

## **Receivers' first report on the state of affairs of FCL Roadfreight Limited (In Receivership) 'the company' as at 11 July 2008.**

**Company Number: 1149992**

### **Introduction**

Thomas Lee Rodewald and Kenneth Peter Brown, Chartered Accountants of Tauranga, were appointed as Joint Receivers and Managers of all the assets, property and undertakings of the company on 11 July 2008 by Lochore Contractors Limited, Angus James Lochore and Paul Gwynn under the powers contained in a General Security Agreement dated the 17 July 2007.

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

### **Events leading up to our appointment**

In May / June 2007 FCL Roadfreight Limited (FCL) commenced trading as a result of a merger between Lochore Contractors Limited (LCL) of Hamilton and Total Dynamics Limited (TDL) of Auckland. At this time LCL and TDL both introduced assets into the FCL.

FCL continued trading, though in November 2007 the parties as a result of continued transport and fuel cost increases entered into a Deed of Variation of Agreement recording the Termination of the Merger between LCL and TDL.

On the 11 July 2008 Lochore Contractors Limited, Angus James Lochore and Paul Gwynn under the powers contained in a General Security Agreement dated the 17 July 2007 decided to place FCL into receivership.

### **Trading on/closure of business**

The company was not trading at the date of appointment of the Receiver. The Receivers have arranged an independent valuation of the assets. These have been sold.

### **Debtors**

A copy of the company's debtor's ledger to was received and reviewed. The Receivers are currently collecting the amounts owed and dealing with any disputed debts.

### **Amounts owing to the general security agreement holders**

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

|                             |           |
|-----------------------------|-----------|
| Lochore Contractors Limited | \$798,497 |
|-----------------------------|-----------|

### **Specific Security Creditors**

|                                  |          |
|----------------------------------|----------|
| South Pacific Tyres (NZ) Limited | \$15,167 |
|----------------------------------|----------|

### **Preferential Creditors**

|                       |     |
|-----------------------|-----|
| Employee wages claims | Nil |
|-----------------------|-----|

The Inland Revenue Department have forwarded their claim; being,

|                                   |       |
|-----------------------------------|-------|
| Child Support Employer Deductions | \$ 73 |
|-----------------------------------|-------|

### **Total Secured and Preferential Creditors**

|                  |
|------------------|
| <u>\$813,737</u> |
|------------------|

### **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 15 September 2008.

### **Unsecured creditors**

We attach as *Appendix 3* a list of names and addresses of both secured and 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 \$509,390.

### **Information provided by the company**

The directors of the company have co-operated in making available the information required by the receivers to complete this report.



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Thomas Lee Rodewald  
*Joint Receiver and Manager*

## Appendix 1

### FCL Roadfreight Limited (In Receivership)

Statement of Assets & Liabilities as at 11 July 2008

|                               |                                       | Estimated<br>Realisable Value |
|-------------------------------|---------------------------------------|-------------------------------|
| <b>ASSETS</b>                 |                                       |                               |
| Cash on Hand                  | Westpac Bank Ltd - Cheque             | 62,859                        |
|                               | Westpac Bank Ltd - Savings            | 433                           |
|                               | Rental 1 - Bank Account               | 14,700                        |
|                               | GST Refund Due                        | 3,806                         |
| Other Assets                  | Harkness Henry - Trust Account        | 12,500                        |
| Accounts Receivable           |                                       | 16,542                        |
| Fixed Assets                  | Note 2                                | 63,652                        |
|                               | <b>Total Assets</b>                   | <b>174,492</b>                |
| <b>LIABILITIES</b>            |                                       |                               |
| <b>CHARGE HOLDERS</b>         |                                       |                               |
| General Security Agreements   | Lochore Contractors Limited           | 798,497                       |
| Specific Security Agreements  |                                       | Nil                           |
| <b>PREFERENTIAL CREDITORS</b> |                                       |                               |
| Employees                     | Wages / Holiday Pay / Termination Pay | Nil                           |
| Inland Revenue Department     | Child Support                         | 73                            |
| <b>UNSECURED CREDITORS</b>    |                                       |                               |
| Non PPSR Charge Holders       | Accounts Payable                      | 509,390                       |
|                               | Accident Compensation Corporation     | 15,057                        |
|                               | <b>Total Liabilities</b>              | <b>1,323,017</b>              |
|                               | <b>Net Deficit</b>                    | <b>1,148,525</b>              |

#### Note 1

The statement excludes any liability for the shareholders current accounts and any intercompany and related party debts, with the exception of the GSA holder, which are currently being established.

#### Note 2

The Receivers have arranged an independent valuation of the assets. These have been sold.

