

The Insolvency Act 1986

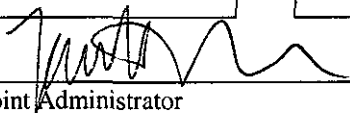
**2.24B****Administrator's progress report**

Name of Company  Probotec Limited	Company number  04337866
In the High Court of Justice Chancery Division Birmingham District Registry  [full name of court]	Court case number  2329 of 2005

We  
Jonathan Scott Pope  
KPMG LLP  
Marlborough House  
Fitzalan Court  
Fitzalan Road  
Cardiff CF24 0TE  
United Kingdom

Myles Antony Halley  
KPMG LLP  
Marlborough House  
Fitzalan Court  
Fitzalan Road  
Cardiff CF24 0TE  
United Kingdom

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

from	to
6 April 2005	5 October 2005
Signed	
	Joint Administrator
Dated	26 October 2005

**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

Huw Powell KPMG LLP Marlborough House Fitzalan Court Fitzalan Road Cardiff CF24 0TE DX Number DX 33079	Tel 029 2046 8038 DX Exchange Cardiff 1
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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





**Probotec Limited  
(in administration)**

**Report to Creditors pursuant  
to Rule 2.47 the Insolvency  
Rules 1986**

KPMG LLP

26 October 2005

*This report contains 3 pages*

*Appendices contain 2 pages*

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*Probotec Limited  
(in administration)*

*Report to Creditors pursuant to Rule 2.47 the Insolvency Rules 1986*

*KPMG LLP*

*26 October 2005*

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*Probotec Limited  
(in administration)*

*Report to Creditors pursuant to Rule 2.47 the Insolvency Rules 1986*

*KPMG LLP*

*26 October 2005*

## 1 Glossary

Administrators	Jonathan Scott Pope and Myles Antony Halley of KPMG LLP, Marlborough House, Fitzalan Court, Cardiff CF24 0TE.
Administration	<p>The Administration Order granted by the High Court of Justice, Chancery Division, Birmingham District Registry in respect of Probotec Limited dated 6 April 2005.</p> <p>Court administration order number 2329 of 2005.</p>
Company	Probotec Limited (company registered number 043378866)
Barclays	Barclays Bank plc
The Directors	Peter Gissel Hans Gloeckl Nicholas Hughes Michael John Nicholas Manning David Mitchell Simon Nicholas Oakland Ian Price Irmhild Saabel
EWS	EWS Rail Components Limited

## 2 Other information required by Rule 2.47 of the Insolvency Rules 1986

Date of appointment	6 April 2005
Company registered office	KPMG LLP, Marlborough House, Fitzalan Court, Cardiff, CF24 0TE
Appointor	The Directors

In accordance with Paragraph 100(2) of schedule B1 Insolvency Act 1986 the functions of the Administrators are being exercised by either or both of the Administrators.

### **3 Introduction**

Further to my report of 27 May 2005, I write to provide an update on the progress of the Administration in accordance with Rule 2.47 of the Insolvency Rules 1986.

A summary receipts and payments account for the period 6 April 2005 to 5 October 2005 is attached at Appendix 1.

### **4 Progress of the administration to 5 October 2005**

#### **4.1 *Creditors' meeting***

A statement of the Administrators' proposals was sent to all creditors on 27 May 2005. A meeting of creditors was held on 14 June 2005 at the Thistle Hotel Park Place, Cardiff CF10 3UD where the proposals were approved.

#### **4.2 *Sale of the business***

As advised in my report of 27 May, the business and certain assets of the Company were sold on 28 April 2005 to EWS. The consideration received was as follows:

- £75,000 for the fixtures and fittings, plant and machinery, tooling, motor vehicles;
- £325,000 for the stock and work in progress;
- £2,300,000 for the goodwill and Intellectual property; and
- £1,300,000 for the trade book debts, excluding two debts amounting to £1,800,000.

#### **4.3 *Debtor collections***

EWS continue to assist the administrators in pursuing the two remaining debtors.

