Rule 2 47

Form 2 24B

The Insolvency Act 1986

Administrator's progress report

Name of Company Venson Group plc	Company number 02712574
In the High Court of Justice Chancery Court Companies Division	Court case number 10061 of 2006

We Martin Ellis and Nicholas Wood
Grant Thornton UK LLP
Grant Thornton House
Melton Street
London
NW1 2EP

joint administrators of the above company attach a progress report for the period

from	to
(b) 13 December 2006	(b) 12 June 2007

Signed ______________
Joint Administrator

Dated 11/7/07

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

Grant Thornton UK LLP	
Grant Thornton House	
Melton Street London NW1 2EP	Tel 020 7383 5100
DX Number 2100	DX Exchange Euston

SATURDAY

A0JKXR89
A21 14/07/2007 569
COMPANIES HOUSE

When you have completed and signed this form please send it to the Registrar of Companies at

Companies House, Crown Way, Cardiff, CF14 3UZ **DX 33050 Cardiff**

Grant Thornton

Venson Group Plc - in administration

Progress Report of the Joint Administrators

11 July 2007

Our Ref PMD/MGE/V01509/PF7

TO ALL KNOWN OR POTENTIAL CREDITORS

11 July 2007

Dear Sir / Madam

VENSON GROUP PLC - IN ADMINISTRATION (THE COMPANY)

Martin Ellis and Nick Wood, both partners in Grant Thornton UK LLP, Grant Thornton House, Melton Street, London, NW1 2EP were appointed Joint Administrators of the Company on 13 December 2006 by the directors They are authorised by the Institute of Chartered Accountants in England and Wales and the Insolvency Practitioners Association respectively, to act as insolvency practitioners

We now report on the progress of the administration to 12 June 2007 We enclose Form 2 24B together with an account of our receipts and payments for the 6 months ended 12 June 2007 in accordance with Rule 2 47 of the Insolvency Rules 1986 This report should be read in conjunction with our statement of proposals dated 6 February 2007

Please do not hesitate to contact Sarah Crick-Linton on 0870 991 2489 (email sarah crick-linton@gtuk com) if you have any queries or require further information

Yours faithfully
for and on behalf of Venson Group plc

Martin G Ellis & Nick S Wood
Joint Administrators

Contents

Appendices

Glossary

Bottin	-	Bottin (International) Investments Limited
CDDA	-	Company Directors Disqualification Act 1986
Company	-	Venson Group Plc
DTI	-	Department of Trade & Industry
IA 86	-	Insolvency Act 1986
Premier	-	Premier Fleet Management and Contract Hire Limited
R&P	-	Administrators' receipts and payments account
TUPE	-	Transfer of Undertakings (Protection of Employment) Regulations 2006
VAS	-	Venson Automotive Solutions Limited
VNL	-	Venson Nottingham Limited
VPL	-	Venson Properties Limited
VPS	-	Venson Public Sector Limited

1. Introduction

Martin Ellis and Nick Wood, both partners in Grant Thornton UK LLP, Grant Thornton House, Melton Street, London, NW1 2EP were appointed Joint Administrators of the Company on 13 December 2006 by the directors They are authorised by the Institute of Chartered Accountants in England and Wales and the Insolvency Practitioners Association respectively, to act as insolvency practitioners

We now report on the progress of the administration to 12 June 2007 Please read this report in conjunction with our statement of proposals dated 6 February 2007

We enclose Form 2 24B at Appendix VII together with an account of our receipts and payments for the period ended 12 June 2007 in accordance with Rule 2 47 of the Insolvency Rules 1986

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

The administration constitutes "main proceedings" as defined in Article 3 of the EC Regulation on Insolvency Proceedings i e that the Company's centre of main interest is situated in the United Kingdom

2. Statutory information

The Company's statutory information is included at Appendix I

3. Summary of Statement of Proposals

The main objectives of the administration were

- rescuing the Company as a going concern, or
- achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up, or
- realising property in order to make a distribution to one or more secured or preferential creditors

As you are aware the joint administrators proposals were circulated on 6 February 2007 to the creditors and subsequently approved at the meeting of creditors on 21 February 2007

The administrators have achieved the main objective of the administration, namely

by achieving a better result for creditors as a whole than would be likely if the Company was wound up with the sale of shares in its subsidiaries

