

Computer Company (1998) Limited (In Liquidation) Formerly Computer Stuff Limited

Liquidators First Report

23 May 2008

1. Background

Computer Company (1998) Limited (“the company”) was placed into liquidation by the High Court at Auckland on the 18th day of April 2008 at 11.57am. Kenneth Peter Brown and Thomas Lee Rodewald, Chartered Accountants of Tauranga were appointed as Joint and Several Liquidators of the company.

2. Disclaimer

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3. Company Information

Date of Incorporation:	30 November 1998
Trading Address:	54 Ponsonby Road, Auckland
Type of business:	Retail Computer outlet
Date trading ceased:	18 April 2008
Shareholders:	Michael John Royston Todd Keith Neill Pedersen
Director:	Michael John Royston Todd

4. Events leading to appointment of Liquidators

As the business was based in Auckland, the Liquidators appointed McDonald Vague, Insolvency Practitioners, Auckland, as agents to act on their behalf. The director has advised them problems began when the landlord re-entered premises the company had at Browns Bay, following disputes

with the landlord and although they re-established themselves in Ponsonby, the business was unable to recover fully. Consequently, due to unpaid taxes, the Inland Revenue Department petitioned the Court resulting in the appointment of liquidators.

5. Statement of Affairs

We attach as *Appendix I* a statement of the company's affairs as at the date of our appointment. This is based on information provided by the director of the company. We have not received the records to date and we are unaware of the full creditors total and so are unable to comment of the figures provided at this early stage.

6. Proposals for Conducting the Liquidation

The Liquidators agent will conduct an investigation of the company's books and records when received, to establish if there are any potentially voidable transactions that require investigation, potential current account issues, and ensure the director has complied with the duties and obligations imposed on him under the Companies act 1993.

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. Further reports will be issued six monthly and a final report at the conclusion of the liquidation.

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 Marilyn Thorne on 07 571 6280.

Please complete and return the enclosed Unsecured Creditors Claim form by 31 July 2008. 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, although at this early stage it appears there will be no dividend possible.

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 Marilyn Thorne at our Tauranga office.

Kenneth Peter Brown
Joint Liquidator