#### **4.4 *Other assets***

An amount of £268,000 has been realised in respect of the amount owed by an associated Group company, Powell Duffryn Investments Limited.

#### **4.5 *Administrators' remuneration***

The Administrators' time costs amount to £394,167 for the period to 5 October 2005 (see Appendix 2). In the period covered by this report the administrators have drawn fees of £283,505.



*Probotec Limited  
(in administration)*

*Report to Creditors pursuant to Rule 2.47 the Insolvency Rules 1986*

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*26 October 2005*

4.6 *Secured creditors*

During the period to 5 October 2005 a payment on account was made to Barclays of £2,600,000. Subsequently a further payment of £696,403 was made on 21 October 2005 which cleared Barclay's indebtedness of £3,296,403.

4.7 *Preferential creditors*

Preferential creditors are currently estimated at £40,127 and it is currently estimated that they will be paid in full.

4.8 *Unsecured creditors*

It is currently estimated that there will be a prescribed part distribution of c£300,000 available for the unsecured creditors. This is likely to lead to a distribution of a few pence in the pound.

4.9 *Investigation*

I have completed my investigation into the Company's affairs. A report on the conduct of the directors has been submitted to the DTI within the required time limits. The content of this report is strictly confidential.

4.10 *Liquidation*

It is my intention to place the company into liquidation when I am in a position to be able to pay the distribution to unsecured creditors.

## 5 **Future Reporting**

In accordance with Rule 2.47 of the Insolvency (Amendment) Rules 2003, I will provide the creditors with my next report by 6 May 2006 if the administration has not been completed by then.

JS Pope  
*Joint Administrator*

**Probotec Limited in administration**  
**Joint Administrators' Abstract of Receipts and Payments**  
**To 5 October 2005**

Statement of affairs			
£		£	£
	<u>FIXED CHARGE ASSETS</u>		
1,128,153.00	Book debts	1,352,368.20	
1,700,000.00	Amount due from Group Companies	268,549.43	
0.00	Property rights/Patents/Goodwill	2,300,003.00	
		<hr/>	3,920,920.63
	<u>FIXED CHARGE CREDITORS</u>		
(3,675,233.00)	Fixed charge creditor	(2,600,000.00)	(2,600,000.00)
	<u>ASSET REALISATIONS</u>		
70,556.00	Plant, chattels, vehicles and pooling	74,997.00	
50,000.00	Stock	325,000.00	
		<hr/>	399,997.00
	<u>OTHER REALISATIONS</u>		
	Bank interest, gross	25,039.16	
	Rent	3,155.47	
	Sundry refunds	39.00	
		<hr/>	28,233.63
	<u>COST OF REALISATIONS</u>		
	Legal fees	(51,453.65)	
	Agents' fees	(2,187.51)	
	Statutory advertising	(278.55)	
	Wages & salaries	(58,392.50)	
	PAYE & NIC	(24,457.02)	
	Payroll costs	(2,831.35)	
	Insurance	(21,943.04)	
	Sub contractors	(59,753.99)	
	Direct expenses	(22,682.40)	
	Bank charges	(589.64)	
	Other trading costs	(6,550.78)	
	Room hire re Para 51 meeting	(212.77)	
	Administrators' fees	(283,505.00)	
	VAT receivable	(60,465.68)	
		<hr/>	(595,303.88)
			<hr/>
			1,153,847.38
			<hr/>
(726,524.00)			

