

Bowden Storage and Distribution Limited (In Liquidation)

Liquidators' Second Report

For the period from 21 May 2015 to 20 November 2015

1 INTRODUCTION AND APPOINTMENT

Jared Waiata Booth and Tony Leonard Maginness, Insolvency Practitioners of Auckland, were appointed jointly and severally as liquidators of Bowden Storage and Distribution Limited ("the company") on 21 May 2015.

Pursuant to Section 255(2)(d) of the Companies Act 1993 ("the Act"), the liquidators herewith report on the progress of the liquidation. This second report should be read in conjunction with the liquidators' previous report. This report is being sent to all shareholders and all creditors who have filed a claim in the liquidation.

A Statement of Realisations and Distributions for the company is **attached**.

2 RESTRICTIONS

Whilst all care and attention has been taken in compiling this report, we do not accept any liability whatsoever to any party as a result of the circulation, publication, reproduction or use of this report.

We reserve the right (but are under no obligation) to review and, if we consider necessary, revise this report in respect of any information existing at the date of this report which becomes known to us after that date.

3 ASSET REALISATIONS

3.1 Bank Account Closures

The liquidators have recovered \$1,538 from the closure of the company's bank account.

3.2 Trade Debtors

The liquidators' investigations into the books, records and affairs of the company identified outstanding trade debtor balances, all of which were transferred to debt collectors due to their age. To date the liquidators have recovered \$26,241. No further information is provided on the basis that it may be prejudicial.

3.3 Prepayments

The liquidators have recovered prepayments of \$223.

4 INVESTIGATIONS

The liquidators' investigations into the books, records and affairs of the companies remain ongoing. No further information is provided on the basis that it may be prejudicial.

5 CREDITORS' CLAIMS

5.1 *Secured Creditors*

Secured claims have been received from Heartland Bank Limited (incorporating Marac Finance Limited) (\$94,310) and UDC Finance Limited (\$25,191) in relation to specific security interests held in certain equipment subject to finance and operating leases.

As mentioned in the liquidators' first report, on 24 December 2014 the company had entered into a sale and purchase agreement for the sale of its business. Under the agreement, the purchaser had the option of taking assignment of the secured assets and associated leases. The purchaser confirmed to the liquidators that they had exercised this option, and the liquidators correspondingly concluded that the estimated realisable value of the equipment was less than the amounts owed. The liquidators have confirmed the position with the secured creditors, and where applicable, have formally disclaimed the company's interest in the assets.

5.2 *Preferential Creditors*

The liquidators have received preferential claims totalling \$250,261 in relation to employees (\$5,000) and the Inland Revenue Department (\$245,261). No distribution has been paid at the date of this report.

5.3 *Unsecured Creditors*

The liquidators have received seven unsecured claims totalling \$9,961,056. In the interests of minimising liquidators' fees, the liquidators will not attend to the formality of accepting or rejecting creditors' claims until such time as we are in a position to pay a distribution.

6 FUNDS / LIKELY OUTCOME

There will be a short fall on the amount due to the General Security Agreement holder. Therefore, at this stage the liquidator does not anticipate paying a distribution to unsecured creditors.

7 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Recovery of trade debtor balances.
- Completion of investigations.

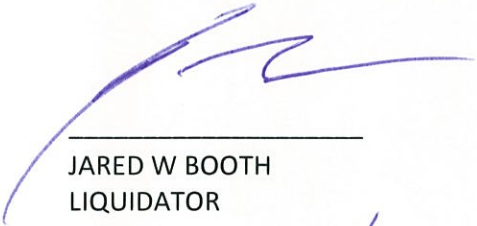
8 CONTACT DETAILS

Enquiries should be directed to the Echo Li on (09) 303 0506 or by email to eli@mvp.co.nz.

The Liquidators can be contacted at:

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Auckland 1010

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JARED W BOOTH
LIQUIDATOR

DATED this 22nd day of December 2015

Realisations and Distributions

Bowden Storage and Distribution Limited (In Liquidation) 21 May 2015 to 20 November 2015

NZ\$

Realisations

Bank Account Closure	1,538
Trade Debtors	26,241
Prepayments	223
Total Realisations	\$28,002

Payments

Liquidators' Fees	14,023
Disbursements	385
Debt Collection Costs	4,054
Total Payments	\$18,462

Balance Held	\$9,540
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Note: the above figures are GST exclusive