235
Preparation/planning	12.0	5,836	174.3	46,904	15.0	1,823	201.3	54,562
Creditors Report / Reporting to committee	15.0	7,894	307.3	87,783	31.0	3,881	353.3	99,557
Standard Letters/Notices/Directors Questionnaires	-	-	29.3	6,284	48.7	5,330	76.0	11,614
Statutory and Bordereau	4.0	2,058	66.9	18,215	68.9	7,801	139.8	28,073
Supervision/management of Administration	-	-	449.6	141,058	-	-	449.6	141,058
	48.9	24,106	1,669.5	475,600	1,554.5	200,987	3,272.9	709,694
Investigations								
CDDA Reports	2.0	1,020	6.5	2,570	13.7	1,682	22.2	5,272
Investigating antecedent transactions	1.0	486	5.0	1,758	3.0	334	9.0	2,578
Other investigations / security	37.0	19,799	247.5	72,711	72.0	8,004	356.5	100,514
	40.0	21,305	259.0	77,039	88.7	10,020	387.7	108,364
Trading								
Arranging Continued Supply/Undertakings	34.3	16,295	3,186.5	881,987	899.0	105,915	4,119.8	1,004,198
Corresp/Tel /mtgs with customers	39.3	18,664	928.7	293,048	262.3	28,979	1,230.3	340,692
Employee issues	-	-	277.0	67,112	149.5	19,510	426.5	86,622
Cashflow forecasts monitoring	11.0	5,349	764.2	202,165	99.0	11,803	874.2	219,318
Payroll	5.0	2,775	24.5	5,525	84.7	9,951	114.2	18,251
Landlord issues	-	-	37.9	10,346	8.0	890	45.9	11,236
Managing operations	107.5	48,251	1,357.6	344,890	461.3	52,917	1,926.4	446,057
	197.1	91,334	6,576.6	1,805,072	1,963.7	229,964	8,737.2	2,126,370
Asset Realisations								
Book debts - Set-up, review and collection of	9.0	4,720	586.3	154,534	136.8	15,792	732.1	175,046
Collection and review of financial information	-	-	70.0	25,600	2.0	240	72.0	25,840
Dealing with agents	-	-	20.8	3,928	2.2	281	23.0	4,209
Sale of business (incl. post-completion)	659.2	314,009	1,885.7	658,384	111.5	17,003	2,656.4	989,395
Legal issues	1.0	555	41.1	14,328	16.6	2,417	58.7	17,299
Securing/Reviewing other assets	-	-	84.5	21,863	12.5	1,500	97.0	23,363
Other assets	-	-	74.3	17,139	30.0	4,580	104.3	21,719
	669.2	319,284	2,762.7	895,775	311.6	41,812	3,743.5	1,258,870
Creditors								
Dealing with creditors and third parties	4.0	2,000	427.3	97,643	270.7	32,363	702.0	132,006
Preferential & secured creditors	5.0	3,630	25.4	8,058	9.0	1,143	39.4	12,830
Creditors meeting	23.4	11,917	168.7	50,792	4.0	503	196.1	63,212
Reservation of title issues	33.0	16,378	2,247.1	519,592	1,178.5	141,812	3,456.6	677,582
Employee issues (redundancy, P45, DTI etc)	1.0	555	263.6	65,960	217.2	26,529	481.8	93,043
	66.4	34,479	3,132.1	742,045	1,677.4	202,149	4,875.9	978,673
Other								
Pension Issues	7.0	3,748	158.6	58,594	1.3	184	166.9	62,525
VAT / Taxation	81.8	44,679	812.1	223,927	263.3	36,268	1,157.2	304,874
Other	-	-	-	-	16.4	1,957	16.4	1,957
	88.8	48,427	970.7	282,520	281.0	38,409	1,340.5	369,356
TOTAL	1,110.4	538,935	15,370.3	4,278,052	5,876.9	723,340	22,357.6	5,540,326

APPENDIX 5
Page 3 of 7

MAYFLOWER VEHICLE SYSTEMS PLC (IN ADMINISTRATION)

