

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 ASSOCIATES

Dennis Wood MBA, Dip.Pol, Dip.Bus.Admin
Victoria Toon B.Com, CA (PP)

DIRECTOR

Kevin W Bromwich NZ Dip.Bus

CONSULTANTS

Graeme G McDonald B.Com, FCA
John L Vague FCA ACIS AFNZIM



MCDONALD VAGUE

Business Recovery & Insolvency Specialists

RECEIVERS' FIRST REPORT ON THE STATE OF AFFAIRS OF M & S TRADING LIMITED (IN RECEIVERSHIP)

"The Company"
(Formerly trading as Heli-Ag Limited)

Level 5 DDB Building
80 Greys Ave
PO Box 6092
Wellesley St Post Office
Auckland New Zealand

Telephone 0-9-303 0506

Facsimile 0-9-303 0508

DX No. CP28006

insol@mvp.co.nz

www.mvp.co.nz

1. INTRODUCTION

John Trevor Whittfield and Peri Micaela Finnigan, Insolvency Practitioners of Auckland, were appointed jointly and severally as receivers and managers of all the assets, property and undertakings of the company on 18 October 2006. They were appointed under the powers contained within a general security agreement dated 6 October 2003 in favour of Commercial Factors Limited. The address of the secured creditor is PO Box 62 530, Central Park, Penrose, Auckland. The Receivers set out below their first report on the state of affairs of the above named company as required by section 23 of the Receivership Act 1993.

2. EVENTS LEADING UP TO OUR APPOINTMENT

The appointment arose as a result of the company's default in meeting payments due to secured lenders.

3. TRADING ON / CLOSURE OF BUSINESS

The company has ceased to trade and the 31 March 2005 accounts show no revenue earned.

4. PROPERTY DISPOSED OF TO DATE

The company owned a boat that was sold prior to receivership to repay a debt to Nationwide Finance Limited. The draft 31 March 2005 accounts show the purchase of certain aircraft costs as asset additions. The receivers will be investigating the transactions and the detail on the assets purchased. The receiver will take all steps to obtain the best possible price obtainable.

5. PROPOSALS FOR DISPOSAL OF RECEIVERSHIP PROPERTY

From the information available there are related company loans receivable according to the draft 31 March 2005 financial statements. The receivers will make demands for repayment of these moneys. There are also moneys owed to the company by Mark Ford and the Ford Family Trust. Demands for repayment of these moneys will be made. The aircraft costs incurred will be investigated as to realisable value of the transaction.

6. AMOUNTS OWING TO THE SECURED CREDITOR

At the date of our appointment the amount owing to Commercial Factors Limited is \$1,128,875.

7. CREDITORS WITH AN INTEREST IN THE PROPERTY

Halifax Finance Limited has an unregistered loan for certain timber stocks of \$327,274, and an unregistered loan security over an excavator for \$67,547. The receivers have yet to ascertain as to whether this amount is still owing, and have at this stage no knowledge of the excavator and timber which is the collateral for the advance.

8. PREFERENTIAL CREDITORS

We have yet to receive any formal claims from the company's preferential creditors. According to the records of the company these claims, as at the date of our appointment, are summarised as follows:

	\$
Inland Revenue Department – PAYE	13,778
– GST	6,437
TOTAL	<u>\$20,215</u>

9. UNSECURED CREDITORS

The Inland Revenue Department have an unsecured claim which relates to outstanding penalty on GST and PAYE.

10. PARTICULARS OF ASSETS AND LIABILITIES

We **attach** particulars of the assets and of the debts and liabilities of the company.

The information contained in the Particulars of Assets and Liabilities has not been verified and has been prepared for the purpose of the receivership and we do not accept any responsibility on any ground whatsoever, including liability in negligence, to any other person.

11. INFORMATION PROVIDED BY THE COMPANY

The director of the company has not yet provided information for the receivers to complete a more detailed report.

