

The Insolvency Act 1986

2.34B**Notice of move from administration
to creditors' voluntary liquidation**

Name of Company Probotec Limited	Company number 04337866
In the High Court Birmingham DR <small>[full name of court]</small>	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

having been appointed Joint Administrators of Probotec Limited
Marlborough House Fitzalan Court, Fitzalan Road, Cardiff CF24 0TE

on 06 April 2005 by High Court Birmingham DR

hereby give notice that:

(a) Insert name(s) and
address(es) of
liquidator(s)

the provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply, and it is proposed that Jonathan Scott Pope and Myles Antony Halley, both of KPMG LLP, Marlborough House, Fitzalan Court, Fitzalan Road, Cardiff CF24 0TE, United Kingdom will be the liquidators of the company (IP Nos 9334 6658)

We attach a copy of the final progress report. 12 126

Signed

Joint Administrators

Dated

12 July 2006

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 researchers of the public record

Huw Powell
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COMPANIES HOUSE

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13/07/2006

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 2.110 and Rule 2.47
of the Insolvency Rules 1986**

KPMG LLP

12 July 2006

This report contains 3 Pages

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*Probotec Limited
(in administration)*

Report to Creditors pursuant to Rule 2.110 and Rule 2.47 of the Insolvency Rules 1986

KPMG LLP

12 July 2006

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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 progress report of 26 April 2006, and in accordance with Rule 2.110 of the Insolvency Rules 1986 I now detail my final progress report for the Administration.

A copy of this report has been forwarded to Companies House and on registration of Form 2.34B by Companies House the Administration of the Company cease with Jonathan Scott Pope and Myles Antony Halley of KPMG LLP being appointed liquidators of the Company.

A summary receipts and payments account for the period 6 April 2006 to 12 July 2006 and for the period 6 April 2005 to 12 July 2006 is attached at Appendix 1.

4 Purpose of the Administration

The purpose of the Administration was to achieve a better result for the creditors as a whole than would be likely if the Company were wound up.

The Administrators detailed proposals forwarded to creditors as set out in their Paragraph 49 report dated 27 May 2005 are attached as Appendix 3.

There have been no major amendments to, or deviations, from the proposals.

5 Progress of the Administration to 12 July 2006

5.1 Creditors meeting

A copy of the Administrators proposals were sent to all creditors on 27 May 2005. A meeting of creditors was held on 14 June 2005 where the Administrators' proposals were approved by creditors.

5.2 Sale of the business

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 with a book value of £1,800,000.

5.3 Debtor collections

Two debtor balances remain outstanding and these will now be pursued by the liquidators with the assistance of EWS.

5.4 Other assets

An amount of £268,000 was realised in the period to 5 October 2005 in respect of an amount owed by an associated Group company, Powell Duffryn Investments Limited.

5.5 Administrators' remuneration

The Administrators' time costs amount to £472,232 for the period 6 April 2005 to 12 July 2006 (as set out in Appendix 2). The administrators have limited their fees to an amount of £400,000, which they have drawn against these time costs. In addition they have drawn disbursements of £3,822.

5.6 Secured creditors

Barclays' total indebtedness of £3,296,403 has been paid by the administrators.

5.7 Preferential creditors

Preferential creditors were estimated at £34,813. However of this amount only £18,031 has been claimed by creditors and paid. The liquidators will deal with the remaining claims.

5.8 Unsecured creditors

It is currently estimated that there will be a distribution to be made by the liquidators to the unsecured creditors under the prescribed part. The amount of the prescribed part is currently estimated as £312,000, before the costs associated with its distribution. This, and a small surplus in the Administration estimated at £40,000, is likely to lead to a distribution of a few pence in the pound.

Probotec Limited in administration
Joint Administrators' Abstract of Receipts and Payments
6 April 2006 to 12 July 2006