ADMINISTRATORS' TIME COSTS 31 MARCH 2004 TO 15 SEPTEMBER 2004

	Partner		Manager		Assistant and Support Staff		Total	
	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost
Administration & Planning								
- Administration Strategy	13.0	5,785	50.0	14,736	-	-	63.0	20,521
- Administration & Filing	-	-	91.6	22,369	119.6	12,074	211.2	34,443
- Arranging Banking Facilities/Daily Bankings	-	-	38.8	7,955	-	-	38.8	7,955
- Cashiering/voucher preparation and authorisation	4.0	1,879	305.4	68,126	389.1	49,453	698.5	119,458
- Insurance	1.0	445	17.0	3,750	13.8	1,688	31.8	5,883
- Preparation/planning	15.3	8,492	58.5	14,190	11.3	1,356	85.1	24,038
- Creditors Report / Reporting to Committee	9.9	5,275	90.6	27,133	31.0	3,590	131.5	35,997
- Standard Letters/Notices/Directors Questionnaires	0.5	223	64.4	18,564	39.7	3,741	104.6	20,527
- Statutory and Bordereau	7.0	3,445	7.5	1,757	12.0	1,245	26.5	6,447
- Supervision/management of Administration	-	-	162.4	47,264	-	-	162.4	47,264
-	50.7	25,543	886.2	223,842	616.5	73,146	1,553.4	322,531
Investigations								
- CDDA Reports	1.0	555	5.8	1,702	16.3	1,956	23.1	4,213
- Investigating antecedent transactions	2.0	1,000	3.2	1,248	1.0	105	6.2	2,353
- Other Investigations / security	4.3	2,139	13.0	3,635	1.0	120	18.3	5,894
-	7.3	3,694	22.0	6,585	18.3	2,181	47.6	12,460
Trading								
- Arranging Continued Supply/Undertakings	14.0	6,230	1,003.4	199,729	185.5	19,478	1,202.9	225,437
- Corresp/Tel /mtings with customers	18.0	8,010	294.9	66,841	-	-	312.9	74,851
- Employee issues	-	-	31.0	6,770	79.9	10,860	110.9	17,630
- Cashflow forecasts monitoring	15.0	6,780	601.3	126,820	9.5	1,393	625.8	134,992
- Payroll	-	-	78.0	18,635	-	-	78.0	18,635
- Landlord issues	-	-	17.0	4,460	-	-	17.0	4,460
- Managing operations	102.9	46,220	221.9	43,730	-	-	324.8	89,950
-	149.9	67,240	2,247.5	466,985	274.9	31,730	2,672.3	565,954
Asset Realisations								
- Book debts - Set-up, review and collection of	3.0	1,590	238.9	51,166	7.1	852	249.0	53,608
- Collection and review of financial information	-	-	108.6	22,645	-	-	108.6	22,645
- Dealing with agents	4.0	1,780	87.5	24,008	-	-	91.5	25,788
- Sale of business (incl. post-completion)	265.1	134,353	705.2	197,701	33.5	4,216	1,003.8	336,271
- Legal issues	5.2	2,556	85.7	21,658	72.1	7,571	163.0	31,784
- Securing/Reviewing other assets	-	-	57.5	13,605	3.8	399	61.3	14,004
- Other assets	-	-	-	-	-	-	-	-
-	277.3	140,279	1,283.6	330,781	116.5	13,039	1,677.4	484,098
Creditors								
- Dealing with creditors and third parties	2.2	1,221	148.8	32,767	76.5	7,923	227.5	41,910
- Preferential creditors & secured creditors	5.5	2,470	41.9	10,933	5.2	546	52.6	13,949
- Creditors meeting	10.4	5,442	52.9	16,647	7.1	852	70.4	22,941
- Reservation of title issues	6.0	2,898	343.6	63,965	12.6	1,623	362.2	68,486
- Employee issues (redundancy, P45, DTI etc)	-	-	47.0	11,510	83.1	8,369	130.1	19,879
-	24.1	12,031	634.2	135,820	184.5	19,313	842.8	167,163
Other								
- Pension Issues	3.9	2,165	97.2	33,402	-	-	101.1	35,567
- VAT / Taxation	22.7	11,771	145.5	44,021	48.6	3,778	216.8	59,571
- Other	-	-	-	-	-	-	-	-
-	26.6	13,936	242.7	77,423	48.6	3,778	317.9	95,137
TOTALS	535.9	262,722	5,316.2	1,241,435	1,259.3	143,186	7,111.4	1,647,343

APPENDIX 5

Page 4 of 7

MAYFLOWER ENERGY LIMITED (IN ADMINISTRATION)

