

H & L Harvesting Limited (In Liquidation)

Liquidators First Report

12 January 2009

1. Background

H & L Harvesting Limited ("the company") was placed into liquidation by order of the High Court at Rotorua on the 17th day of November 2008 at 11.07am. Kenneth Peter Brown and Robert James Neilson, Chartered Accountants of Tauranga were appointed as Joint and Several Liquidators of the company.

2. Disclaimer

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3. Company Information

Date of Incorporation: 16 August 2002
Trading Address: 26 Great West Road, Rotorua
Type of business: Logging
Date trading ceased: October 2008
Shareholders: Brian Keith Luxford
Liesel Luxford
Director: Brian Keith Luxford

4. Events leading to appointment of Liquidators

The company accountant has advised the reason for the failure of the company is due to there never being any major contracts and those that they did have weren't in writing. When the market fell away, the contract was gone then there was no further work until another contract was found. This led to major financial difficulties resulting in being unable to pay GST, PAYE and income tax resulting in the Inland Revenue Department successfully applying to the Court to have a Liquidator appointed.

5. Statement of Affairs

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

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 will conduct an investigation 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 director has complied with the duties and obligations imposed on him 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.

Reports will be forwarded after each six months of the liquidation, with a final report at the conclusion.

8. 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.

9. Creditors Claims

Please complete and return the enclosed Unsecured Creditors Claim form by the 30 April 2008. 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.

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 Marilyn Thorne at our Tauranga Office.



Kenneth Peter Brown
Joint Liquidator

Appendix I
H & L Harvesting Limited (In Liquidation)
Statement of Affairs
as at the date of the appointment of the
Liquidators being 17 November 2008.

	<i>Estimated to realise \$</i>
Assets	0
Less Secured Claims	
Dorchester Finance	11,806
Allied Nationwide Finance	481,195
Less Preferential Claims	
IRD	65,796
Deficit before Unsecured Creditors	(558,797)
Less Unsecured Creditors	
IRD – (penalties & interest)	52,978
Trade Creditors	64,018
Deficit (before costs of liquidation)	(675,793)

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 Limited

Appendix II
H & L Harvesting Limited (In Liquidation)
Schedule of Creditors as at 17 November 2008

Accident Compensation Corporation	PO Box 3248		Wellington
Allied Nationwide Finance	PO Box 30-283		Lower Hutt
Bay Oil Supplies & Services Ltd	PO Box 6108		Rotorua
Cable Price (NZ) Ltd	PO Box 747		Rotorua
Cookes	PO Box 14-422	Panmure	Auckland
Dial A Drum	42 Ralph Road	RD 2	Rotorua
Dorchester Finance Ltd	PO Box 3286		Auckland
Farquhar Accountants Ltd	PO Box 10156		Rotorua
Forestaire	PO Box 7409	Te Ngae	Rotorua
Gone Bush Ltd	28 Ferguson Place		Rotorua
Hose Direct	76 Tallyho Street		Rotorua
Hydraulink Tauranga Ltd	PO Box 872		Tauranga
Inland Revenue Department	PO Box 2234		Rotorua
Komatsu	PO Box 98900	SAMC	Auckland
Lakeland Heavy Machinery Ltd	PO Box 1976		Rotorua
Mini Fuels & Oils Ltd	PO Box 12-115	Penrose	Auckland
Mobile Engineering	PO Box 1152		Rotorua
Premier Finance	C/- Sweeney Townsend & Associates	PO Box 1747	Rotorua
Priceright Parts & Machinery Ltd	PO Box 1121		Rotorua
Rotorua Auto Electrical (200) Ltd	PO Box 5163		Rotorua
Rotorua Forest haulage Ltd	PO Box 7063	Te Ngae	Rotorua
Speirs Finance	PO Box 30283		Lower Hutt
Stihl Shop Rotorua	PO Box 781		Rotorua
Thompson Lawnmowers & Chainsaws Ltd	PO Box 337		Rotorua
W.L. Gracie & Associates Ltd	PO Box 4058		Rotorua
Waitomo Petroleum Ltd	PO Box 5125		Hamilton