

Meltzer Mason Heath

Chartered Accountants practising as insolvency specialists

Refer to: Mike Lamacraft

Liquidators' First Report

Advanced Coach Services Limited (In Liquidation)

1. Appointment

We advise that Arron Leslie Heath and Michael Lamacraft were appointed joint and several Liquidators of the above company on 9 September 2005 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 company or the officers and shareholders of the company.

2. Background

<i>Date of Incorporation:</i>	6 October 1993
<i>Trading Address:</i>	Gordon Road, Morningside, Auckland
<i>Type of Business:</i>	Diesel Engineers
<i>Date Ceased Trading:</i>	9 September 2005
<i>Shareholders:</i>	Harold Samuel Newton 34 shares Darryn Brian Webley 33 shares Craig Antony Johnson 33 shares
<i>Directors:</i>	Craig Antony Johnson Harold Samuel Newton Darryn Brian Webley
<i>Share Capital:</i>	100 ordinary shares
<i>Date of Liquidation:</i>	9 September 2005

3. Events Leading to Appointment

A decline in turnover coupled with bad debts left the company unable to meet its commitments. The directors tried to increase sales and also to sell the business as a going concern. These strategies were not successful and having taken appropriate advice the directors determined that the company should cease trading and be placed in to 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

Fixed assets will be sold in accordance with professional advice obtained. Every effort will be made to maximise the recovery from debtors.

5.2 Investigations

The Liquidators will review the company's books and records, conduct an initial investigation into the trading affairs of the company and conduct all other investigations that the Liquidators are charged to do.

6. Creditors Claim Form

Creditors should complete and return the attached Creditor's claim form by 10 October 2005. Creditors who do not make a claim within the period may be excluded from any distribution that may be made.

7. 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 Advanced Coach Services Limited (In Liquidation), and you have not yet contacted the Liquidators, please contact us immediately.

8. Initial Creditors Meeting

To avoid unnecessary costs to ensure the maximum return 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.

9. 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.

10. 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 14th day of September 2005

Attach:

**Estimated Statement of Affairs of
Advanced Coach Services Limited (In Liquidation)
As at the date of the Appointment of Liquidators
Being 9 September 2005**

	<i>Estimated to Realise</i>	<i>Owed to Secured Creditor</i>	<i>Estimated Realisable Value</i>
	\$	\$	\$
Assets Specifically Pledged:			
Plant, Machinery, Vehicles and Office Equipment	60,000	(60,000)	<u>Nil</u>
Assets not Specifically Pledged:			
Stock			10,000
Debtors			<u>90,000</u>
Estimated Total Assets Available for Preferential Creditors			100,000
First Ranking Preferential Creditors			
Wages and Holiday Pay (Includes PAYE)			<u>(30,000)</u>
			70,000
Second Ranking Preferential Creditors			
Inland Revenue Department	GST	(5,000)	
	PAYE	<u>(12,000)</u>	
			<u>(17,000)</u>
Estimated Total Assets Available for Unsecured Creditors			53,000
Unsecured Creditors			
- Shareholder Advances		(35,000)	
- Trade		<u>(70,000)</u>	
			<u>(105,000)</u>
Estimated Deficiency as regards Unsecured Creditors			<u>(52,000)</u>
Issued and Paid Up Capital			<u>(100)</u>
Estimated Total Deficiency as regards Unsecured Creditors and Shareholders			<u>(52,100)</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 9 September 2005.

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

14 September 2005