ADMINISTRATORS' TIME COSTS 2 APRIL TO 15 SEPTEMBER 2004

	Partner		Manager		Assistants and Support Staff		TOTAL	
	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost
Administration & Planning								
Administration Strategy	4.5	2,003	11.0	3,240	-	-	15.5	5,243
Administration & Filing	-	-	2.0	430	24.0	2,810	26.0	3,240
Arranging Banking Facilities/Daily Bankings	-	-	12.9	5,031	-	-	12.9	5,031
Cashiering/voucher preparation and authorisation	1.5	668	12.6	4,746	48.3	6,705	62.4	12,118
Insurance	-	-	-	-	-	-	-	-
Preparation/planning	2.5	1,113	7.0	1,890	-	-	9.5	2,993
Creditors Report / Reporting to committee	2.5	1,388	29.9	9,739	10.2	1,387	42.6	12,514
Standard Letters/Notices/Directors Questionnaires	1.0	445	-	-	18.0	2,160	19.0	2,605
Statutory and Bordereau	2.0	1,110	4.2	1,394	4.0	480	10.2	2,984
Supervision/management of Administration	4.9	2,616	27.1	8,644	5.0	600	37.0	11,860
	18.9	9,341	106.7	35,104	109.5	14,142	235.1	58,587
Investigations								
CDDA Reports	1.0	555	3.0	890	8.0	960	12.0	2,405
Investigating antecedent transactions	-	-	-	-	-	-	-	-
Other Investigations / security	-	-	19.0	5,748	1.0	120	20.0	5,868
	1.0	555	22.0	6,638	9.0	1,080	32.0	8,273
Trading								
Arranging Continued Supply/Undertakings	-	-	20.0	5,325	40.0	4,800	60.0	10,125
Corresp/Tel /migs with customers	-	-	-	-	1.0	120	1.0	120
Employee issues	-	-	5.0	1,250	15.0	1,800	20.0	3,050
Cashflow forecasts monitoring	-	-	11.0	3,335	2.5	300	13.5	3,635
Payroll	-	-	-	-	-	-	-	-
Landlord issues	-	-	-	-	-	-	-	-
Managing operations	-	-	-	-	-	-	-	-
	-	-	36.0	9,910	58.5	7,020	94.5	16,930
Asset Realisations								
Book debts - Set-up, review and collection of	28.6	13,337	189.4	58,349	12.0	1,377	230.0	73,063
Collection and review of financial information	2.0	890	-	-	-	-	2.0	890
Dealing with agents	8.0	3,560	30.0	8,150	-	-	38.0	11,710
Sale of business (incl. post completion)	56.5	26,133	261.0	72,543	-	-	317.5	98,676
Legal issues	-	-	14.0	3,650	-	-	14.0	3,650
Securing/Reviewing other assets	-	-	22.0	5,955	-	-	22.0	5,955
Other assets	-	-	-	-	-	-	-	-
	95.1	43,920	516.4	148,647	12.0	1,377	623.5	193,944
Creditors								
Dealing with creditors and third parties	3.5	1,558	15.5	4,457	74.5	9,038	93.5	15,052
Preferential & secured creditors	1.0	555	4.6	1,794	2.1	252	7.7	2,601
Creditors meeting	7.0	3,115	24.6	8,997	8.5	1,020	40.1	13,132
Reservation of title issues	-	-	-	-	5.0	600	5.0	600
Employee issues (redundancy, P45, DTI etc)	-	-	2.0	630	5.0	600	7.0	1,230
	11.5	5,228	46.7	15,878	95.1	11,510	153.3	32,615
Other								
Pension Issues	-	-	-	-	2.0	240	2.0	240
VAT / Taxation	3.5	1,942	39.4	10,895	21.4	2,447	64.3	15,284
Other	-	-	-	-	-	-	-	-
	3.5	1,942	39.4	10,895	23.4	2,687	66.3	15,524
TOTAL	130.0	60,985	767.2	227,071	307.5	37,816	1,204.7	325,872

APPENDIX 5

Page 5 of 7

THE MAYFLOWER CORPORATION PLC (IN ADMINISTRATION)

