

Meltzer Mason Heath

Chartered Accountants practising as insolvency specialists

Refer to: Rachel Mason

Liquidators' First Report

Ascot Downs Developments Limited (In Receivership & In Liquidation)

1. Appointment

We advise that Karen Betty Mason and Rachel Karen Mason were appointed joint and several Liquidators of the above company on 12 August 2009 by order of the High Court in Auckland.

Karen Mason and Rachel Mason are Insolvency Specialists and full time Insolvency Practitioners. They have not previously acted in any capacity for the company or the officers and shareholders of the company.

2. Background

Date of Incorporation: 15 March 2005

Type of Business: Property Development

Shareholders: Kapulua Limited 500 shares
Maurice Robert Weaver, Sarndra Ivy Newman and
Paul Broatch 500
shares

Directors: Blair Peter Millar

Maurice Robert Weaver

Share Capital: 1,000 ordinary shares

Date of Liquidation: 12 August 2009

3. Events Leading to Appointment

The company was placed in receivership on 9 July 2009. The Receivers advise that the company's subdivision development was delayed for approximately one year, due to Council requirements not being fulfilled. This delay led to the lapsing of various sale and purchase agreements. The recent fall in the property market meant that the company was unable to on-sell these properties at the price required to satisfy the secured lender.

In turn, this led to the company being unable to pay its other creditors, and the company was placed in liquidation on the application of one such creditor.



4. Statement of Affairs

The Liquidators have prepared an Estimated Statement of Affairs being the assets and liabilities of the company at the date of liquidation. We **attach** a copy.

5. Proposals for Conducting the Liquidation

5.1 Realisation of Assets

It appears that all company assets are encumbered or secured by a General Security Agreement. The Receivers have advised they have taken control of the company's assets, and will take all steps necessary to realise those assets for the benefit of the secured creditor, and they further advise that they do not anticipate any realisable assets will remain after this.

5.2 Investigations

The Liquidators will examine the company's available books and records and conduct a brief review of the company's affairs.

5.3 Knowledge of Information Relevant to the Liquidation

Should creditors and other parties possess any information that may be relevant to the liquidation, or may lead to realisations for the benefit of creditors, please advise the Liquidators in writing and provide them with copies of supporting documents.

6. List of Creditors

A list of all known creditors has been compiled by the Liquidators. We **attach** a copy.

7. Creditors Claim Form

Creditors should complete and return the **attached** Creditor's claim form by 28 September 2009. Creditors who do not make a claim within the period may be excluded from any distribution that may be made.

8. Retention of Title Claims/Security Interest

Please note, if you believe you have a valid retention of title claim or security interest over goods or equipment supplied to Ascot Downs Developments Limited (In Receivership & In Liquidation), and you have not yet contacted the Liquidators, please contact us immediately.

9. Initial Creditors Meeting

As it is unlikely there will be a distribution to creditors, pursuant to s245 of the Companies Act 1993 the Liquidators propose to dispense with the meeting of creditors

to consider whether to appoint different Liquidators, and to consider the views of creditors.

Accordingly a meeting of creditors will not be called unless a creditor gives notice to the Liquidators within 10 working days after receiving this notice, requiring a meeting to be called.

10. Liquidation Committee

At any time during the liquidation, any creditor may in writing, request the Liquidators to call a meeting of creditors to consider whether a Liquidation Committee should be appointed, and if so, to choose the members of the Committee.

A Liquidation Committee has certain powers set out in s315 of the Companies Act 1993, including to assist the Liquidators as appropriate in the conduct of the liquidation.

11. Estimated Date of Completion of Liquidation

It is not practicable to estimate the date of completion of the liquidation at this stage, as the liquidation cannot be completed until the Receivers have discharged their duties.