It was proposed that the administration end by the Company entering into Creditors' Voluntary Liquidation, or if there are no monies available for unsecured creditors, by the dissolution of the Company

Alternatively, if there are no monies available for a distribution but further investigations are necessary, the administrators propose to place the Company into compulsory liquidation

It is anticipated that our investigation will be concluded shortly and therefore it is likely that the Company will be dissolved, (details of the investigation can be found in section 6 of the report)

4. Conduct of the administration

As you are aware the objective of the administrations was to achieve a rescue of the Company as a going concern This was achieved by the sale of shares in VAS, VNL and VPL to Premier for a consideration of £350k and an assignment of part of Bottin's claim against the Company Concurrently, an injection of £1 8m was made into VAS by Premier in order to meet immediate obligations to the funders

5. Assets and liabilities

Pursuant to Section 47 of Schedule B1 of the IA 86 the directors were requested to prepare a statement of affairs for the Company This was completed and signed by Graham James on 21 June 2007 and has been filed at Companies House The other directors of the Company have been requested to sign a statement of concurrence with the statement of affairs and these will also be filed at Companies House when received

Assets

As previously advised, all monies due from the share and asset sales have been received in full and placed in an interest bearing account

There are no further asset realisations expected in respect of the Company except for potential claims as a result of our investigations into antecedent transactions, see section 6

Liabilities

You will recall that there are no preferential claims in this matter, or unsecured employee claims, as the employees have all been transferred to VAS following the sale of the business as a going concern However, there is potentially a liability in relation to residual TUPE liabilities

At present it is unlikely that there will be sufficient funds to enable the payment of a dividend to the unsecured creditors This will be reviewed when determining the exit route for the administration Accordingly, should there be available funds, the agreement of creditors' claims will be undertaken by a duly appointed liquidator

A receipts and payments account for Company for the period from 13 December 2006 to 12 June 2007 is attached at Appendix II

6. Investigation

The administrators and any subsequently appointed liquidator, have certain statutory reporting responsibilities to the DTI with regards to the conduct of the directors pursuant to CDDA We can confirm that our confidential report will be completed shortly

We have completed our investigation into the conduct of the directors and the outcome of this is that we have made a formal request for repayment of loans to certain directors, totalling circa £1 1m

7. Administrators' Remuneration and Disbursements

At the initial creditors meeting on 21 February 2007, it was resolved that the administrators' remuneration be fixed according to the time spent by the administrator and his staff

The creditors approved the administrators' to draw 80% of their time costs on a monthly basis The balance being drawn quarterly subject to the approval of the creditors

Approval for the balance of time costs above 80% was sought and agreed by the creditors for the period ended 30 March 2007 A further request has been made for the period to 12 June 2007

It was agreed that the administrators' disbursements be recovered on the following basis Out of pocket expenses are charged at cost Mileage is charged at standard rates which comply with HM Revenue and Customs limits or AA recommended rates Disbursements which are not amenable to precise attribution to individual cases, namely land line telephone and fax calls, postage, stationery and photocopying are charged to administrations at £3 72 per creditor and £2 79 per debtor Where a room is booked at a Grant Thornton UK LLP office for a meeting of creditors or of a creditors' committee, a charge of £65 is made VAT is added to disbursement charges as necessary

In accordance with Statement of Insolvency Practice (SIP 9), we attach as Appendix III a summary of our time costs to 12 June 2007 by grade of staff and type of work This shows total time costs of £242,014, representing 881 85 hours at an average of £274 per hour, against which we have drawn fees of £142,799 plus VAT on account Our Category 1 disbursements total £2,681 11 plus VAT of which we have drawn, £1,608 55 and Category 2 disbursements of £192 74, which we have also drawn Details of any matters which have had a significant impact on the time costs are included in Appendix III Details of our disbursements are attached at Appendix IV

We have also included a creditors' guide to administrators' fees together with our firm's charge out rates for the period to 12 June 2006 at Appendices V and VI respectively

8. Next report

The next report to creditors will be a final progress report and will advise the exit route for the administration This report will be sent to all creditors prior to the anniversary of our appointment, i e before 12 December 2007

