

# Ashlands Contracting Limited (In Liquidation)

## Liquidators First Report

17 August 2007

### 1. Background

Ashlands Contracting Limited (“the company”) was placed into liquidation by order of the High Court at Rotorua on the 9<sup>th</sup> day of July 2007 at 11.16am. Kenneth Peter Brown and Robert James Neilson, Chartered Accountants of Tauranga, were appointed as Joint and Several Liquidators of the company. We detail below the Liquidators first report, for the information of creditors of the company.

### 2. Disclaimer

*This report is not intended for general circulation, nor is it to be reproduced or used for any purpose other than that outlined above without written permission in each specific instance. The Liquidators do not accept any responsibility or liability for any damage or loss occasioned to any party as a result of the circulation, publication, reproduction or use of this report. In particular the Liquidators take no responsibility for any misinformation contained therein that has been supplied by the company, its officers or any other person. The report is also based upon information available at this date, and the Liquidators therefore reserve the right to review, and if necessary, amend the report.*

### 3. Company Information

Date of Incorporation:	7 September 2004
Trading Address:	Okaro Rd, Rerewhakaaitu
Type of business:	Contractor
Date trading ceased:	July 07
Shareholders:	Jason Lindsay Jepsen Norris Olaf Jepsen
Directors:	Jason Lindsay Jepsen Norris Olaf Jepsen

#### **4. Events leading to appointment of Liquidators**

The company was wound up on the petition of the Inland Revenue Department for outstanding GST. We have been advised that some of the outstanding amount is due from default assessments as the previous accountant for the company had not completed returns for the business. The directors had been hopeful of getting an adjournment of the winding up proceedings to allow finalisation of accounts and outstanding returns completed. We have been advised there would be funds available from the sale proceeds of a house property, belonging to a family trust, there would be sufficient funds made available to pay the outstanding amounts due to all creditors and the company could have been taken out of liquidation.

#### **5. Statement of Affairs**

We attach as *Appendix I* a statement of the company's affairs as at the date of our appointment.

This has been prepared from information provided by a director of the company and the Liquidators are not yet able to express an opinion on the validity of that information.

#### **6. Analysis of Statement of Affairs**

The details provided are from information provided but the Liquidators are not aware of any information that would lead us to believe there is any significant difference.

The asset figure shown is an estimate only all major assets are secured, it is likely that were these assets repossessed with the associated costs there would likely be a shortfall.

#### **7. Proposals for Conducting the Liquidation**

The Liquidators are at the present time awaiting funds from the directors of the company sufficient to pay the creditors of the liquidation in full as indicated above, and an application made to the Court seeking an order to take the company out of liquidation.

#### **8. Estimated Date of Completion of Liquidation and Notice As To Further Reports**

It is hoped that this matter should be finalised by the 30 November 2007.

A final report will be issued when the liquidation is complete.

#### **9. Creditors Meeting**

No meeting will be held. The Liquidators dispense with holding a creditors meeting pursuant to section 243 of the Companies Act 1993 as the dividend is expected to be nil or very small.

In accordance with Section 314 of the Companies Act 1993 a creditor or shareholder may request the Liquidators to call a meeting of creditors or shareholders at any time in the course of the liquidation to vote on a proposal that a Liquidation Committee be appointed to act with the Liquidators. This request must be in writing.

The Liquidators may decline a request by a creditor or a shareholder to call a meeting on the grounds that:

- a) the request is frivolous or vexatious; or
- b) the request was not made in good faith; or

- c) the costs of calling the meeting would be out of proportion to the value of the company's assets.

The decision to decline a request may be reviewed by the Court on the application of any creditor or shareholder.

## **10. Creditors Claims**

Please complete and return the enclosed Unsecured Creditors Claim form, if not already completed by 30 September 2007. If you believe that you are a secured creditor please contact this office and the appropriate forms will be sent to you.

Completion of your claim should be given your urgent attention. If creditors do not lodge a claim with the Liquidators', they are not entitled to share in any distribution to creditors that may be made by the Liquidators.

## **11. Further Information**

If you require any further information or if you have any information that will be of assistance to the Liquidators please contact Grant Wills at our Tauranga Office.

Kenneth Peter Brown  
*Joint Liquidator*

Statement of Affairs of  
Ashlands Contracting Limited (In Liquidation)  
as at 2 July 2007

	<i>Estimated to realise \$</i>
<b>Assets</b>	
Plant & Equipment	150,000
<b>Less Secured Claims</b>	<u>100,000</u> <b>50,000</b>
<b>Less Preferential Claims</b>	
IRD – GST/PAYE	<u>93,000</u>
<b>Deficit before Unsecured Creditors</b>	<b>(43,000)</b>
<b>Less Unsecured Creditors</b>	
Trade Creditors	33,249
<b>Deficit (before costs of liquidation)</b>	<u><b>\$ (76,249)</b></u>

*Disclaimer*

*This statement should be read in conjunction with the disclaimer on page one of the above Liquidators report and Rodewald Hart Brown Ltd have not audited the report and they, their directors or employees accept no liability to any other party in relying on the information presented. The purpose of the report is to give creditors of the company an indication of the financial position of the company as at the date of appointment of the liquidators.*

*Rodewald Hart Brown Limited*