ADMINISTRATORS' TIME COSTS 31 MARCH 2004 TO 15 SEPTEMBER 2004

	Partner		Manager		Assistants and Support Staff		Total	
	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost
Administration & Planning								
- Administration Strategy	2.5	1,388	8.1	2,967	-	-	10.6	4,354
- Administration & Filing	-	-	2.5	733	6.3	371	8.8	1,103
- Arranging Banking Facilities/Daily Bankings	-	-	12.9	5,017	10.0	1,428	22.9	6,445
- Cashiering/voucher preparation and authorisation	2.6	1,444	20.3	7,508	51.0	7,466	73.9	16,417
- Insurance	-	-	27.3	9,900	-	-	27.3	9,900
- Creditors Report / Reporting to committee	26.0	14,430	16.5	6,808	3.0	360	45.5	21,598
- Creditors Report	12.2	6,771	63.9	18,445	6.0	580	82.1	25,796
- Standard Letters/Notices/Directors Questionnaires	-	-	19.5	5,668	11.5	1,380	31.0	7,048
- Statutory and Bordereau	1.5	1,111	8.1	2,470	5.0	600	14.6	4,180
- Supervision/management of Administration	-	-	33.1	11,470	-	-	33.1	11,470
	44.8	25,143	212.2	70,982	92.8	12,184	349.8	108,309
Investigations								
- CDDA Reports	2.0	1,110	14.6	5,563	8.0	960	24.6	7,633
- Investigating antecedent transactions	1.0	555	2.9	1,131	1.1	132	5.0	1,818
- Other Investigations / security	49.5	27,473	65.4	24,172	40.2	4,824	155.1	56,469
	52.5	29,138	82.9	30,866	49.3	5,916	184.7	65,920
Trading								
- Arranging Continued Supply/Undertakings	-	-	70.5	17,580	18.3	2,076	88.8	19,656
- Corresp/Tel Intgs with customers	-	-	4.8	1,021	-	-	4.8	1,021
- Employee issues	-	-	49.2	13,014	1.6	248	50.8	13,262
- Cashflow forecasts monitoring	-	-	17.6	4,852	-	-	17.6	4,852
- Payroll	-	-	20.8	6,485	-	-	20.8	6,485
- Landlord issues	-	-	-	-	-	-	-	-
- Managing operations	-	-	14.0	4,718	10.0	1,200	24.0	5,918
	-	-	176.8	47,670	29.9	3,524	206.7	51,194
Asset Realisations								
- Book debts - Set-up, review and collection of	-	-	-	-	-	-	-	-
- Collection and review of financial information	-	-	-	-	-	-	-	-
- Sale of business (incl. post completion)	-	-	8.9	3,058	-	-	8.9	3,058
- Sale of business	3.5	1,943	31.0	12,820	-	-	34.5	14,763
- Legal issues	3.0	1,665	14.5	5,410	-	-	17.5	7,075
- Securing/Reviewing other assets	2.4	1,332	10.1	3,939	-	-	12.5	5,271
- Other assets (incl MVS Inc)	454.0	251,970	680.3	263,380	100.4	12,776	1,234.7	528,125
	462.9	256,910	744.8	288,606	100.4	12,776	1,308.1	558,292
Creditors								
- Preferential & secured creditors	6.0	3,330	37.9	11,380	14.8	1,755	58.7	16,465
- Preferential creditors	13.2	7,326	19.4	5,429	-	-	32.6	12,755
- Creditors meeting	2.0	1,110	32.0	9,796	4.0	480	38.0	11,386
- Reservation of title issues	-	-	5.0	1,950	-	-	5.0	1,950
- Employee issues (redundancy, P45, DTI etc)	-	-	41.7	10,033	34.4	5,269	76.1	15,302
	21.2	11,766	136.0	38,588	53.2	7,504	210.4	57,858
Other								
- Pension Issues	10.1	5,605	235.5	90,596	5.3	752	250.9	96,952
- VAT / Taxation	78.9	43,522	272.4	81,346	7.4	1,068	358.7	125,936
- Other	-	-	-	-	-	-	-	-
	89.0	49,127	507.9	171,941	12.7	1,820	609.6	222,888
TOTALS	670.4	372,083	1,860.5	648,654	338.3	43,724	2,869.3	1,064,460

APPENDIX 5

Page 6 of 7

MAYFLOWER MANAGEMENT SERVICES LIMITED (IN ADMINISTRATION)

