

Cranes International NZ Limited (In Liquidation)

Liquidators Second Report

30 April 2009

1. Introduction

Cranes International NZ Limited (In Liquidation) was placed into liquidation by order of the High Court at Rotorua on the 30th day of September 2009 at 10.08am. Kenneth Peter Brown and Robert James Neilson were appointed Joint and Several Liquidators at that time.

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: 19 May 2004

Trading Address: Rotorua

Type of business: Crane Retailer, Distributorship

Date trading ceased: 30 September 2009

Shareholders: Donald Wayne Ferguson
Brian Thomas Ferguson
Christopher James Collins
Brian James Norton
Anne June Norton

Director: Donald Wayne Ferguson

3. Conduct of the Liquidation

Further to our previous report we have now further investigated the books and records received from the company. As previously reported we have settled on an amount owed by the shareholders under current accounts, we believe these to be in excess of \$270,000. This is subject to further clarification but we will be pursuing the amounts finally due. It is anticipated this will be substantially completed within the next reporting period.

We have also located and identified assets that are in Papua New Guinea. We have identified that sales documentation was completed however funds were not credited to the company's account. We are seeking payment for these assets and are still awaiting payment of these. Again we

believe payment will be forthcoming in the near future. There are some smaller items of plant and equipment that are being sold off for the best price we are able to realise but the funds realised will not significantly alter the financial position of the company.

One of the smaller cranes as mentioned in the last report has been sold. We have further collected all book debts that could be deemed collectable and due to the company at the time of liquidation.

As mentioned in our first report there was legal action ongoing at the time of liquidation in relation to one of the cranes, a Kobelco 25 tonne. This was in relation to the maintenance of a financing statement registered and a purported security interest in this. Proceedings had been instigated prior to the liquidation, and allowed to continue after liquidation, however, this matter was not pursued through to a full Court hearing as the costs to date and potential costs on any hearing became prohibitive bearing in mind the value of the asset. This has now been returned to the supplier and proceedings discontinued.

In relation to the two other mentioned cranes we have potential purchasers at or about the estimated realisable values as mentioned in our first report. There have been problems with finance being arranged for the purchase of these, and funds have not been received to date, however it is anticipated this will be finalised in the near future.

Our investigations into the records of the company are not complete and we are still looking as to the destination of funds through the company's bank accounts. We will be able to comment more fully in our next report.

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


We are unable to estimate the date of completion of the liquidation at this stage, however a further report will be issued in six months time.

5. Receipts and Payments

We attach as *Appendix 1* a summary receipts and payments to 30 March 2010.

6. Further Information

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



Robert James Neilson
Joint Liquidator

Appendix 1

Cranes International NZ Limited (In Liquidation)

Receipts and Payments from 30th September 2009

to 30 March 2010

\$

\$

GST exclusive

Receipts

GST on income	4,592.74	
Funds on hand pre liquidation	3,295.28	
GST refunds	15,637.28	
Debtors	39,854.56	
Interest Received	128.74	
Sale of assets	36,688.89	
Rent	6450.00	
Licence refund	53.05	
Loan repayment	2,400.00	
		<hr/>
		109,100.54

Payments

GST on expenses	10,880.26	
Commission on sale of assets	551.11	
Electricity	336.41	
Freight	55.00	
RWT on Interest	42.49	
Legal fees	19,691.07	
Liquidators fees	56,499.74	
Rent	7,964.60	
Transport costs	40.00	
Valuation	1,836.00	
Vehicle repairs	108.15	
		<hr/>
		98,004.83

Net Funds

\$ 11,095.71
