

Meltzer Mason Heath

Chartered Accountants practising as insolvency specialists

Refer to: Lloyd Hayward

Liquidators' First Report

Architectural Glass Industries NZ Limited (In Liquidation)

1. Appointment

We advise that Lloyd James Hayward and Arron Leslie Heath were appointed joint and several Liquidators of the above company on 31 October 2008 by special resolution of shareholders.

Lloyd James Hayward and Arron Leslie Heath are Chartered Accountants and full time Insolvency Practitioners. During August and September 2008 Meltzer Mason Heath assisted the shareholders in conducting a sale process offering the company's fixed assets for sale. This resulted in the introduction of a purchaser who concluded a purchase of those assets from the company. Other than this assistance with the sale process the Liquidators have not previously acted in any capacity for the company or the officers and shareholders of the company.

The Liquidators believe they have complied with s280 of the Companies Act 1993 and have signed a Consent to Act to that effect.

2. Background

<i>Date of Incorporation:</i>	12 July 2007
<i>Trading Address:</i>	28 Pavillion Drive, Airport Oaks, Mangere, Auckland
<i>Type of Business:</i>	Glass Toughening
<i>Date Ceased Trading:</i>	Approximately 8 August 2008
<i>Shareholders:</i>	Wayne Louis Pascoe 60 shares Gayle Frances Pascoe 40 shares
<i>Directors:</i>	Wayne Louis Pascoe
<i>Share Capital:</i>	100 ordinary shares
<i>Date of Liquidation:</i>	31 October 2008

3. Events Leading to Appointment



The company developed a greenfields glass toughening facility in leasehold premises with a view to securing a significant market share. The facility was commissioned and commenced operations in May 2008. Delays and cost overruns resulted in the company using all working capital available. Therefore, it could not meet ongoing costs during the period from start up. The director determined that the only possible course of action was sale of the facility.

In August 2008 all the major players in the market in New Zealand and Australia were invited to offer to purchase the facility. The offer for sale was also advertised in the NZ Herald. At the conclusion of the sale process the facility was sold to the highest bidder.

All proceeds from the sale were paid to secured lenders who had registered their security interest on the Personal Property Securities Register. There remains a shortfall and the secured lenders have not been paid in full.

At the completion of the sale the director concluded the company had no ability to pay secured lenders their remaining debt, nor the debt due to unsecured creditors and advised the shareholders 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

Following the sale of the facility prior to liquidation which resulted in the sale of all fixed assets and inventory the assets remaining for realisation are trade debtors and loans to related companies. These debts will be collected in accordance with the terms and conditions relating to each of them.

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 2 December 2008. 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 Architectural Glass Industries NZ 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 3rd day of November 2008
Attach:

**Estimated Statement of Affairs of
Architectural Glass Industries NZ Limited (In Liquidation)
As at the date of the Appointment of Liquidators
Being 31 October 2008**

	<i>Book Value</i>	<i>Estimated Realisable Value</i>
	\$	\$
Assets not Specifically Pledged:		
Trade Debtors	154,152	Unknown
Loans	261,087	Unknown
Estimated Total Assets Available for Preferential Creditors and Secured Creditors		Unknown
<i>Less – First Ranking Preferential Creditors</i>		
Wages and Holiday Pay (Includes PAYE)		9,870
<i>Less – Second Ranking Preferential Creditors</i>		
Inland Revenue Department	GST PAYE	
	106,025 49,005	
		155,030
Estimated Total Assets Available for Secured Creditors and Unsecured Creditors		Unknown
<i>Less – Secured Creditors</i>		
		78,991
Estimated Total Deficiency as regards Secured Creditors and Unsecured Creditors		Unknown
<i>Less – Unsecured Creditors</i>		
		1,160,322
Total Deficiency as regards Unsecured Creditors and Shareholders		Unknown
<i>Less – Issued and Paid Up Capital</i>		
Total Deficiency as regards Unsecured Creditors and Shareholders		Unknown

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 31 October 2008.