VENSON GROUP PLC - IN ADMINSTRATION

Company	VENSON GROUP PLC
Registered number	02712574
Date of incorporation	7 May 1992
Registered office	Venson House Esher Green Esher Surrey KT10 8BH
Authorised share capital	606 127 ordinary shares of 50p each 1,000,000 'A' preference shares of £1 each 199 830 'X' preference shares of £1 each 464 000 'Y' preference shares of £1 each 137 390 'Z' preference shares of 50p each
Issued share capital	430 237 ordinary shares of 50p each 1,000,000 'A' preference shares of £1 each
Directors & shareholding	John Gerard Bateson - Nil Graham Philip James - Nil Brian Michael O'Sullivan - Nil Simon Hope Frost - Nil (Resigned 5 December 2006) Clive Lawson Smith - Nil (Resigned 5 December 2006)
Secretary & shareholding	Clive Lawson Smith - Nil

APPENDIX II

VENSON GROUP PLC
IN ADMINISTRATION

ADMINISTRATORS' RECEIPTS & PAYMENT ACCOUNTS
FOR THE PERIOD 13 DECEMBER 2006 TO 12 JUNE 2007

	£'000
Receipts	
Shares in subsiduaries	350
Bank interest	4
	354
Payments	
Legal fees	(37)
Administrators' Fees	(143)
Administrators' Expenses	(2)
Professional fees	(77)
Employee Costs	(6)
Storage Costs	(2)
VAT	(46)
	(313)
Balance at Bank at 12 June 2007	41

VENSON GROUP PLC - IN ADMINISTRATION

SIP 9 WIP ANALYSIS FOR THE PERIOD FROM 13 DECEMBER 2006 TO 12 JUNE 2007	Partner		Manager		Senior		Admin/Support		Total		Average Hourly Rate
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	
Administration and Planning	33 00	14,037 00	53 70	13 374 00	14 55	2 924 00	81 50	9 035 00	182 75	39,370 00	215
Investigations and Reports on Directors	96 05	43,203 00	496 65	136,271 00	7 75	1,667 00	9 70	1 085 00	610 15	182,226 00	299
Realisation of Assets	3 50	1,297 00	15 90	3 816 00	2 90	603 00	2 30	259 00	24 60	5 975 00	243
Creditors	2 75	1,018 00	42 70	11 460 00	1 80	379 00	17 10	1 586 00	64 35	14,443 00	224
Grand Total	**135.30**	**59,555 00**	**608.95**	**164,921 00**	**27.00**	**5,573 00**	**110 60**	**11,965 00**	**881 85**	**242,014 00**	274

Administration & Planning Includes, case planning, statutory obligations (e g statutory returns), maintenance of cash and estate records, general correspondence general correspondence

Investigations and Reports on Directors Includes, Statutory duty of investigation into company's affairs under Statement of Insolvency Practice (SIP2), investigating the directors conduct

Realisation of Assets Includes, dealing with the sale of the business and the assets of the Company, dealing with Solicitors

Creditors Includes, correspondence with preferential and unsecured creditors, pensions and employees

VENSON GROUP PLC - IN ADMINISTRATION

JOINT ADMINISTRATOR'S DISBURSEMENTS

Category 1 Disbursements

Category 1 Disbursements during the period covered by this report are as detailed below

Type and Purpose	£
Subsistance	528 00
Travel	1,602 48
Couriers	22 63
Bonding	528 00
Total	2,681 11

Category 2 Disbursements

Category 2 Disbursements during the period covered by this report are as detailed below

Type and Purpose	£
Room Hire	65 00
ICC Search Charges	8 70
Photocopying & Postage	119 04
Total	192 74

A CREDITORS' GUIDE TO ADMINISTRATORS' FEES

Where Petition Presented or Appointment Made On or After 15 September 2003

ENGLAND AND WALES

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 determine 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

2 1 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 normally 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 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 it 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 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 judgement 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 of 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 provide 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 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 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?

7 1 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 on the application If there is no committee, the administrator's notice of his application must be sent to such of the company's 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 as an expense of the administration

8 Other matters relating to fees

8 1 Where there are joint administrators it is for them to agree between themselves how the remuneration payable should be apportioned Any dispute arising 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 on behalf of the company, profit costs may not be paid unless authorised by the creditors' committee, the creditors or the court

Grant Thornton UK LLP
Hourly Charge out rates
Period from 13 December 2006
to 12 June 2007

Grade	£
Partner	450
Director	370
Senior Manager	340
Manager	290
Assistant Manager	240
Senior 2	215
Senior 1	200
Administrator 2	165
Administrator 1	120
Secretary	110
Filing Clerk	110
Treasury	130