Statement of affairs £		6 April 2006 to 12 July 2006 £	Cumulative to 12 July 2006
	<u>FIXED CHARGE ASSETS</u>		
1,128,153.00	Book debts	0.00	1,337,576.66
1,700,000.00	Amount due from Group Companies	0.00	268,549.43
0.00	Property rights/Patents/Goodwill	0.00	2,300,003.00
	Shares & investments	1.00	1.00
		<hr/> 1.00	<hr/> 3,906,130.09
	<u>FIXED CHARGE CREDITORS</u>		
(3,675,233.00)	Fixed charge creditor	0.00	(3,296,403.27)
	<u>ASSET REALISATIONS</u>		
70,556.00	Plant, chattels, vehicles and tooling	0.00	74,997.00
50,000.00	Stock	0.00	325,000.00
		<hr/> 0.00	<hr/> 399,997.00
	<u>OTHER REALISATIONS</u>		
	Bank interest, gross	2,602.72	35,061.87
	Rent	0.00	3,155.47
	Sundry refunds	370.30	2,373.44
0.00		<hr/> 2,973.02	<hr/> 40,590.78
	<u>COSTS OF REALISATIONS</u>		
	Legal fees	(2,284.36)	(54,390.01)
	Agents' fees	0.00	(2,187.51)
	Statutory advertising	0.00	(278.55)
	Wages & salaries	0.00	(52,869.20)
	PAYE & NIC	0.00	(24,457.02)
	Insurance	0.00	(21,943.04)
	Sub contractors	0.00	(59,753.99)
	Professional fees	0.00	(3,275.53)
	Direct expenses	0.00	(23,037.73)
	Bank charges	(24.55)	(762.45)
	Telephone	990.88	(1,851.04)
	Repairs and maintenance	0.00	(795.38)
	Other costs	46.99	(3,063.52)
	Room hire re Para 51 meeting	0.00	(212.77)
	Administrators' fees	0.00	(400,000.00)
	Administrators' disbursements	0.00	(3,822.02)
	VAT receivable/payable	0.00	0.00
	Corporation tax	(4,937.70)	(4,937.70)
0.00		<hr/> (6,208.74)	<hr/> (657,637.46)
	<u>PREFERENTIAL CREDITORS</u>		
	Employees	789.22	(7,825.48)
	Subrogated EPA claim	(75.67)	(4,897.91)
	Pension funds	0.00	(5,307.72)
(46,346.00)		<hr/> 713.55	<hr/> (18,031.11)
	<u>UNSECURED CREDITORS</u>		
(5,045,278.00)	Payment to liquidator	(374,646.03)	(374,646.03)
<hr/> (5,818,148.00)	Movement / Balance held	<hr/> (377,167.20)	<hr/> 0.00

Note : the above figures are stated net of VAT

Probotec Limited in administration

Analysis of Joint Administrators' time costs 6 April 2006 to 12 July 2006

	Hours								Total cost £	Average hrly rate £
	Partner	Director	Senior Manager	Manager	Assistant Manager	Admin	Support	Total hours		
Hourly charge-out rate £	540	475	390	310	220	170	100			
Strategy documents					0.2			1.7	629.00	370.00
Closure & related formalities			1.5		17.8			25.3	6,841.00	270.40
Checklists & 6 Monthly review			7.5		0.6			0.6	132.00	220.00
Debtors					0.4			0.4	88.00	220.00
Purchases & trading costs		3.0	2.3		1.6			6.9	2,674.00	387.54
General correspondence with creditors			0.4		1.3			2.2	492.00	223.64
Statutory reports to creditors		4.0	8.7		4.1	2.3	0.5	19.1	6,586.00	344.82
Agreement of preferential claims					0.8			0.8	176.00	220.00
Legal claims					1.0			1.0	220.00	220.00
General cashiering					0.1		6.5	6.5	650.00	100.00
Fund management					5.4			0.1	22.00	220.00
Post appointment VAT		1.0	2.5	0.9				9.8	2,917.00	297.65
Post appointment Corporation Tax			3.2		1.0			4.2	1,468.00	349.52
Books and Records			1.2		0.4			1.6	556.00	347.50
Filing					0.2			0.2	44.00	220.00
Total hours / time costs 6 April 2005 to 12 July 2006	0.0	8.0	27.3	0.9	34.9	2.3	7.0	80.4	23,495.00	292.23
Hours / time costs brought forward from period to 5 April 2006	55.0	270.0	281.0	193.7	471.2	22.8	136.1	1,429.8	448,737.00	313.85
Total hours / time costs to 12 July 2006	55.0	278.0	308.3	194.6	506.1	25.1	143.1	1,510.2	472,232.00	312.70

All staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the above analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.



*Probotec Limited
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KPMG LLP

12 July 2006

Appendix 3

Administrators' proposals to creditors

- That the Administration process should continue for the foreseeable future to enable them to continue to realise the remaining assets of Probotec (namely debtors and group relief) and deal with all taxation issues.
- When the purposes of the Administration have come to an end it is proposed that the Administrators be permitted to conclude the Administration and place Probotec into Creditors Voluntary Liquidation ("CVL"), with the appointment of Jonathan Scott Pope and Myles Antony Halley as Liquidators of Probotec without further recourse to creditors. The purpose of the CVL is to facilitate the payment of a distribution to unsecured creditors. In accordance with paragraph 83(7) and Rule 2.117(3), creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after the receipt of the proposals and before the proposals are approved.
- That the Administrators' remuneration will be fixed in accordance with Rule 2.106(2) by reference to the time properly given by insolvency practitioners (as Administrators) and their staff in attending to matters arising in the Administration.
- That the Administrators' draw their expenses and disbursements as required.
- That the Joint Administrators are discharged from the liability in respect of any action of theirs as Joint Administrators pursuant to Paragraph 98(1) of Schedule B1 of the Act upon the registration of the notice given pursuant to Paragraph 83 or 84 of Schedule B1 of the Act.
- If for any reason there is no distributable reserve for unsecured creditors, the Administrators resolve that Probotec be dissolved without further recourse to the creditors.