

Receivers first report on the state of affairs of Coro Dingo Limited (In Receivership) 'the company' as at 9th November 2009

Introduction

Thomas Lee Rodewald and Kenneth Peter Brown were appointed Joint Receivers and Managers of the above company on the 11th September 2009.

The appointment arose under the powers contained in a General Security Agreement dated the 26th July 2007 which consists of all personal, property, assets and undertaking subject to a charge created by the GSA or any Collateral Security granted by the Debtor (whether situated in New Zealand or elsewhere).

We set out below our first report on the state of the affairs of the abovenamed company as required by section 23 of the Receivership Act 1993.

Events leading up to our appointment

The company defaulted on a loan agreement with the appointing GSA holder. As a result RHB Chartered Accounting Limited was engaged by the company to prepare an independent appraisal of the company's operations. During the course of this appraisal it was noted that monies had been withdrawn from the company's bank account by the director. As a consequence the GSA holder appointed Receivers and Managers.

Trading

The company was engaged in minimal operations at the date of commencement of the receivership. There has been no trading since the receivership commenced.

Sale of the business

The Receivers obtained a valuation of the plant and equipment and called for expressions of interest from interested parties through the Bay of Plenty Times and Trade Me. This valuation is confidential to the Receivers. The deadline for written tenders was 5 October 2009. The result of the tender process will be made known in the next Receivers report.

At the time the Receivers were appointed, not all the assets per company records were recovered. The Receivers are in the process of identifying and retrieving these assets.

Amounts owing to the general security agreement holders

At the date of the Receiver's appointment the amounts owing were as follows:

	\$
Blackbird Finance Limited	993,814
Motor Trade Finance	124,036
	<u>1,117,850</u>

Preferential Creditors

The Inland Revenue Department have yet to forward their claim

Unsecured creditors

Due to the extent of the secured creditor claims there are unlikely to be any funds available for returning to the company, or a liquidator at the conclusion of the Receivership for distribution to unsecured creditors. The total amount due to unsecured creditors to date is estimated at \$87,290.

Assets & Liabilities of the company

We attach as *Appendix 1* a list of the assets and liabilities of the company at the date of appointment.

Receipts & Payments

We attach as *Appendix 2* a list of receipts and payments to 6th November 2009.

Information provided by the company

The director of the company has not co-operated fully in making available the information required by the receivers to complete this report.



Thomas Lee Rodewald
Joint Receiver and Manager



Kenneth Peter Brown
Joint Receiver and Manager

Appendix 1

Statement of Assets & Liabilities for Coro Dingo Limited (In Receivership) as at 11th September 2009

	Estimated Return Value
ASSETS	\$
Cash at Bank	1,757
Shareholder current account	86,932
Trade debtors	51,148
Blackbird Finance Limited	33,476
Plant & Equipment (book value)	<i>Note 1</i>
Total Assets	<u>173,313</u>
 LIABILITIES	
CHARGE HOLDERS	
General Security Agreement	
Orix	35,000
Blackbird Finance Limited	993,814
Motor Trade Finance	124,036
	<u>1,152,850</u>
 PREFERENTIAL CREDITORS	
Inland Revenue Department - GST	To be calculated
 UNSECURED CREDITORS	
Trade Creditors & Accruals	118,707
Inland Revenue Department	To be calculated
	<u>1,271,557</u>
Total Liabilities	<u>1,271,557</u>
Net Deficit	<u>1,098,244</u>
Less plant & equipment value	
Subject to receivership costs	

Note 1: The estimated sale value of plant & equipment has not been included due to its commercially sensitive nature. The Receivers are entitled to do so per S23 Receivership Act 1993.

Disclaimer

This statement has been prepared from information supplied by the company and the Receivers 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 Receivers take no responsibility for any misinformation contained therein that has been supplied by the company, its officers or any other person. The statement is based upon information available at this date, and the Receivers therefore reserve the right to review, and if necessary, amend the report and a later date.

Appendix 2

Coro Dingo Limited (In Receivership)

Receipts and Payments from 11th September 2009 to 6th November 2009

GST exclusive

Receipts

GST on income	6,177.57	
Debtors	45,115.00	
Sale of assets	4,305.56	
Dividend	368.05	
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		55,966.18

Payments

GST on expenses	4,767.88	
Insurance	3,214.41	
Legal fees	5,067.34	
Mail redirection	111.11	
PAYE paid	1,646.76	
Preferential payment - wages and holiday pay	5,742.35	
Receivers fees	25,000.00	
Security	88.67	
Storage and removal	1,520.00	
Transport costs	400.00	
Valuation	2,741.50	
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		50,300.02

Net Funds

\$5,666.16

Represented By:

National Bank - Trust Account	<hr/>	5,666.16
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		\$5,666.16