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.

Architectural Glass Industries NZ Limited (In Liquidation)**Creditors Known at Liquidation****October 2008**

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Company	Address1	Address2	City
AAP – Fleet Partners	PO Box 98899	South Auckland Mail Centre	MANUKAU 2240
AAP – Maxnet			
ACM Insurances Ltd	Private Bag 93536	Takapuna	AUCKLAND
Allied Quality Cleaning	5/9 Esplanade Road	Mt Eden	AUCKLAND
Aspect Interiors	PO Box 13679	Onehunga	AUCKLAND
Auckland Rescue	PO Box 2252	Mechanics Bay	AUCKLAND
Helicopter Trust	3 Solent Street		
Baker Cranes	PO Box 98 957	SAMC	MANUKAU CITY
Blastquip	12 Holt Place		CHRISTCHURCH
C & P Maintenance Ltd	PO Box 44	Takanini	AUCKLAND
C J Dunford Electrical Ltd	11 Warren Avenue	Three Kings	AUCKLAND 1042
Chesham Glass & Glazing	5 Norris Avenue PO Box 10423	Te Rapa	HAMILTON
Concept Patterns Ltd	PO Box 10240 Dominion Road	Mt Eden	AUCKLAND
Daniel Overton & Goulding	PO Box 13 017	Onehunga	AUCKLAND
Genesis Energy	PO Box 17188	Greenlane	AUCKLAND
Glass & Stone Machines Ltd	PO Box 58-373	Greenmount	AUCKLAND
Hellman Worldwide Logistics Ltd	PO Box 59-220		AUCKLAND
Inland Revenue Department	PO Box 1535		HAMILTON
Karen Halligan	4A Norman Road	Titirangi	AUCKLAND
Lincoln Sentry Group NZ Ltd	PO Box 305-437	Triton Plaza	AUCKLAND 0757
Maclean Computing	PO Box 90400	Auckland Mail Centre	AUCKLAND
Manukau City Council	Private Bag 76917		MANUKAU CITY
Maxnet	Po Box 8006	Albany	AUCKLAND
Metropolitan Glass & Glazing	PO Box 100 040	Lincoln North	AUCKLAND
Murdoch Newell & Co Ltd	PO Box 11488	Ellerslie	AUCKLAND
National Glass	PO Box 27337	Mt Roskill	AUCKLAND
National Glass East Auckland	38 Trugood Drive	East Tamaki	AUCKLAND
NZ Post	Po Box 39100	Wellington Mail Centre	LOWER HUTT
NZ Safety	Private Bag 92100		AUCKLAND
Overseas Glass Agencies – AU			
Overseas Glass Agencies – US			
Pacific Glass International Ltd	PO Box 26	Beachlands	AUCKLAND
Pavilion Holdings	PO Box 11 488	Ellerslie	AUCKLAND
Rentokil Initial Ltd	Private Bag 92-905	Onehunga	AUCKLAND

Architectural Glass Industries NZ Limited (In Liquidation)**Creditors Known at Liquidation****October 2008**

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Company	Address1	Address2	City
S & K Plant Repairs Ltd	47 Angle Street	Onehunga	AUCKLAND
Telecom New Zealand Ltd	Freepost 10053	Private Bag 4742	CHRISTCHURCH
Trenz Group Ltd	PO Box 109710	Newmarket	AUCKLAND
Universal Screen Supplies Ltd	PO Box 58673		AUCKLAND
Viridian	19 Gabador Place	Mt Wellington	AUCKLAND
Vodafone New Zealand Ltd	PO Box 7281	Wellesley Street	AUCKLAND
Warehouse Stationery Ltd	Airport Retail Centre	Mangere	AUCKLAND
Waste Management Wilson Partners	Private Bag 14-919 PO Box 9583	Panmure Newmarket	AUCKLAND AUCKLAND