ADMINISTRATORS' TIME COSTS 31 MARCH TO 15 SEPTEMBER 2004

	Partner		Manager		Assistants and Support Staff		TOTAL	
	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost
Administration & Planning								
Administration Strategy	-	-	3.0	1,170	-	-	3.0	1,170
Administration & Filing	-	-	-	-	-	-	-	-
Arranging Banking Facilities/Daily Bankings	-	-	12.2	4,583	-	-	12.2	4,583
Cashiering/voucher preparation and authorisation	0.5	278	10.7	3,706	28.4	4,158	39.6	8,141
Insurance	-	-	-	-	-	-	-	-
Preparation/planning	0.5	278	8.5	2,353	-	-	9.0	2,630
Creditors Report / Reporting to Committee	-	-	7.1	1,642	4.9	658	12.0	2,300
Standard Letters/Notices/Directors Questionnaires	-	-	15.3	3,990	8.8	1,056	24.1	5,046
Statutory and Bordereau	-	-	2.7	756	2.1	221	4.8	976
Supervision/management of Administration	-	-	6.6	2,049	-	-	6.6	2,049
	1.0	555	66.1	20,247	44.2	5,092	111.3	26,894
Investigations								
CDDA Reports	-	-	1.5	547	6.0	808	7.5	1,355
Investigating antecedent transactions	-	-	-	-	-	-	-	-
Other investigations / security	-	-	1.0	390	-	-	1.0	390
	-	-	2.5	937	6.0	808	8.5	1,745
Trading								
Arranging Continued Supply/Undertakings	-	-	25.95	6,139.75	-	-	26.0	6,140
Corresp/Tel /mtgs with customers	-	-	3.75	924.25	-	-	3.8	924
Employee issues	-	-	-	-	-	-	-	-
Cashflow forecasts monitoring	-	-	10.65	2,655.00	-	-	10.7	2,655
Payroll	-	-	-	-	-	-	-	-
Landlord issues	-	-	-	-	-	-	-	-
Other Trading	-	-	-	-	-	-	-	-
	-	-	40.4	9,719	-	-	40.4	9,719
Asset Realisations								
Book debts - Set-up, review and collection of	-	-	-	-	-	-	-	-
Collection and review of financial information	-	-	-	-	-	-	-	-
Dealing with agents	-	-	5.00	1,337.50	-	-	5.0	1,338
Sale of business (incl. post completion)	-	-	-	-	-	-	-	-
Legal issues	-	-	0.75	248.75	-	-	0.8	249
Securing/Reviewing other assets	-	-	0.50	195.00	-	-	0.5	195
Other assets	-	-	-	-	-	-	-	-
	-	-	6.3	1,781	-	-	6.3	1,781
Creditors								
Dealing with creditors and third parties	-	-	24.50	5,617.50	5.20	736.00	29.7	6,354
Preferential & secured creditors	-	-	1.00	390.00	-	-	1.0	390
Creditors meeting	-	-	2.50	537.50	1.00	120.00	3.5	658
Reservation of title issues	-	-	-	-	-	-	-	-
Employee issues (redundancy, P45, DT1 etc)	-	-	-	-	-	-	-	-
	-	-	28.0	6,545	6.2	856	34.2	7,401
Other								
Pension Issues	-	-	-	-	-	-	-	-
VAT / Taxation	-	-	1.1	250	2.3	276	3.4	526
Internal meetings / calls	-	-	-	-	-	-	-	-
	-	-	1.1	250	2.3	276	3.4	526
TOTAL	1.0	555	144.3	39,479	58.7	6,032	204.0	46,066

APPENDIX 5

Page 7 of 7

TRANSBUS FLEET MANAGEMENT LIMITED (IN ADMINISTRATION)

