

Meltzer Mason Heath

Chartered Accountants practising as insolvency specialists

Refer to: Lloyd Hayward

Liquidators' First Report

Wensley Group Limited (In Liquidation)

1. Appointment

We advise that Jeffrey Philip Meltzer and Lloyd James Hayward were appointed joint and several Liquidators of the above company on 18 November 2009 by order of the High Court in Auckland.

Jeff Meltzer and Lloyd Hayward are Chartered Accountants and full time Insolvency Practitioners. Prior to Liquidation Meltzer Mason Heath assisted the shareholders of the company by giving advice regarding the solvency of the company and in negotiations conducted by the directors with creditors. They are also Liquidators of other companies associated with the shareholders. Other than this the Liquidators have not previously acted in any capacity for the company or the officers and shareholders of the company.

2. Background

<i>Date of Incorporation:</i>	4 September 2008
<i>Trading Address:</i>	5 The Crescent, Invercargill
<i>Type of Business:</i>	Property Development
<i>Date Ceased Trading:</i>	18 November 2009
<i>Shareholders:</i>	Ross McGregor Wensley & Raewyn Florence Wensley 1,585 shares Julie Raewyn Wensley Jack & Ross McGregor Wensley 399 shares Julie Raewyn Wensley Jack 6 shares Raewyn Florence Wensley 5 shares Ross McGregor Wensley 5 shares
<i>Directors:</i>	Ross McGregor Wensley
<i>Share Capital:</i>	2,000 ordinary shares
<i>Date of Liquidation:</i>	18 November 2009



3. Events Leading to Appointment

The Wensley group of companies operated as property developers mostly in Queenstown. Following the recession and the credit crunch that has affected the NZ economy and property investment in particular, apartments developed by group companies remain unsold and under the control of the financiers. The profit margins for the sales of these apartments that were initially expected have not eventuated. In the current economic environment these profits are not likely to be achieved. As a consequence the company is unable to meet its creditor obligations and the directors have recommended that the shareholders place the company into liquidation.

In addition it was industry practice to offer guaranteed rental income to investors and Wensley companies did so. Cash flows were seriously affected by the economic factors noted above and the Company was not able to meet all its guaranteed rental obligations.

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

The Director advises that the company has no assets.

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 5 January 2010. 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 Wensley Group Limited (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: Lloyd Hayward

L J Hayward
Liquidator

Dated this 30th day of November 2009

Attach:

**Estimated Statement of Affairs of
Wensley Group Limited (In Liquidation)
As at the date of the Appointment of Liquidators
Being 18 November 2009**

	<i>Estimated Realisable Value \$</i>
Assets not Specifically Pledged:	Nil
Estimated Total Assets Available for Preferential Creditors and Secured Creditors	Nil
<i>Less</i> – First Ranking Preferential Creditors	
Wages and Holiday Pay (Includes PAYE)	Nil
	Nil
<i>Less</i> – Second Ranking Preferential Creditors	
Inland Revenue Department - PAYE	31,628
Estimated Total Assets Available for Secured Creditors and Unsecured Creditors	
<i>Less</i> – Secured Creditors	Nil
Estimated Total Deficiency as regards Secured Creditors and Unsecured Creditors	31,628
<i>Less</i> – Unsecured Creditors	47,000
Total Deficiency as regards Unsecured Creditors and Shareholders	78,628
<i>Less</i> – Issued and Paid Up Capital	2,000
Total Deficiency as regards Unsecured Creditors and Shareholders	80,628

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 18 November 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.

Wensley Group Limited (In Liquidation)
Creditors Known at Liquidation
November 2009

Company	12.	Address1	Address2	City
R C Titchmarsh & V M Maree	C/-	Anderson Lloyd	PO Box 201	QUEENSTOWN 9348