## Probotec Limited in administration

Analysis of Joint Administrators' time costs 6 April to 5 October 2005

	Hours									
	Partner	Director	Senior Manager	Manager	Assistant Manager	Admin	Support	Total hours	Total cost £	Average hrly rate £
Hourly charge-out rate £	540	475	390	310	220	170	100			
Pre-appointment planning	10.0	21.0						31.0	15,375.00	495.97
Pre-appointment checks		3.0	10.0		9.3	0.7	5.0	28.0	7,990.00	285.36
Appointment & related formalities		8.0	8.0		9.2		0.5	25.7	8,994.00	349.96
Bonding & bordereau						0.7		0.7	119.00	170.00
Strategy documents		9.5	17.8		3.7			31.0	12,268.50	395.76
Reports to debenture holders		13.3	8.7		0.9			22.9	9,908.50	432.69
Checklists & 6 Monthly review			3.0		0.8			3.8	1,346.00	354.21
Health & Safety issues				1.5				1.5	465.00	310.00
Leasehold property		1.5	7.8		10.9		0.3	20.5	6,182.50	301.59
Plant & machinery					0.8			0.8	176.00	220.00
Office equipment & fixtures/fittings			2.0					2.0	780.00	390.00
Vehicles			2.0		1.5			3.5	1,110.00	317.14
Stock & WIP		1.0	4.0		0.4			5.4	2,123.00	393.15
Debtors		16.7	22.8		27.6			67.1	22,896.50	341.23
Cash & investments			4.3		0.7			5.0	1,831.00	366.20
Goodwill		8.7	1.0					9.7	4,522.50	466.24
Sale of business	27.5	61.2	69.0	136.0	21.4		3.3	318.4	118,028.00	370.69
Overseas Assets		13.7						13.7	6,507.50	475.00
Cash & profit projections & strategy		1.0	6.0		19.3			26.3	7,061.00	268.48
Sales					0.4			0.4	88.00	220.00
Purchases & trading costs		38.5	12.7		105.2			156.4	46,384.50	296.58
Correspondence with employees		7.3	6.5		15.7	10.4		39.9	11,224.50	281.32
DTI Redundancy Payments Service			4.0					4.0	1,560.00	390.00
Agreeing employee claims			2.5		0.2			2.7	1,019.00	377.41
Pension funds			5.0	6.8	2.5		0.8	15.1	4,688.00	310.46
Employees general					5.8			5.8	1,276.00	220.00
Questionnaires & checklist		2.0	6.7		8.1			16.8	5,345.00	318.15
D Form drafting and submission		3.5	0.5		1.5			5.5	2,187.50	397.73
Statement of Affairs		2.5	1.0		5.9			9.4	2,875.50	305.90
Notification of appointment to creditors		1.0	2.0		5.8	2.0	1.5	12.3	3,021.00	245.61
General correspondence with creditors			3.2		29.7	1.0		33.9	7,952.00	234.57
Statutory reports to creditors		6.1	8.5	0.2	32.2	2.8	1.5	51.3	13,984.50	272.60
Payment of dividends		4.0						4.0	1,900.00	475.00
Pre appointment VAT/PAYE/CT		1.0		11.2	0.2			12.4	3,991.00	321.85
Agreement of preferential claims			0.4					0.4	156.00	390.00
Agreement of unsecured claims				1.5				1.5	465.00	310.00
Secured creditors	5.5	1.5	6.0		1.5			14.5	6,352.50	438.10
Legal claims		0.5			9.6			10.1	2,349.50	232.62
ROT Claims		2.5			9.1			11.6	3,189.50	274.96
General cashiering					1.5		88.9	90.4	9,220.00	101.99
Reconciliations					0.7			0.7	154.00	220.00
Fund management					1.6			1.6	352.00	220.00
Initial CT & VAT reviews		0.9	5.7		6.6			13.2	4,102.50	310.80
Post appointment VAT		6.0	2.5	22.1	6.1			36.7	12,018.00	327.47
Post appointment Corporation Tax		14.9	10.3		22.3			47.5	16,000.50	336.85
Pre appointment Tax & VAT refunds			1.5		0.7			2.2	739.00	335.91
Pre appointment transactions		2.0						2.0	950.00	475.00
Statutory reports to s/holders					0.3			0.3	66.00	220.00
Open cover insurance			2.6		2.2			4.8	1,498.00	312.08
Books and Records					4.5			4.5	990.00	220.00
Filing					1.7		0.1	1.8	384.00	213.33
Total	43.0	252.8	248.0	179.3	388.1	17.6	101.9	1,230.7	394,167.00	347.02