

Bay Cleaning Services (2002) Limited (In Liquidation)

Liquidators First Report

14 August 2006

1. Background

Bay Cleaning Services (2002) Limited (“the company”) was placed into liquidation by an order of the High Court at Rotorua on 12th day of June 2006, at 11.24 am. Kenneth Peter Brown and Thomas Lee Rodewald, 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:	24 September 2002
Type of business:	Cleaning Services
Date trading ceased:	March 2006
Shareholders:	Donald Baker Christine Lillian Mary Baker
Directors:	Christine Lillian Mary Baker Donald Baker

4. Events leading to appointment of Liquidators

The Director of the company has advised the reason for the failure of the company is due to health problems. He had a fall about 2-3 years ago, and he had people running the company for him but it was not run well.

The Liquidators have contacted the Director seeking company records. The Director advised that records would be delivered to the Liquidators office on Monday 19th June, but no records were received. The Director then advised on the 20th June that one of his staff had most of the

information and he was having difficulty contacting her. Since then we have attempted to phone the Director for records and we have sent a second written request for the records.

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 to the liquidators, but the liquidators are not yet able to express an opinion on the validity of that information.

6. Proposals for Conducting the Liquidation

The Liquidators will complete all statutory requirements and once the statement of financial position for the company has been received from the company Director, they will assess all avenues for realising funds for distribution to creditors of the company. They will also investigate voidable preference issues and the directors actions, leading up to the appointment to see whether any action should be taken against them.

7. Estimated Date of Completion of Liquidation and Notice As To Further Reports

It is not practicable to estimate the date of the completion of the liquidation at this stage.

The Liquidators give notice under section 255(5) of the Companies Act 1993 that no further reports will be issued apart from a final report when the liquidation is completed.

8. 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.

9. Creditors Claims

If your terms of trade with the company include reservation of title of goods supplied please contact Rozanna Waiari at our Tauranga Office.

Please complete and return the enclosed Unsecured Creditors Claim form by 20 November 2006. 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.

10. Further Information

If you require any further information or if you have any information that will be of assistance to the Liquidators please contact Rozanna Waiari at our Tauranga Office on (07) 571 6280.

Yours faithfully
For and on behalf of
Bay Cleaning Services (2002) Limited (In Liquidation)

Kenneth Peter Brown
Joint Liquidator

Bay Cleaning Services (2002) (In Liquidation) Statement of Affairs

As at 12th June 2006

	\$
<u>Assets</u>	
Assets	Unknown
Less Secured Claims	Unknown
Less Preferential Claims	
Petitioning Creditors	2,482.43
IRD Preferential Claim	172,671.04
Deficit before Unsecured Creditors	<hr style="width: 100%; border: 0.5px solid black;"/> (175,153.47)
Less Unsecured Creditors	54,081.17
Deficit (before costs of liquidation)	<hr style="width: 100%; border: 0.5px solid black;"/> (229,234.64)

Disclaimer

This statement should be read in conjunction with the disclaimer on page one of the above Liquidators report. 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
14 August 2006