

Administrator's progress report

Name of Company COVTS (Realisations) Limited	Company Number 01022107
In the High Court of Justice, Chancery Division, Companies Court (full name of court)	Court case number 8124 of 2012

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

We (a) David Matthew Hammond of PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT, Anthony Steven Barrell of PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT, Ian David Green of PricewaterhouseCoopers LLP, Benson House, 33 Wellington Street, Leeds, LS1 4JP and Michael John Andrew Jervis of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT

(b) Insert dates

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

from to
(b) 30 October 2012 (b) 29 April 2013

Signed [Signature]
Joint / Administrator(s)

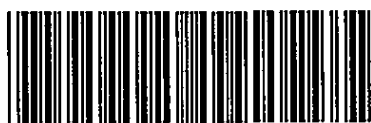
Dated 23.5.13

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

Sarah Corbett	
	Tel 0113 289 4014
DX Number	DX Exchange

SATURDAY



A23 25/05/2013 #219
COMPANIES HOUSE

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



**COVTS (Realisations) Limited (formerly
Manganese Bronze Services Limited) – in
Administration**

**High Court of Justice, Chancery Division,
Companies Court
Case No. 8124 of 2012**

**Joint Administrators' progress report for the
period from appointment to 29 April 2013**

24 May 2013

PricewaterhouseCoopers LLP
Benson House
33 Wellington Street
Leeds LS1 4JP
Telephone +44 (0) 113 289 4000
Facsimile +44 (0) 113 289 4460
www.pwc.com/uk

When telephoning please ask for Sarah Corbett

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Abbreviations used in this report

Matthew Hammond, Anthony Barrell, Mike Jervis and Ian Green		- "the Joint Administrators"
COVTS (Realisations) Limited (formerly Manganese Bronze Services Limited)		- "the Company"
Manganese Bronze Holdings plc		- "MBH"
COVT (Realisations) Limited (formerly LTI Limited)		- "COVT"
COVTP (Realisations) Limited (formerly Manganese Bronze Property Services Limited)		- "COVP"
The Company COVT COVTP MBH	} together	- "the Group"
Geely Opco UK Limited Geely International (Hong Kong) Limited Geely Propco UK Limited	} together	- "the Buyers" or "Geely"
Black Horse Taxi Finance		- "BHTF"
Insolvency Rules 1986		- "IR86"
Insolvency Act 1986		- "IA86"

1. Joint Administrators' progress report

Introduction

In accordance with Rule 2.47 IR86, we write to provide creditors with details of the progress of the Administration of the Company in the six months since our appointment. Separate progress reports have been prepared in respect of the other Group companies.

We are required to provide certain statutory information pursuant to Rule 2.47(1)(a) to (d) IR86, which is included in Section 2.

At this time, we are unable to provide a reliable estimate of the likely dividend to creditors as there are material uncertainties regarding future net realisations and the final level of creditor claims. These matters are discussed below.

Background information and initial actions taken by the Administrators

As at the date of our appointment, the position as regards the Company was as follows -

- It formed part of the Group which produced the distinctive and iconic London taxi cab
- The Company was established for the purpose of operating the Group's vehicle services business segment and its principal activity was providing services associated with the taxi market, including the making of arrangements for hire purchase and loan transactions
- The Company traded as a going concern on the basis of supporting the wider Group. However, following a steering fault recall and the suspension of MBH's shares, the Group was unable to secure sufficient funding to continue to trade
- The Company was reliant on the Group and would be subject to a significant contingent pension fund deficit liability, as a result of administration appointments over other Group companies. Consequently, the directors placed the Company into administration.

Following an initial review, we concluded that the most appropriate strategy was to fix the steering box problem and pursue a sale of the Group's business and assets in order to preserve the value of the Group's and consequently, the Company's assets.

Approval of the Administrators' proposals

On 30 November 2012, we circulated to creditors our Proposals for achieving the purpose of Administration. The proposals were approved by creditors without modification at a meeting held on 19 December 2012.

Realisation of assets

The Company's main asset is a profit share agreement with Black Horse Taxi Finance ("BHTF").

A sale of the Group's business and certain assets to Geely took place on 31 January 2013. No consideration attributable to the Company's assets was received from the Buyers under the sale agreement.