ADMINISTRATORS' TIME COSTS 7 APRIL TO 15 SEPTEMBER 2004

	Partners		Manager		Assistants and Support Staff		TOTAL	
	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost
Administration & Planning								
Administration Strategy	-	-	-	-	-	-	-	-
Administration & Filing	-	-	-	-	0.6	93.0	0.6	93
Arranging Banking Facilities/Daily Bankings	-	-	-	-	1.6	213.0	1.6	141
Cashiering/voucher preparation and authorisation	-	-	0.1	25.0	20.5	2,869.5	20.6	2,895
Insurance	-	-	-	-	-	-	-	-
Preparation/planning	-	-	-	-	5.0	600.0	5.0	600
Creditors Report / Reporting to committee	-	-	1.7	670.5	3.0	423.0	4.7	649
Standard Letters/Notices/Directors Questionnaires	-	-	8.0	1,720.0	9.8	1,173.5	17.8	2,894
Statutory and Bordereau	-	-	3.0	645.0	1.5	157.5	4.5	803
Supervision/management of Administration	-	-	9.5	2,937.5	-	-	9.5	2,938
	-	-	22.3	5,998.0	42.0	5,529.5	64.3	11,528
Investigations								
CDDA Reports	-	-	0.5	195.0	2.5	300.0	3.0	495
Investigating antecedent transactions	-	-	-	-	-	-	-	-
Other investigations / security	-	-	0.3	64.5	-	-	0.3	65
	-	-	0.8	259.5	2.5	300.0	3.3	560
Trading								
Arranging Continued Supply/Undertakings	-	-	-	-	-	-	-	-
Corresp/Tel /mtgs with customers	-	-	0.5	147.5	1.0	141.0	1.5	289
Employee issues	-	-	2.5	617.5	2.6	312.0	5.1	930
Cashflow forecasts monitoring	-	-	-	-	-	-	-	-
Payroll	-	-	-	-	-	-	-	-
Landlord issues	-	-	-	-	-	-	-	-
Managing operations	-	-	2.0	350.0	-	-	2.0	350
	-	-	5.0	1,115.0	3.6	453.0	8.6	1,568
Asset Realisations								
Book debts - Set-up, review and collection of	-	-	-	-	-	-	-	-
Collection and review of financial information	-	-	0.5	195.0	1.0	120.0	1.5	315
Dealing with agents	-	-	-	-	-	-	-	-
Sale of business (incl. post-completion)	-	-	23.0	6,865.0	-	-	23.0	6,865
Legal issues	-	-	-	-	-	-	-	-
Securing/Reviewing other assets	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-
	-	-	23.5	7,060.0	1.0	120.0	24.5	7,180
Creditors								
Dealing with creditors and third parties	-	-	-	-	1.5	211.5	1.5	212
Preferential & secured creditors	-	-	-	-	-	-	-	-
Creditors meeting	-	-	-	-	-	-	-	-
Reservation of title issues	-	-	1.0	295.0	-	-	1.0	295
Employee issues (redundancy, P45, DTI etc)	-	-	-	-	-	-	-	-
	-	-	1.0	295.0	1.5	211.5	2.5	507
Other								
Pension Issues	-	-	-	-	-	-	-	-
VAT / Taxation	-	-	2.5	437.5	3.5	612.5	6.0	1,050
Other	-	-	14.5	4,377.5	-	-	14.5	4,378
	-	-	17.0	4,815.0	3.5	612.5	20.5	5,428
TOTAL	-	-	69.6	19,542.5	54.1	7,226.5	123.7	26,769

APPENDIX 6

A Creditors' Guide to Administrator's Fees

To Administrator's Fees

Deloitte.

England and Wales

Creditors or their representatives are required to approve the remuneration of administrators. This guide is designed to assist creditors of businesses where members or directors of Deloitte & Touche LLP have been appointed administrators. Apart from the final three paragraphs the main text has been prepared by the Association of Business Recovery Professionals. If you need any assistance on the matters set out below, please feel free to contact us.

1. Introduction

1.1 When a company goes into administration the costs of the proceedings are paid out of its assets. The creditors, who hope eventually to recover some of their debts out of the assets, therefore have a direct interest in the level of costs, and in particular the remuneration of the insolvency practitioner appointed to act as administrator. The insolvency legislation recognises this interest by providing mechanisms for creditors to fix the basis of the administrator's fees. This guide is intended to help creditors be aware of their rights under the legislation to approve and monitor fees and explains the basis on which fees are fixed.

2. The Nature of Administration

Administration is a procedure which places a company under the control of an insolvency practitioner and the protection of the court with the following objective:

- rescuing the company as a going concern, or
- achieving a better result for the creditors as a whole than would be likely if the company were wound up without first being in administration,

or, if the administrator thinks neither of these objectives is reasonably practicable

- realising property in order to make a distribution to secured or preferential creditors.

3. The Creditors' Committee

3.1 The creditors have the right to appoint a committee with a minimum of 3 and a maximum of 5 members. One of the functions of the committee is to determine the basis of the administrator's remuneration. The committee is established at the meeting of creditors which the administrator is required to

hold within a maximum of 10 weeks from the beginning of the administration to consider his proposals. The administrator must call the first meeting of the committee within 6 weeks of its establishment, and subsequent meetings must be held either at specified dates agreed by the committee, or when a member of the committee asks for one, or when the administrator decides he needs to hold one. The committee has power to summon the administrator to attend before it and provide such information about the exercise of his functions.

