

PARTNERS

John T Whittfield Dip.Ag, M Inst.D
Peri M Finnigan BBS, Dip.Business Studies, CA (PP)
Boris van Delden B.Com, CA (PP)

SENIOR ASSOCIATE

Victoria Toon B.Com, CA (PP)

DIRECTOR

Kevin W Bromwich NZ Dip.Bus

CONSULTANTS

John L Vague FCA ACIS AFNZIM
Dennis Wood MBA, Dip.Pol, Dip.Bus.Admin



MCDONALD VAGUE

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RECEIVERS' SECOND REPORT ON THE STATE OF AFFAIRS OF HELI-LOGGING HOLDINGS LIMITED (IN RECEIVERSHIP)

"The Company"

1. INTRODUCTION

John Trevor Whittfield and Peri Micaela Finnigan, Insolvency Practitioners, of Auckland, were appointed jointly and severally as receivers and managers of all security interest in all present and after acquired personal property and all assets and undertakings, both present and future, of the company on 12 October 2007. Pursuant to section 24 of the Receiverships Act 1993, the receivers report herewith on the progress of the receivership. This second report should be read in conjunction with the receivers first reports. A statement of realisations and distributions is **attached**.

2. PROPERTY DISPOSED OF TO DATE

The boat Kahawai has been sold for \$9,000 (including GST).

3. PROPOSALS FOR DISPOSAL OF RECEIVERSHIP PROPERTY

The receivers have identified significant assets of the company, being 10 Wessex helicopters and associated parts. These assets are located in both the UK and New Zealand. Those helicopters and parts have been sold by international tender with settlement pending. A deposit has been received for the U.K. and New Zealand helicopters sold.

Because of the commercial sensitivity of the negotiations with all parties, the receivers cannot comment further on this matter.

4. AMOUNTS OWING TO SECURED CREDITOR

The amount of \$3,015,451 (including accrued interest) was due to our appointer at 30 September 2007. Penalty interest has been accruing since that date.

Significant loans are also owed to another secured lender.

5. PREFERENTIAL CREDITORS

We have yet to receive any formal claims from the company's preferential creditors.

6. UNSECURED CREDITORS

There will be no moneys available for unsecured creditors.

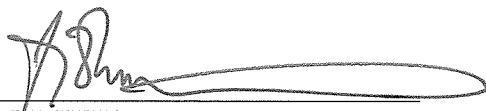
7. LEGAL PROCEEDINGS

The receivers have had to engage in substantial legal proceedings to secure assets and obtain company information. At the date of this report the receivers and secured lenders were in negotiation to settle all matters. We can now report that a Settlement Deed has been signed.

8. INFORMATION PROVIDED BY THE COMPANY

We have now received all information requested by the receivers.

Enquiries to: John Whittfield
Telephone: 0-9-303 0506
Website: www.mvp.co.nz



JOHN T WHITTFIELD
RECEIVER

DATED this 31st day of July 2008

THE RECEIVERSHIPS ACT 1993

NUMBER OF COMPANY : AK 1257407

NAME OF COMPANY : HELI-LOGGING HOLDINGS LIMITED
(IN RECEIVERSHIP)

PRESENTED BY : McDonald Vague
Insolvency Specialists
Level 5, 80 Greys Avenue
P O Box 6092
Wellesley Street PO, AUCKLAND 1

STATEMENT PURSUANT TO SECTION 24

Statement of Receipts and Payments in the Receivership of the company from 12 October 2007 (being commencement of the Receivership) to 11 April 2008 (being the second six monthly report of the Receivership).

	Cash Received \$
CASH HAS BEEN RECEIVED AS FOLLOWS:	
Advance from Helilogging Limited (In Receivership & In Liquidation)	17,039
Advance from M & S Trading Limited (In Receivership)	98
Advance from LDC Finance Limited (In Receivership)	16,250
Advance from Commercial Factors & Finance Limited	151,413
Sale of New Zealand Helicopters – Deposit	18,586
Sale of U.K. Helicopters – Deposit	24,586
Interest	131
Sale of Kahawai Boat	8,000
TOTAL RECEIPTS	\$236,103

CASH HAS BEEN PAID AS FOLLOWS:	
Helicopter Storage & Transport	29,885
Legal Fees (refer note 1)	57,923
Residents Withholding Tax	23
U.K. Rent	100,118
TOTAL PAYMENTS	\$187,949


TOTAL RECEIPTS	236,103
LESS TOTAL PAYMENTS	187,949
BALANCE HELD	\$48,154

Note: The above figures are GST exclusive

REPRESENTED BY:

ASB Bank Limited – Cheque Account	21,483
ASB Bank Limited – Interest Bearing Trust Account	5,482
ASB Bank Limited – U.K. Account	24,586
GST Suspense Account	(3,397)
	<u>\$48,154</u>

Note 1: There have been protracted legal matters relating to other Helilogging companies and costs have been apportioned in these entities.



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JOHN T WHITTFIELD
RECEIVER

Dated this 31st day of July 2008