

Castle Products (NZ) Limited (In Liquidation)

Liquidators' Second Report

16 July 2009

1. Introduction

Castle Products (NZ) Limited ("the company") was placed into liquidation by a special resolution of the shareholders on the 16th day of December 2008, at 4.59 pm. Robert James Neilson and Kenneth Peter Brown, Chartered Accountants of Tauranga were appointed as Joint and Several Liquidators of the company.

We set out below our second report on the state of affairs of the above named company as required by section 255 (2)(d) of the Companies Act 1993.

2. Company Information

Date of Incorporation: 29 March 2007

Type of business: Manufacture and construction of composite panel fences

Date trading ceased: Not trading at the date of liquidation

Former Trading Address: 64d Maleme Street, Greerton, Tauranga

Shareholders: Richard Lyell, Tyree
Suzanne Stelmock
John Dennis Eagleton
Barry Anthony Williams
Laurence John Ryan
Sarah Jane Fleming

Director: Barry Anthony Williams

3. Conduct of the Liquidation

The Liquidators have undertaken all compliance matters, which include filing of all outstanding PAYE and GST returns to the Inland Revenue Department.

The Liquidators have not yet received all accounting and statutory information requested. Once received the Liquidators will seek to establish if there were any potentially voidable transactions

made by the company. The Liquidators have not yet ascertained the correct legal ownership of certain assets and will pursue these where available.

Further they will look to establish if the directors have complied with their statutory duties as required by the Companies Act 1993.

4. Debtors

Contacted the company's sole debtor (Mr Fencer) and ascertained that the debt relates to delivery of a sub-standard product and a counter claim has been received for a similar amount. The liquidators have made a commercial decision not to pursue this further.

5. Shareholder's Current Account

It has been admitted that one of the shareholders had not contributed capital in proportion to other shareholders. The Liquidators are currently following this up.

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

It is anticipated that the next report will be the final report, but if there is a delay for any reason the next report will be in 6 months time.

7. Receipts and Payments to 16 July 2009

A GST refund has been received and legal fees have been paid.

Receipts

GST refund	454.76
------------	--------

Payments

GST on expenses	43.40
Legal fees	<u>347.23</u>
	<u>390.63</u>

Net Funds	\$64.13
------------------	----------------

8. Further Information

If you require any further information or if you have any information that will be of assistance to the Liquidators please contact Blair Millar at our Tauranga office.



Kenneth Peter Brown
Joint Liquidator