

Meltzer Mason Heath

Chartered Accountants practising as insolvency specialists

Refer to: Mike Lamacraft

Liquidators' First Report

Nylex (New Zealand) Limited (In Receivership & In Liquidation) "Nylex NZ"

1. Appointment

We advise that Jeffrey Philip Meltzer and Michael Lamacraft were appointed joint and several Liquidators of the above company on 7 August 2009 by resolution of creditors at a Watershed meeting convened pursuant to Section 239AT of the Companies Act 1993.

Jeff Meltzer and Mike Lamacraft are full time Insolvency Practitioners. They previously acted as administrators of the company.

2. Background

<i>Date of Incorporation:</i>	25 November 1957
<i>Trading Address:</i>	2/118 Savill Drive, Mangere, Auckland 15 Pilkington Way, Sockburn, Christchurch
<i>Type of Business:</i>	Warehouse and Distribution
<i>Shareholders:</i>	Eilloc Pty Limited 58,394,142 shares
<i>Directors:</i>	Kenneth Arthur Latchford Colin Russell Morrow
<i>Share Capital:</i>	58,394,142 ordinary shares
<i>Date of Liquidation:</i>	7 August 2009

3. Events Leading to Appointment

Jeffrey Philip Meltzer and Michael Lamacraft were appointed joint and several administrators of Nylex NZ by a special resolution of the directors of Nylex NZ under section 239I (1) of the Act dated 11 February 2009.

The directors of Nylex NZ, Kenneth A Latchford and Colin R Morrow were of the opinion that Nylex NZ was insolvent or may become insolvent, and that an Administrator should be appointed. The Administrators were also appointed as administrators of Nylex Engineering Systems Limited.



Also on 11 February 2009, William Black, Andrew Grenfell and Johannes Vorster of McGrath Nicol + Partners Limited were appointed receivers of Nylex NZ (the Receivers) and Nylex Engineering Systems Limited under the powers contained within a Security Trust Deed dated 31 October 2001 in favour of ANZ Fiduciary Services Pty Limited of 430 Collins Street, Melbourne, Australia on behalf of a syndicate of secured lenders.

Nylex NZ's sole shareholder and parent company is Eilloc Pty Limited. Eilloc Pty Limited is part of the Nylex Group of Companies.

Earlier, on 11 February 2009, the directors of Nylex Limited, Eilloc Pty Limited, Ajax Cooke Pty Limited, Nylex Corporation Pty Limited and the Nylex Group of Companies ('Nylex Group') appointed George Georges and John Lindholm of Ferrier Hodgson (Melbourne) as Administrators.

Subsequent to the appointment of the Australian Administrators on 11 February 2009, Nylex's syndicate of secured lenders appointed Colin Nicol, Johan Vorster and Sam Daview of McGrathNicol (Australia) receivers and managers of Nylex Limited, Nylex Corporation Pty Limited, Eilloc Pty Limited, Ajax Cooke Pty Limited and a number of the Nylex Group companies.

The Receivers of Nylex NZ have continued to trade the business and are realising assets. They advised the Administrators that they did not expect a surplus to be available to unsecured creditors.

In the circumstances there was no possibility of proposing a Deed of Company Arrangement and therefore the only option for creditors was to resolve that the company be placed into liquidation.

Creditors resolved at the Watershed meeting held on 7 August 2009 to place the company into liquidation.

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

All assets will be realised by the Receivers.

5.2 Examination of Books and Records

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 10 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 Interests

Please note, if you believe you have a valid retention of title claim or security interest over goods or equipment supplied to Nylex (New Zealand) 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.

Enquiries should be directed to: Mike Lamacraft

M Lamacraft
Liquidator

Dated this 12th day of August 2009

Attach:

**Estimated Statement of Affairs of
Nylex (New Zealand) Limited (In Receivership & In Liquidation)
As at the date of the Appointment of Liquidators
Being 7 August 2009**

		<i>Estimated Realisable Value \$</i>
Assets:		
Surplus from Receivership		Nil
Estimated Total Assets Available for Unsecured Creditors		<u>Nil</u>
Unsecured Creditors		
Trade	(5,239,000)	
Employees	(154,000)	
Shortfall to Secured Creditor	<u>Not Known</u>	
Total Deficiency as regards Unsecured Creditors		<u>Not Known</u>
Issued and Paid Up Capital		<u>58,394,142</u>
Total Deficiency as regards Unsecured Creditors and Shareholders		<u><u>Not Known</u></u>

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

Disclaimer of Liability:

We have prepared the Estimated Statement of Affairs as at the date of liquidation being 7 August 2009.

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 Director. 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.