However, due to the going concern sale of the Group's business there remains a prospect that value may be obtained in relation to the profit share agreement as it remains a profit generating contract. The ultimate value attributable to this contract will only be known once the level of claims provided for by BHTF have been finalised. We continue to monitor this and liaise with BHTF regarding the level of these provisions and the profitability of the agreement.

Other issues

Although the Company did not directly benefit from the sale consideration of the Group's business, the wider group received a benefit from the administration of the Company. The negotiations with BHTF during the administration helped preserve the goodwill and customer base of COVT and resulted in greater realisations for COVT. As a result, a contribution to the expected total costs of the

1. Joint Administrators' progress report

Administration, totalling up to £155,109, will be paid from realisations received in COVT. Only £362.48 of this sum has been received to date. Should realisations be received by the Company in relation to the BHTF agreement, the contribution to costs will be refunded to COVT to the extent covered by the realisations.

Receipts and payments account

An account of the receipts and payments in the Administration for the period from appointment to 29 April 2013 is set out in Section 3.

Expenses statement

A statement of the expenses we have incurred in the period from appointment to 29 April 2013 is included at Section 4.

The statement excludes any potential tax liabilities that may be payable as an expense of the Administration in due course because amounts due will depend on the position at the end of the tax accounting period.

Administrators' remuneration

Our remuneration has been approved on a time costs basis by the general body of creditors at a meeting held on 19 December 2012. To 29 April 2013, we have not yet drawn any remuneration in respect of the Company.

The time cost charges incurred in the period covered by this report are £114,434. In accordance with the requirements of Statement of Insolvency Practice 9, a full analysis of our time costs and Category 2 disbursements for the period to 29 April 2013 is provided in Section 5.

Also set out in Section 5 are the relevant maximum charge-out rates per hour worked for the grades of the Administrators' staff actually or likely to be involved on this assignment. Time is charged by reference to actual work carried out on the assignment. There has been no allocation of any general costs or overhead costs.

Specialist departments within the Administrators' firm such as Tax, VAT, Property and Pensions may charge a small number of hours if and when the Administrators require their expert advice. Such specialists' rates do vary but the figures below provide an indication of the maximum rate per hour.

All staff who work on this assignment (including cashiers, support and secretarial staff) charge time directly to the assignment and are included within any analysis of time charged. Each grade of staff is allocated an hourly charge out rate which is reviewed from time to time. Work undertaken by cashiers, support and secretarial staff is charged for separately and is not included in the hourly rates charged by partners or other members of staff. Time is charged by reference to actual work carried out on the assignment in six minute units. The minimum time chargeable is three minutes (i.e. 0.5 units).

Creditors' rights

An explanatory note giving creditors a statement of their rights in relation to our remuneration and expenses, and their rights to request further information, can be found online at

<http://www.icaew.com/~media/Files/Technical/Insolvency/creditors-guides/creditors-guide-administrators-fees-final.pdf>

A copy may also be obtained free of charge by telephoning Sarah Corbett, on 0113 289 4014.

1. Joint Administrators' progress report

Pre-Administration costs

We are not currently proposing to seek payment of the unpaid pre-appointment costs detailed in our Proposals

Summary of legal and other professional firms instructed in the period to 29 April 2013

The following table below sets out details of professional firms instructed in the period

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Legal advice	Wragges LLP	Prior knowledge of the Company	Time costs and disbursement

Outcome for creditors

Secured and preferential creditors

The Company has no secured or preferential creditors

Unsecured creditors

The unsecured creditors listed in the directors' statement of affairs are limited to inter-Group creditors. However, we have also received claims from the Board of the Pension Protection Fund, which has taken over the rights of the Manganese Bronze Group Pension Scheme, and from Black Horse Limited.

We are currently unable to comment on whether there will be funds available for distribution to the Company's unsecured creditors. The timing and level of any dividend will be subject to the level of realisations in respect of the BHFT profit share agreement, the final level of unsecured claims and the costs of realisations.

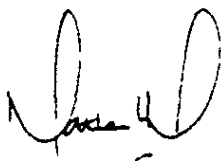
Ending the Administration

We are also considering the most appropriate strategy for bringing the Administration to an end, taking into consideration the cost and tax implications. Creditors will be advised in due course.

