

# **Gallacher Farm Services Limited (In Liquidation)**

## **Liquidators First Report**

19 December 2006

### **1. Background**

Gallacher Farm Services Limited (“the company”) was placed into liquidation by order of the High Court at Rotorua on the 13th day of November 2006, at 11.25am. Kenneth Peter Brown and Thomas Lee Rodewald, Chartered Accountants of Tauranga, were appointed as Joint and Several Liquidators of the company. We detail below the Liquidators first report, for the information of creditors of the company.

### **2. Disclaimer**

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### **3. Company Information**

Date of Incorporation:	2 March 2001
Trading Address:	Taupo
Type of business:	Installation and maintenance of milking machinery and water pumps
Date trading ceased:	March 06
Shareholders:	Timothy Revell Kinder ) Peter Michael Gallacher ) Judy Tracey Gallacher )
Directors:	Peter Michael Gallacher Judy Tracey Gallacher Michael Patrick Gallacher

#### **4. Events leading to appointment of Liquidators**

The company at the time of liquidation had ceased trading. They had operated from premises at Taupo up until March 06. The business operated primarily in the installation and maintenance of milking equipment and water pumps.

The business had been experiencing difficulty remaining current with their major supplier, due to in part some staffing issues, this led to the withdrawal of a distributorship agreement, essentially leading the directors to close the business which ultimately led to the application to wind the company up by an outstanding creditor.

#### **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 to the Liquidators, but the Liquidators are not yet able to express an opinion on the validity of that information.

#### **6. Analysis of Statement of Affairs**

The information supplied has been provided by the directors. There are no substantial disclosed assets left, however the Liquidators will look to analyse the transactions that took place within the last 12 months.

It would appear that there are some transfers that require further investigation. It is not anticipated that these transactions would be expected to release a significant amount of funds, however, they will be investigated along with other matters dealing with the statutory duties of the directors.

Further there is a current registered General Security Agreement in favour of the company's bankers, and if any funds are realised they will be applied firstly in payment of their outstanding debt.

#### **7. Proposals for Conducting the Liquidation**

The Liquidators will conduct an investigation of the company's books and records to establish if there are any potentially voidable transactions that require investigation, and further to ensure that the directors have complied with the duties and obligations imposed on them under the Companies Act 1993.

#### **8. 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.

The Liquidators give notice under section 255(5) of the Companies Act 1993 that no further reports will be issued other than a final report when the liquidation is complete.

## **9. 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.

## **10. Creditors Claims**

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.

## **11. 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 on (07) 571 6280.

Kenneth Peter Brown  
*Joint Liquidator*

**Gallacher Farm Services Limited (In Liquidation)**  
**Statement of Affairs**

**As at 13 November 2006**

<b>Assets</b>	\$ unknown
<b>Less Secured Claims</b>	25,000
<b>Less Preferential Claims</b>	unknown
<b>Deficit before Unsecured Creditors</b>	(25,000)
<b>Less Unsecured Creditors</b>	166,000
<b>Deficit (before costs of liquidation)</b>	<u>\$ (191,000)</u>

*Disclaimer*

*This statement should be read in conjunction with the disclaimer on page one of the above Liquidators report and Rodewald Hart Brown Ltd 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.*

*Rodewald Hart Brown  
19 December 2006*