M Lamacraft
Liquidator

7 August 2009

Nylex (New Zealand) Limited (In Receivership & In Liquidation)**Creditors Known at Liquidation****August 2009**

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COMPANY	ADDRESS1	ADDRESS2	CITY
AIRGUN SERVICES LTD	P O BOX 12-942	PENROSE 1642	AUCKLAND
ANZ FIDUCIARY SERVICES PTY LTD	430 COLLINS ST	MELBOURNE SOUTH AUCKLAND	AUSTRALIA AUCKLAND 2240
ARTECH PRINT LTD	P O BOX 97486	MAIL CENTRE	AUCKLAND 2240
AUCKLAND PROTECTED EMPLOYMENT TRST	P O BOX 22-436	OTAHUHU 1640	AUCKLAND
CALLPLUS LTD	P O BOX 108-109	SYMONDS STREET	AUCKLAND
CHUBB NZ LTD	P O BOX 68-649	SHORTLAND STREET	AUCKLAND
CMI SPRINGS	P O BOX 3963	1140	AUCKLAND
CONNECT CAPITAL LTD	P O BOX 7417	WELLESLEY ST	AUCKLAND
CONNECT NZ LTD	P O BOX 7417 CNR LAURENCE STEVENS&	WELLESLEY ST	AUCKLAND
DHL EXPRESS (NZ) LTD	HAPE DR	ONEHUNGA	AUCKLAND 1643 CHRISTCHURCH 8543
DONAGHYS INDUSTRIES LTD	P O BOX 20449 PRIVATE BAG 94013		SOUTH AUCKLAND MAIL CENTRE
EQUIPMENT FINANCE LTD	P O BOX 14119	PANMURE	AUCKLAND
FOWLERS MACHINERY LTD	P O BOX 90940	AMC	AUCKLAND
GOODMAN Henry Kingi	1596 Dominion Road	Mt Roskill	AUCKLAND 1041 MT MAUNGANUI 3150
HOSE SUPPLIES NZ LTD	P O BOX 5228		CHRISTCHURCH 8244
INDUSTRIAL MAINTENANCE GROUP INLAND REVENUE DEPARTMENT INTEGRAL TECHNOLOGY GROUP LTD	P O BOX 33-083 P O BOX 1535	BARRINGTON	HAMILTON
J.J. RICHARDS & SONS (NZ) LTD	95A ASCOT AVE	GREENLANE 1546	AUCKLAND
JOHNS MANVILLE	P O BOX 76-647 BOX 7013	250 07 HELSINGBORG	MANUKAU CITY SWEDEN NEW PLYMOUTH 4340
KIBBYS METAL PRESSING	P O BOX 75		CHRISTCHURCH 8440
KILMARNOCK ENTERPRISES Lena Chapman	P O BOX 8072 3-29 Monteith Crescent	Remuera	AUCKLAND 1050
MAGIC SCREENERS LTD	145 PILKINGTON RD, PANMURE	GLEN INNES	AUCKLAND 1743
MATRIX SECURITY GROUP LTD	P O BOX 62669 PRIVATE BAG 92008		AUCKLAND 1544
MERCURY ENERGY LIMITED			AUCKLAND 1 PALMERSTON NORTH 4440
MILSON METALS LTD	P O BOX 672		WELLINGTON MAIL CENTRE
NEW ZEALAND POST Nicholas Cavanagh NZ CUSTOMS SERVICE	P O BOX 38817 3-35 Oliver Street	Pt Chevalier	AUCKLAND 1022 AUCKLAND Attention: D Shalfoon
OFFICEMAX NZ LTD	PO BOX 29 PRIVATE BAG 92831		AUCKLAND 1642

Nylex (New Zealand) Limited (In Receivership & In Liquidation)
Creditors Known at Liquidation
August 2009
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PILKINGTON WAY PROPERTIES	1 PUPUKE ROAD PRIVATE BAG 92109	TAKAPUNA	AUCKLAND
POST HASTE LIMITED			AUCKLAND 1142
RAYDAR CREATIVE	36 DOUGLAS ST	PONSONBY	AUCKLAND
ROBERT PASCOE CARRIERS LTD Robert Reekie	P O BOX 59110		AUCKLAND 2151
	12 Koromiko	St Martins	CHRISTCHURCH
Sefton Ingham	25 Eaton Crescent	Matua	8022
SELLOTAPE PRODUCTS (NZ)	P O BOX 2484		TAURANGA 3110
	1100 HICKS ROAD		AUCKLAND
SPOTNAILS INC	ROLLING MEADOWS	ILLINOIS 60008-1095	USA
EMAIL: dtill@spotnails.com			
SPURWAY COOKE INDUSTRIES PTE LTD	2 JOO KOON RD	JURONG	SINGAPORE 628966
STEELMASTERS	P O BOX 12-641	PENROSE	AUCKLAND
SUPERIOR PERSONNEL LTD	83 SPRINGS RD	GREENMOUNT	AUCKLAND
	PRIVATE BAG 92031		
TELECOM NEW ZEALAND LTD			AUCKLAND
			SOUTH AUCKLAND
ULLRICH ALUMINIUM CO LTD	P O BOX 98843		MAIL CENTRE
		AUCKLAND	
		INTERNATIONAL	
UPS SCS (NEW ZEALAND) LIMITED	P O BOX 73002	AIRPORT	AUCKLAND
VODAFONE NZ LTD	PO BOX 92161		AUCKLAND
William Dunn	29 Fearon	Mt Roskill	AUCKLAND 1041
Winston Penn	16 Bob Charles Drive		
	45 BUXTON PLACE	Golflands	MANUKAU 2013
WYLIE P		OHANITI	TAURANGA