

G & N Thompson Linehaul Limited (InLiquidation)

Liquidators' First Report

18 June 2010

1. Background

G & N Thompson Linehaul Limited ("the Company") was placed into liquidation by special resolution of the shareholders on the 8th day of June 2010 at 9.00am. Kenneth Peter Brown, Chartered Accountant and Paul Raymond Clark, Insolvency Practitioner, both of Tauranga were appointed as Joint and Several Liquidators of the Company.

2. Disclaimer

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3. Company Information

Date of Incorporation: 12 February 2004
Trading Address: 10B Liftan Place Bayfair Mount Maunganui
Type of business: Linehaul transport
Date trading ceased: March 2010
Shareholders: Gregory John Thompson
Nancy June Thompson
Directors: Gregory John Thompson
Nancy June Thompson

RHB Chartered Accountants Limited

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4. Events Leading to Appointment of Liquidators

The Directors of the Company advise the reason for the failure of the Company is insufficient turnover to cover the liabilities of the Company.

A recent opportunity to obtain additional work required further capital expenditure. The Company was not in a position to fund the capital expenditure, as a result the decision was made to appoint a liquidator.

5. Statement of Affairs

We attach as *Appendix I* a statement of the company's affairs as at the date of our appointment.

This has been prepared from information provided by the directors of the Company, and an administration person engaged by the Company, and the Liquidators are not yet able to express an opinion on the validity of that information.

Also attached as *Appendix II* is a list of known creditors as at the date of appointment.

6. Proposals for Conducting the Liquidation

The Liquidators obtained assessments in regards to the approximate market value for the 2005 Iveco truck and 2002 Domett trailer. As a result the Liquidators disclaimed all rights and interest as there was no equity for the creditors.

There is a debtor who owes approximately \$1,900 and the Liquidators are taking steps to collect the debt.

An investigation will be conducted of the company's books and records to establish if there are any potentially voidable transactions that require investigation, potential current account issues, and ensure the directors have complied with their duties and obligations imposed on them 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, with a final report at the conclusion of the liquidation.

8. Creditors Meeting

A Liquidator may call a meeting of creditors in order to decide whether an application should be made to the Court to appoint a replacement Liquidator.

Having regard to the assets and liabilities of the company, the likely result of the liquidation and other relevant matters, the Liquidator considers in accordance with section 245 of the Companies Act 1993 that no such meeting should be held.

A meeting will not be called unless within 10 working days after receiving this notice a creditor gives notice in writing to the Liquidator requiring a meeting to be called.

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 Bevan Spalding on 07 571 6280.

Please complete and return the enclosed Unsecured Creditors Claim form by 20 July 2010 to P O Box 15660, Tauranga. If you believe that you are a secured creditor please contact our Tauranga 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.

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 Bevan Spalding at our Tauranga Office.



Kenneth Peter Brown
Joint Liquidator

Appendix I

G & N Thompson Linehaul Limited (In Liquidation) Statement of Affairs as at the Date of the Appointment of the Liquidators being 8 June 2010

	<i>Estimated to Realise</i>
Assets	
2005 Iveco truck and 2002 Domett trailer	70,000
Mitsubishi Diamante	1,800
Debtors	<u>1,900</u>
	73,700
Less Secured Claims	
Commercial Factors Ltd	22,489
G E Money*	224,517
Less Preferential Claims	
IRD – GST	37,774
IRD – PAYE	<u>13,873</u>
Deficit before Unsecured Creditors	(224,953)
Less Unsecured Creditors	
IRD – Income Tax (penalties & interest)	50
IRD – GST / PAYE (penalties & interest)	17,229
Trade Creditors	<u>21,515</u>
Deficit (before costs of liquidation)	<u>(263,747)</u>

* GE Money has a security interest registered on the Personal Property Security Register under the company name "G + N Thompson Linehaul Ltd.

Disclaimer

This statement should be read in conjunction with the disclaimer on page one of the above Liquidators report and RHB Chartered Accountants Limited 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.

RHB Chartered Accountants Limited

Appendix II

G & N Thompson Linehaul Limited (In Liquidation) Schedule of Creditors as at 8 June 2010

Accident Compensation Corporation	PO Box 3248		Wellington
BP Oil New Zealand Limited	PO Box 892		Wellington
Central Diesel Services Limited	PO Box 4214		Mt Maunganui 3149
Chevron New Zealand	PO Box 1353	Shortland Street	Auckland 1140
Commercial Factors Limited	PO Box 62530	Penrose	Auckland
Goodyear & Dunlop Tyres (NZ) Limited	PO Box 40343		Upper Hutt 5140
GE Money	PO Box 4058	Shortland Street	Auckland 1140
Inland Revenue	P O Box 39010		Lower Hutt 5045
JB Lloyd Chartered Accountants Limited	PO Box 5159		Mt Maunganui
Marsh Limited	PO Box 1109		Tauranga
Mount Truck Sales Limited	PO Box 4244		Mt Maunganui
Performance Diesels Ltd	PO Box 4358		Mt Maunganui 3149
Prestige International Limited	PO Box 97630	Manukau City	Manukau 2241