Enquiries should be directed to: Rachel Mason

R K Mason
Liquidator

Dated this 27th day of August 2009

Attach:

**Estimated Statement of Affairs of
Ascot Downs Developments Limited (In Receivership & In Liquidation)
As at the date of the Appointment of Liquidators
Being 12 August 2009**

	<i>Book Value</i> \$	<i>Estimated Realisable Value</i> \$
Assets Specifically Pledged:		
Cash at Bank	2,724	}
Accounts Receivable	490,458	
Land	2,677,777	
Work in Progress	1,961,182	
Plant and Equipment	9,665	
Motor Vehicle	13,333	
Estimated Total Assets Available for Preferential Creditors and Secured Creditors	<u>5,155,139</u>	<u>UNKNOWN</u>
<i>Less</i> – Secured Creditors (General Security Agreement)	7,153,621	7,153,621
	<u>2,038,482</u>	<u>UNKNOWN</u>
<i>Less</i> – First Ranking Preferential Creditors		
Wages and Holiday Pay (Includes PAYE)	NIL	NIL
	<u>2,038,482</u>	<u>UNKNOWN</u>
<i>Less</i> – Second Ranking Preferential Creditors		
Inland Revenue Department	80,424	
	GST	
	PAYE	
	<u>NIL</u>	<u>80,424</u>
Estimated Total Deficiency as regards Preferential Creditors and Secured Creditors	<u>2,118,906</u>	<u>UNKNOWN</u>
<i>Less</i> – Unsecured Creditors		
	Trade	513,837
	Other	782,976
	Deposits and Retentions	290,330
	<u>1,587,143</u>	<u>1,587,143</u>
Total Deficiency as regards Unsecured Creditors and Shareholders	<u>3,706,049</u>	<u>UNKNOWN</u>
<i>Less</i> – Issued and Paid Up Capital	1,000	1,000
Total Deficiency as regards Unsecured Creditors and Shareholders	<u>3,707,049</u>	<u>UNKNOWN</u>

Note: The above estimates are subject to the costs of realisation, including Receivers' and Liquidators' fees.

Disclaimer of Liability:

The Estimated Statement of Affairs has been prepared based on information from the books and records of the company together with information supplied by the Receivers, being the Company's General Ledger as at 21 July 2009. This information has not been verified. The Liquidators have not carried out an audit or reviewed the information supplied and therefore they do not accept any responsibility for the accuracy of the information from which the Estimated Statement of Affairs has been prepared. Further, the Estimated Statement of Affairs has been prepared for the purpose of the liquidation only, and the Liquidators do not accept any responsibility on any ground whatever, including liability in negligence, to any other person.

Ascot Downs Developments Limited (In Liquidation)
Creditors Known at Liquidation
August 2009

Company	Address1	Address2	City
Inland Revenue Department	PO Box 1535		HAMILTON
A & H Riddell TSTS	142 Domain Road	Papamoa	TAURANGA
Abernathy Broatch Law	PO Box 5283		MT MAUNGANUI
Anderson Contracting	8 Masons Ave		HAMILTON
Business Resource Group Ltd	1152 Pyes Pa Rd		TAURANGA
Clothier Earthworks Ltd	142 Tara Road	Papamoa	MT MAUNGANUI
Amrein Colin Contracting Ltd	PO Box 858		TAURANGA
Cooney Lees & Morgen	PO Box 143		TAURANGA 3140
Environment BOP	PO Box 364		WHAKATANE 3158
Fulton Hogan Ltd	Private Bag 12016		TAURANGA
Graceteam Accounting	PO Box 15004		TAURANGA 3144
John Warren Insurances	PO Box 287		TAURANGA
KJ's Diggers Ltd	PO Box 2627		MT MAUNGANUI 3140
M Tec Consultants	1277 Haupapa St		ROTORUA
Mega Mow			
Metro Commercial	PO Box 4659		MT MAUNGANUI STH
Northpower	61 Te Okuroa Dr	Papamoa	TAURANGA
Oregon ITM Papamoa	PO Box 4338		MT MAUNGANUI
Spray Marks	10 Sherson Street	Greerton	TAURANGA
Tauranga City Council	Private Bag 12022		TAURANGA 3110
Trees on the Move			
Trust Power	Private Bag 12023		TAURANGA 3143