Next report

We anticipate that we will circulate our next report to creditors at the earlier of the conclusion of the Administration or in approximately six months.

Yours faithfully
for and on behalf of the Company



Matthew Hammond
Joint Administrator

David Matthew Hammond, Anthony Steven Barrell, Ian David Green and Michael John Andrew Jervis have been appointed as joint administrators of the Company to manage its affairs, business and property as its agents without personal liability. All are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. The joint administrators are Data Controllers of personal data as defined by the Data Protection Act 1998. PricewaterhouseCoopers LLP will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the administration.

1. Joint Administrators' progress report

Court details for the Administration:	High Court of Justice, Chancery Division, Companies Court, County Court 8124 of 2012
Full name:	COVTS (Realisations) Limited
Former name/ Trading name:	Manganese Bronze Services Limited
Registered number:	010022107
Registered address:	Benson House, 33 Wellington Street, Leeds, LS1 4JP
Company directors:	John Kennedy Russell and Peter John Shillcock
Company secretary:	Mark Devin
Shareholdings held by the directors and secretary:	None
Date of the Administration appointment:	30 October 2012
Administrators' names and addresses:	David Matthew Hammond and Anthony Steven Barrell of PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham B3 2DT, Ian David Green of PricewaterhouseCoopers LLP, Benson House, 33 Wellington Street, Leeds LS 1 4JP and Michael John Andrew Jervis of PricewaterhouseCoopers LLP, 7 More London Riverside, London SE 1 2RT
Details of any extension(s) to the initial period of appointment	None
Changes in office holder:	None
Appointor's / applicant's name and address:	Directors of the Company, Holyhead Road, Coventry, CV5 8JJ
Objective being pursued by the Administrators:	Paragraph 3(1)(b) Sch B1 IA86 - achieving a better result for the company's creditors as a whole than would be likely if the company was wound up (without first being in Administration)
Division of the Administrators' responsibilities:	For the purposes of paragraph 100(2) Sch.B1 IA86 any act required or authorised under any enactment to be done by an administrator may be done by any of the Administrators acting jointly or alone
Proposed end of the Administration:	Should funds be available to distribute to the unsecured creditors move to creditors voluntary liquidation or should funds not be available to distribute to the unsecured creditors move to dissolution
Estimated dividend for unsecured creditors:	Too early to estimate
Estimated values of the prescribed part and the company's net property:	N/A
Whether and why the Administrators intend to apply to court under Section 176A(5) IA86:	N/A
The European Regulation on Insolvency Proceedings (Council Regulation(EC) No. 1346/2000 of 29 May 2000):	The European Regulation on Insolvency Proceedings applies to this Administration and the proceedings are main proceedings

3. Receipts and payments account for the period 30 October 2012 to 29 April 2013

Directors'
Statement of
Affairs
Estimated to
realise (£)

30 October 2012
to 29 April 2013 (£)

-	Fixed charge receipts realisations	-
-	Fixed charge payments	-
-	Floating charge realisations	
	Contribution to costs	362 48
-	Floating charge payments	
	Bank charges	(362 48)
	Uncharged receipts	
155,731	Receivable from Lloyds Black Horse Finance	-
<hr/> 155,731		

Balance at bank

-

4. Expenses incurred in the period

Expenses	30 October 2012 to 29 April 2013
	£
Bank Charges	362 48
Office Holders Fees	114,434 44
Office Holders Expenses	944 09
Legal Fees	361 44
Total	116,102.45

COVIS (Realisations) Limited (formerly Manganese Bronze Services Limited) - In Administration

Section 5

Analysis of post appointment time costs for the period 30 October 2012 to 29 April 2013

