

Meltzer Mason Heath

Chartered Accountants practising as insolvency specialists

Refer to: Mike Lamacraft

Liquidators' First Report

AAAAAA Abacus Group Limited (In Liquidation) ("Group")
AAAAAA Abacus Drainage Limited (In Liquidation) ("Drainage")
AAAAAA Abacus Electrical Limited (In Liquidation) ("Electrical")
AAAAAA Abacus Plumbing Limited (In Liquidation) ("Plumbing")
(trading as Abacus Plumbing Drainage Electrical)

1. Appointment

We advise that Arron Leslie Heath and Michael Lamacraft were appointed joint and several Liquidators of the above companies on 31 December 2003 by special resolution of shareholders.

Arron Heath and Mike Lamacraft are full time Insolvency Practitioners. They have not previously acted in any capacity for the companies or the officers and shareholders of the companies.

2. Background

GROUP

<i>Date of Incorporation:</i>	14 November 2002
<i>Trading Address:</i>	Unit 5, 3 Tait Place, Albany, Auckland
<i>Type of Business:</i>	Management Company
<i>Date Ceased Trading:</i>	20 December 2003
<i>Shareholder:</i>	North Harbour
	Trustee Company Limited 100 shares
<i>Director:</i>	Adam Paterson
<i>Share Capital:</i>	100 ordinary shares of \$1.00 each
<i>Date of Liquidation:</i>	31 December 2003



DRAINAGE

Date of Incorporation: 14 November 2002
Trading Address: Unit 5, 3 Tait Place, Albany, Auckland
Type of Business: Drainage Services
Date Ceased Trading: 20 December 2003
Shareholder: North Harbour Trustee Company Limited 100 shares
Director: Adam Paterson
Share Capital: 100 ordinary shares of \$1.00 each
Date of Liquidation: 31 December 2003

ELECTRICAL

Date of Incorporation: 31 July 2002
Trading Address: Unit 5, 3 Tait Place, Albany, Auckland
Type of Business: Electrical Services
Date Ceased Trading: 20 December 2003
Shareholder: Adam Paterson 100 shares
Director: Adam Paterson
Share Capital: 100 ordinary shares of \$1.00 each
Date of Liquidation: 31 December 2003

PLUMBING

Date of Incorporation: 21 November 2002
Trading Address: Unit 5, 3 Tait Place, Albany, Auckland
Type of Business: Plumbing Services
Date Ceased Trading: 20 December 2003
Shareholder: North Harbour Trustee Company Limited 100 shares
Director: Adam Paterson
Share Capital: 100 ordinary shares of \$1.00 each
Date of Liquidation: 31 December 2003

3. Events Leading to Appointment

We are advised that delays in selling a property, coupled with the burden of trying to pay creditors of a previously liquidated company (Abacus Plumbing and Drainage Services Limited) left the companies unable to meet their own obligations. The shareholder injected \$100,000 in August 2003 but this was insufficient to help the companies out of their difficulties. The director determined that the best option was to try to sell the assets before liquidation to obtain the best price. Following the sale of assets the only course was to place the companies into liquidation.

4. Statement of Affairs

The Liquidators have prepared estimated Statements of Affairs being the assets and liabilities of the companies at the date of liquidation. We attach copies.

5. Proposals for Conducting the Liquidation

5.1 Realisation of Assets

The fixed assets of the companies were sold prior to liquidation. The Liquidators will review these transactions to ensure a fair value was achieved.

Debts owed to the companies were factored and are owned by the factoring company. We will liaise with the factoring company to ensure any surplus is passed to the Liquidators.

5.2 Investigations

The Liquidators will review the companies' books and records, conduct an initial investigation into the trading affairs of the companies and conduct all other investigations that the Liquidators are charged to do. In particular, the sale of the assets will be reviewed.

6. Creditors Claim Form

Creditors should complete and return the attached Creditor's claim form by 15 February 2004. Creditors who do not make a claim within the period may be excluded from any distribution that may be made.

7. 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.

8. 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.

9. Estimated Date of Completion of Liquidation

It is not practicable to estimate the date of completion of the liquidations at this stage.

Enquiries should be directed to: Mike Lamacraft

M Lamacraft
Liquidator

Dated this 15th day of January 2004

Attach:

**Estimated Statement of Affairs of
 AAAAAA Abacus Electrical Limited (In Liquidation)
 As at the date of the Appointment of Liquidators
 Being 31 December 2003**

	<i>Book Value</i>	<i>Estimated Realisable Value</i>
	\$	\$
Assets		Nil
Estimated Total Assets Available for Preferential Creditors		<u>Nil</u>
Preferential Creditor		
Inland Revenue Department – GST		(1,076)
Estimated Total Deficiency as regards Preferential Creditor		<u>(1,076)</u>
Unsecured Creditors		(16,858)
Estimated Total Deficiency as regards Unsecured Creditors		<u>(17,934)</u>
Issued and Paid Up Capital		(100)
Total Deficiency as regards Unsecured Creditors and Shareholders		<u><u>(18,034)</u></u>

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

Disclaimer of Liability:

We have compiled the Statement of Affairs as at the date of Liquidation being 31 December 2003.

A compilation is limited to the collection, classification and summarisation of the books and records of the company together with information supplied by the Directors. A compilation does not involve the verification of that information. We have not carried out an audit or reviewed the information supplied and therefore we do not accept any responsibility for the accuracy of the information from which the Statement of Affairs has been prepared. Further, the Statement of Affairs has been prepared for the purpose of the liquidation only, and we do not accept any responsibility on any ground whatever, including liability in negligence, to any other person.