

# Central Districts Motorcycles (2003) Limited (In Liquidation)

## Liquidators Third Report

23 June 2008

### 1. Background

Central Districts Motorcycles (2003) Limited (“the company”) was placed into liquidation by special resolution of shareholders on 30 May 2007, at 2.05pm. 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 third 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

Trading Address:	No longer trading. Formally 122-124 Hautapu Street, Taihape
Type of business:	Motorcycle Repair and Retail
Date trading ceased:	24 May 2007
Shareholders:	Steven Michael Turkilsen Angela Mary Turkilsen
Directors:	Steven Michael Turkilsen Angela Mary Turkilsen

#### **4. Conduct of the Liquidation**

The business chattels were sold to a former staff member who continued to sell company stock on the Liquidators behalf, until April 2008 when it was agreed between the National Bank as a secured creditor and the Liquidators for the stock to be removed by the director to enable him to sell it at his own cost, hereby reducing costs in the liquidation. The sales had been slow at the former company premises and increased interest costs were adding to the guarantors (directors) exposure particularly as even if all the stock was sold by the liquidators it would still be insufficient to repay the bank debt.

The Liquidators continue to collect some outstanding debtors, most of which are now on repayment terms.

Since there is no prospect of the secured creditor, National Bank, being repaid in full, there will be no dividend available to unsecured creditors.

#### **5. Receipts and payments summary to 30 May 2008**

We attach at *Appendix I* a summary of receipts and payments for the first year of the liquidation.

#### **6. 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 and there is still a quantity of stock to sell and further business repayments to come.

Further reports will be issued after each six months of the liquidation with a final report when the liquidation is complete.

#### **7. Further Information**

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

Kenneth Peter Brown  
Joint Liquidator

## Central Districts Motorcycles (2003) Limited (In Liquidation)

Receipts and Payments from 30 May 2007 to 30 May 2008

### GST exclusive

#### Receipts

GST on income	23,888.24
Funds on hand	8,585.57
Debtors	101,206.36
Sale of assets	882.98
Sale of business	20,833.30
Sale of stock	60,864.44
Sale of vehicles	29,955.56
GST refund	1,945.58
Tax refund	586.68
Insurance refund	36.56

248,785.27

#### Payments

GST on expenses	13,563.08
Advertising	3,469.48
Autoshop programme renewal	500.00
Bank fees	118.25
Commission on sale of assets	1,570.00
Computer technician charges	131.00
Debt collection fees	130.00
Eftpos	214.02
Faxes and tolls	50.00
First secured creditor	98,467.02
Electricity	2,401.70
Gas	107.91
Insurance	2,454.40
Legal fees	12,052.51
Liquidator fees	59,800.27
Mail redirection	333.34
National Bank	8,000.00
Photocopier	132.74
Postage and Courier	6.78

Preferential payment - wages and holiday pay	572.50	
Motor Trade Finance	7,964.66	
Registration fees	21.30	
Stationery	206.56	
Stock purchases	2,006.61	
Storage and removal	1,515.00	
Telephone	4,448.69	
Title search	38.22	
Travel and accommodation	6,712.20	
Vehicle and Truck repairs	2,871.77	
Wages	3,523.84	
		233,383.85
<b>Net Funds</b>		<b>\$ 15,401.42</b>
<b>Represented By:</b>		
National Bank - Trust Account		10,459.72
BNZ account		4,941.70
		<b>\$ 15,401.42</b>

*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  
30 May 2008*