4. Fixing the Administrator's Fees

4.1 The basis for fixing the administrator's remuneration is set out in Rule 2.106 of the Insolvency Rules 1986, which states that the remuneration shall be fixed either:-

- as a percentage of the value of the property which the administrator has to deal with, or
- by reference to the time properly given by the administrator and his staff in attending to matters arising in the administration.

It is for the creditors' committee (if there is one) to determine on which of these bases the remuneration is to be fixed, and if it is fixed as a percentage, to fix the percentage to be applied. Rule 2.106 says that in arriving at its decision the committee shall have regard to the following matters:-

- the complexity (or otherwise) of the case;
- any responsibility of an exceptional kind or degree which falls on the administrator;
- the effectiveness with which the administrator appears to be carrying out, or to have carried out, his duties;
- the value and nature of the property which the administrator has to deal with.

4.2 If there is no creditors' committee, or the committee does not make the requisite determination, the administrator's remuneration may be fixed by a resolution of a meeting of creditors having regard to the same matters as the committee would. If the remuneration is not fixed in any of these

ways, it will be fixed by the court on application by the administrator.

4.3 There are special rules about creditors' resolutions in cases where the administrator has stated in his proposals that the company has insufficient property to enable a distribution to be made to unsecured creditors except out of the reserved fund which may have to be set aside out of floating charge assets. In this case a resolution of the creditors shall be taken as passed if, and only if, passed with the approval of -

- each secured creditor of the company; or
- if the administrator has made or intends to make a distribution to preferential creditors -
 - each secured creditor of the company; and
 - 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.

Note that there is no requirement to hold a creditors' meeting in such cases unless a meeting is requisitioned by creditors whose debts amount to at least 10 per cent of the total debts of the company.

4.4 A resolution of creditors may be obtained by correspondence.

5. What Information should be Provided by the Administrator?

5.1 When seeking fee approval

5.1.1. When seeking agreement to his fees the administrator should provide sufficient supporting information to enable the committee or the creditors to form a judgment as to whether the proposed fee is reasonable having regard to all the circumstances of the case. The nature and extent of the supporting information which should be provided will depend on:

- the nature of the approval being sought;
- the stage during the administration of the case at which it is being sought; and
- the size and complexity of the case.

5.1.2. Where, at any creditors' or committee meeting, the administrator seeks agreement to the terms on which he is to be remunerated, he should provide the meeting with details of the charge-out rates of all grades of staff, including principals, which are likely to be involved on the case.

5.1.3. Where the administrator seeks agreement to his fees during the course of the administration, he should always provide an up to date receipts and payments account. Where the proposed fee is based on time costs, the administrator should disclose to the committee or the creditors the time spent and the charge-out value in the particular case, together with, where appropriate, such additional information as may reasonably be required having regard to the size and complexity of the case. The additional information should comprise a sufficient explanation for what the administrator has achieved and how it was achieved to enable the value of the exercise to be assessed (whilst recognising that the administrator must fulfil certain statutory obligations that might be seen to bring no added value for creditors) and to establish that the time has been properly spent on the case. That assessment will need to be made having regard to the time spent and the rates at which that time was charged, bearing in mind the factors set out in paragraph 4.1 above. To enable this assessment to be carried out, it may be necessary for the administrator to prove an analysis of the time spent on the case by type of activity and grade of staff. The degree of detail will depend on the circumstances of the case, but it will be helpful to be aware of the professional guidance which has been given to the insolvency practitioners on this subject. The guidance suggests the following areas of activity as a basis for the analysis of time spent.

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors
- Any other case specific matters.

The following categories are suggested as a basis for analysis by grade of staff:

- Partner
- Manager
- Other senior professionals
- Assistants and support staff.

The explanation of what has been done can be expected to include an outline of the nature of the assignment and the administrator's own initial assessment, including the anticipated return to creditors. To the extent applicable it should also explain:

- Any significant aspects of the case, particularly those that affect the amount of time spent.
- The reasons for subsequent changes in strategy.
- Any comments on any figures in the summary of time spent accompanying the request the administrator wishes to make.
- The steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, time recording, fee drawing or fee agreement.
- Any existing agreement about fees.
- Details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees.