Aspect of assignment	Partner	Director	Senior Manager	Manager	Associate	Associate	Secretarial	Total hours	Time cost £	Average hourly rate £
1 Strategy & Planning	7.86	9.20	3.52	9.97	4.05	-	-	34.60	13,684	396
2 Trading	0.48	0.12	3.45	20.04	17.60	3.48	0.12	45.29	11,902	263
3 Assets	-	1.00	2.75	4.96	1.93	-	-	10.64	3,493	328
4 Sale of business	3.36	6.80	24.20	3.50	59.43	-	0.66	97.95	27,725	283
5 Investigations	0.30	-	0.15	1.15	2.95	-	-	4.55	1,265	278
6 Creditor liaison	-	6.00	-	0.51	1.18	3.22	0.40	11.31	3,573	316
7 Accounting and treasury / Administration	-	-	3.08	1.77	8.94	6.98	0.04	20.81	4,470	215
8 Reporting	2.98	0.08	3.12	6.24	1.95	-	-	14.37	5,267	367
9 Statutory and compliance	-	3.47	7.48	59.31	36.10	11.97	0.08	118.41	31,754	268
10 Tax/AA/Pensions	-	0.13	10.47	10.47	1.91	9.66	-	32.84	11,301	344
11 Employees	-	-	-	-	-	-	-	-	-	-
12 Closure procedures / exit	-	-	-	-	-	-	-	-	-	-
13 Information technology	-	-	-	-	-	-	-	-	-	-
Total	14.98	27.00	58.22	118.68	141.59	36.45	1.30	390.77	114,434	293

Current Charge out rates per hour

- insolvency
- specialist

Category	Policy	Total £
1 All charged at cost		922.24
2 Photo copying - up to 4 pence per sheet copied only charged for circulars to creditors and other bulk copying		13.37
2 Mileage - At a maximum of 67 pence per mile (up to 2,000cc) or 80 pence per mile (over 2,000cc)		8.48
Total		944.09

5. Analysis of the Administrators' remuneration and Category 2 disbursements for the period

The following is a summary of the key areas of our work on the Administration of the Company, please note time in relation to the Group activities, for the benefit of preserving the value of the Groups assets, have been allocated amongst the Group and not solely recorded against the Company

The main work types charged to in this period are

Strategy & planning

- Attendance on site
- Internal team briefings on case progression and resolution of outstanding issues
- Reviewing forecasts
- Administrator oversight of case progression
- Review of profit share agreement management information
- Liaising with Black Horse Limited regarding the management information and claims

Trading

- Negotiating with the funder for further finance
- Dealing with suppliers for continuance of trade
- Liaising with utility providers and negotiating terms for continued trade for the head office and the 6 dealership sites
- Managing the dealerships and ongoing provision of servicing to customers
- Review of warranty policy and position
- Development and implementation of a goodwill policy in place of warranty

Sale of business

- Involvement in the preparation of information memorandums
- Liaising with interested parties and contacting potential buyers
- Involvement in coordinating and conducting management presentations to key parties
- Responding to information requests and buyer queries
- Reviewing security documentation
- Liaising with purchaser and responding to purchaser queries
- Reviewing sales contracts
- Dealing with post sale matters

Statutory and compliance

- Initial letters and notifications following the appointment of Administrators
- Arranging for the preparation of the statement of affairs
- Preparing the Administrators' statement of proposals
- Updating communications on the website

Tax/VAT/pensions

- Meetings with internal specialists, and advice prepared, to determine necessary actions and responsibilities on Tax, VAT and pension matters
- VAT team attending Company premises to gather information from Company staff
- Reviewing the existing pension schemes and employee benefit arrangements
- Liaising with Pension Protection Fund ("PPF") regarding the movement of the company pension scheme to the PPF and discussing their claim
- Sending out statutory notices to pension regulators and scheme providers
- Liaising with the independent trustees of the pension scheme
- Submitting post appointment VAT returns

Administrator's progress report**2.24B**

Name of Company COVTS (Realisations) Limited	Company Number 01022107
In the High Court of Justice, Chancery Division, Companies Court <small>(full name of court)</small>	Court case number 8124 of 2012

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

We (a) David Matthew Hammond of PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT, Anthony Steven Barrell of PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT, Ian David Green of PricewaterhouseCoopers LLP, Benson House, 33 Wellington Street, Leeds, LS1 4JP and Michael John Andrew Jervis of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT

(b) Insert dates

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

from

to

(b) 30 October 2012

(b) 29 April 2013

Signed

Joint Administrator(s)

Dated

23.5.13