## Appendix 2

### FCL Roadfreight Limited (In Receivership)

Receipts and Payments from 11 July 2008 to 15 September 2008

GST exclusive

#### Receipts

|                                |                  |            |
|--------------------------------|------------------|------------|
| GST on income                  | 225.00           |            |
| Funds on hand pre receivership | 77,992.33        |            |
| GST refunds                    | 3,890.55         |            |
| Debtors received to date       | 1,800.00         |            |
| Sale of Fixed Assets           | <u>63,652.00</u> |            |
|                                |                  | 147,559.88 |

#### Payments

|                            |                  |           |
|----------------------------|------------------|-----------|
| GST on expenses            | 1,789.41         |           |
| GST paid                   | 16,846.57        |           |
| Legal fees                 | 504.65           |           |
| Receivers fees             | 7,467.14         |           |
| Valuation                  | 485.50           |           |
| Accountancy                | 5,858.00         |           |
| Distribution to GSA Holder | <u>63,652.00</u> |           |
|                            |                  | 96,603.27 |

#### Net Funds

\$ 50,956.61

#### Represented By:

|                                    |                     |
|------------------------------------|---------------------|
| National Bank - Trust Account      | 2,956.61            |
| National Bank - Trust Call Account | 48,000.00           |
|                                    | <u>\$ 50,956.61</u> |

## Appendix 3

### FCL Roadfreight Limited (In Receivership)

#### Schedule of Creditors

|                                       |                                    |                       |                       |
|---------------------------------------|------------------------------------|-----------------------|-----------------------|
| A G & A H Thomson Ltd                 | P O Box 406                        |                       | HAWERA 4640           |
| Accident Compensation Corporation     | Debt Management Unit               | PO Box 3248           | WELLINGTON            |
| AMS Group Ltd                         | P O Box 20-461                     |                       | HAMILTON 3241         |
| Aspire Enterprises Ltd                | P O Box 3131                       | Hawkesbay Mail Centre | NAPIER 4142           |
| Axiom Risk & Insurance Management Ltd | Level 8 Central Park               | 666 Great South Road  | AUCKLAND 1051         |
| Axis Intermodal                       | P O Box 897                        | Shortland Street      | AUCKLAND 1140         |
| Beaurepairs                           | South Pacific Tyres NZ Ltd         | P O Box 40343         | UPPER HUTT 5140       |
| Big Splash Ltd                        | P O Box 90139                      | Auckland Mail Centre  | AUCKLAND 1142         |
| Chevron New Zealand Ltd               | P O Box 3221                       |                       | WELLINGTON 6140       |
| Farrand & Mason Limited               | P O Box 52                         |                       | DARGAVILLE 0340       |
| Forest Loaders Limited                | P O Box 1560                       |                       | WHANGAREI 0140        |
| Griffiths Truck Painters Limited      | P O Box 20009                      | Te Rapa               | HAMILTON 3241         |
| Hamilton Electrical                   | P O Box 4076                       | Hamilton East         | HAMILTON 3247         |
| Hanes Engineering Company Limited     | P O Box 4                          | Horotiu               | HAMILTON 3240         |
| Hylton Parker Fasteners Limited       | P O Box 65-277                     | Mairangi Bay          | AUCKLAND 0754         |
| KPMG                                  | P O Box 9299                       |                       | HAMILTON 3240         |
| Lloyd Davis Panel Beaters Limited     | P O Box 5104                       | Frankton              | HAMILTON 3242         |
| Mikes Transport Warehouse Limited     | P O Box 10028                      | Te Rapa               | HAMILTON 3241         |
| Ministry of Economic Development Ltd  | P O Box 1473                       |                       | WELLINGTON 6140       |
| Minorplanet New Zealand PTY Ltd       | P O Box 9299                       | Newmarket             | AUCKLAND 1149         |
| Motor Truck Distributors (NZ) Limited | Private Bag 11027                  |                       | PALMERSTON NORTH 4442 |
| Porter Hire Limited                   | P O Box 10164                      | Te Rapa               | HAMILTON 3241         |
| Ratcliffe Family Trust                | P O Box 20039                      | Te Rapa               | HAMILTON 3241         |
| Simms Electrical Services Limited     | P O Box 12884                      | Penrose               | AUCKLAND 1642         |
| Supreme Sheetmetals Limited           | P O Box 15253                      | Dinsdale              | HAMILTON 3243         |
| Tidd Ross Todd Limited                | P O Box 10076                      | Te Rapa               | HAMILTON 3241         |
| TJ Steel                              | Private Bag 20503                  | Te Rapa               | HAMILTON 3241         |
| TR Group Limited                      | P O Box 20385                      | Te Rapa               | HAMILTON 3241         |
| Translogix Systems Limited            | Unit 14 44 William Pickering Drive | Albany                | AUCKLAND 0632         |
| Transport Wholesale Limited           | P O Box 11342                      | Sockburn              | CHRISTCHURCH 8443     |
| Truck Stops (NZ) Limited              | Private Bag 11027                  |                       | PALMERSTON NORTH 4442 |
| Vulcan Tyres (2001) Limited           | P O Box 8057                       |                       | HAMILTON 3245         |
| Waikato Automotive Electrical Ltd     | P O Box 23                         | Horotiu               | HAMILTON 3240         |