It should be borne in mind that the degree of analysis and form of presentation should be proportionate to the size and complexity of the case. In smaller cases not all categories of activity will always be relevant, whilst further analysis may be necessary in larger cases.

5.1.4. Where the fee is charged on a percentage basis the administrator should provide details of any work which has been or is intended to be sub-contracted out which would normally be undertaken directly by an administrator or his staff.

5.2 After fee approval

Where a resolution fixing the basis of fees is passed at any creditors' meeting held before he has substantially completed his functions, the administrator should notify the creditors of the details of the resolution in his next report or circular to them. In all subsequent reports to creditors the administrator should specify the amount of remuneration he has drawn in accordance with the resolution. Where the fee is based on time costs, he should also provide details of the time spent and the charge-out value to date and any material changes in the rates charged for the various grades since the resolution was first passed. He should also provide such additional information as may be required in accordance with the principles set out in paragraph 5.1.3.

Where the fee is charged on a percentage basis the administrator should provide the details set out in paragraph 5.1.4 above regarding work which has been sub-contracted out.

5.3. Expenses and disbursements

There is no statutory requirement for the committee or the creditors to approve the drawing of expenses or disbursements. However, professional guidance issued to insolvency practitioners requires that, where the administrator proposes to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, document storage or communication facilities provided by the administrator's own firm), they must be disclosed and be authorised by those responsible for approving his remuneration. Such expenses must be directly incurred on the case and subject to a reasonable method of calculation and allocation.

6. What if a Creditor is Dissatisfied?

6.1 If a creditor believes that the administrator's remuneration is too high he may, if at least 25 per cent in value of the creditors (including himself) agree, apply to the Court for an order that it be reduced. If the Court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the administrator a copy of the application and supporting evidence at least 14 days before the hearing. Unless the Court orders otherwise, the costs must be paid by the applicant and not as an expense of the administration.

7. What if the Administrator is Dissatisfied?

If the administrator considers that the remuneration fixed by the creditors' committee is insufficient he may request that it be increased by resolution of the creditors. If he considers that the remuneration fixed by the committee or the creditors is insufficient, he may apply to the Court for it to be increased. If he decides to apply to the Court he must give at least 14 days' notice to the members of the creditors' committee and the committee may nominate one or more of its members to appear or be represented at the court hearing. If there is no committee, the administrator's notice of his application must be sent to such of the creditors as the Court may direct, and they may nominate one or more of their number to appear or be represented. The Court may order the costs to be paid out as an expense of the administration.

8. Other Matters Relating to Fees

June 2004 Edition

8.1 Where there are joint administrators it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute between them may be referred to the Court, the creditors' committee or a meeting of creditors.

8.2 If the administrator is a solicitor and employs his own firm to act in the insolvency, profit costs may not be paid unless authorised by the committee, the creditors or the Court.

9. Commissions and Discounts

As a major purchaser of services, Deloitte & Touche LLP as a whole are occasionally able to negotiate enhanced services with preferred suppliers in relation to travel, advertising and other costs. The use of these suppliers may sometimes result in annual commissions being paid to Deloitte & Touche LLP. The reallocation of such commissions to each case is impracticable and this is not done.

10. What if you are Dissatisfied with the Conduct of the Administration Generally?

We hope that you will not have cause to complain about the way our members and staff conduct their work on what are generally sensitive and emotive issues for creditors affected by the insolvency. Occasionally misunderstandings arise and mistakes are made. Should you have cause to complain or if you would like to discuss how our service could be improved, please let us know by telephoning the person appointed as administrator. We undertake to look into any complaint carefully and promptly and to do all we reasonably can to explain the position to you. If you are still not satisfied with the explanations given, you can refer the matter to the RS National Compliance Officer, who is responsible for investigating any complaints made against our partners and staff. The Compliance Officer can be contacted in our office at Hill House, 1 Little New Street, London, EC4A 3TR. If The Compliance Officer is unable to resolve matters to your satisfaction then you can refer the matters to:

The Professional Standards Office,
Institute of Chartered Accountants in
England & Wales, Silbury Court, 412-
416 Silbury Boulevard, Milton Keynes
MK9 2AF in the case of appointment
takers licensed by the Institute of
Chartered Accountants in England &
Wales. A list of the members and
directors and their licensing bodies is
available from The RS National
Compliance Officer.