Enquiries to: David Taylforth
 Telephone: 0-9-303 0506 (direct dial 0-9-306 3340)
 Website: www.mvp.co.nz


 JOHN T WHITTFIELD
 RECEIVER


 PERI M FINNIGAN
 RECEIVER

DATED 27 November 2006

M & S TRADING LIMITED (IN RECEIVERSHIP)
(Formerly trading as Heli-Ag Limited)

PARTICULARS OF THE ASSETS AND OF DEBTS AND LIABILITIES
AS AT THE DATE OF THE APPOINTMENT OF RECEIVERS
BEING 18 OCTOBER 2006

					Estimated to Realise
ASSETS NOT SPECIFICALLY PLEDGED					\$
Mark Ford					69,830
Helilogging Limited	(refer note 5)				806,708
Aircraft Purchases and Other	(refer note 6)				187,986
Ford Family Trust					223,582
					<hr/> \$1,288,106
ASSETS SPECIFICALLY PLEDGED					
	Estimated Realisable Value	Due To Secured Creditors	Deficiency Ranking As Unsecured	Surplus To Last Column	
Boat - Hummer	\$177,400	\$177,400	\$Nil	\$Nil	
Nationwide Finance Ltd					
Excavator	\$Nil	67,547	\$67,547	\$Nil	
Halifax Finance Ltd					
(refer note 7)	\$177,400	\$244,947	\$67,547	\$Nil	\$Nil
					<hr/> \$1,288,106
LESS PREFERENTIAL CREDITOR					
Inland Revenue Department – PAYE				13,778	
– GST				6,437	
				<hr/>	20,215
					<hr/> \$1,267,891
LESS FIRST DEBENTUREHOLDER/GSA HOLDER					
Commercial Factors Limited					1,128,875
					<hr/> \$139,016
LESS UNREGISTERED LOAN					
Halifax Finance Limited (Refer Note 8)					327,274
					<hr/> \$188,258
ESTIMATED DEFICIENCY AS REGARDS UNREGISTERED LOAN					
LESS UNSECURED CREDITORS					
As per Company Records Held				19,667	
Halifax Finance Limited (Refer Note 7)				67,547	
				<hr/>	87,214
ESTIMATED DEFICIENCY AS REGARDS UNREGISTERED LOAN AND UNSECURED CREDITORS					<hr/> \$275,472 <hr/>

Notes:

1. There is no unpaid capital liable to be called up.
2. The above estimates are subject to cost of the Receivership.
3. Assets held may be subject to Reservation of Title Claims.
4. The Debentureholders/GSA Holders claims will continue to accrue interest until fully paid.
5. The collectability of the intercompany loan is dependent on the successful realisation of the assets of Helilogging Holdings Limited.
6. The realisation of the aircraft purchases is dependent on obtaining further information as to the exact nature of the asset.
7. The excavator has not been located by the receivers.
8. Halifax Finance Limited has an unregistered loan for certain timber stocks. The receivers have no knowledge as to the location of the timber.

Disclaimer of Liability

The information contained in the Particulars of Assets and Liabilities has been supplied by the company. We have not verified the information supplied. The Particulars of Assets and Liabilities have been prepared for the purpose of the Receivership and we do not accept any responsibility on any ground whatsoever, including liability in negligence, to any other person.



MCDONALD VAGUE
Insolvency & Recovery Specialists
PO Box 6092 Wellesley St PO Auckland New Zealand
Telephone 0-9-303 0506 Facsimile 0-9-303 0508

UNSECURED CREDITOR'S CLAIM
(Also for use by Preferential Creditors)

SECTION 304(1) COMPANIES ACT 1993
(For help see www.mvp.co.nz or email claims@mvp.co.nz)

NAME AND POSTAL ADDRESS OF CREDITOR IN FULL

Telephone Numbers: ()

()

E-Mail

My Reference is:
(if applicable)

* Any personal information collected is for the purpose of administering the liquidation in accordance with the Companies Act 1993.

The information will be used and retained by the liquidators and McDonald Vague and will be released to other parties only with your authorisation or in compliance with the Privacy Act 1993.

Under Section 304(1) of the Companies Act 1993 any claim by an unsecured creditor against a company in liquidation must be in this prescribed form and must –

- (a) Contain full particulars of the claim; and
- (b) Identify any documents that evidence or substantiate the claim.

You may have access to and request correction of any personal information.

(*Not applicable, if creditor is not an individual within the meaning of the Privacy Act 1993.)

NAME OF COMPANY IN LIQUIDATION:

(IN LIQUIDATION)

(If claim is made on behalf of creditor, specify relationship to creditor and authority)

claim that the company was at the date it was put into liquidation indebted to the abovenamed creditor for the sum of (Amount in words)

STATUS OF CLAIM:

1. I am an unsecured creditor for
(Also applicable to secured creditors who hereby surrender their security)

\$

2. I am a preferential creditor for
(Refer details on reverse)

\$

3. My total claim is for
(State currency if other than \$NZ)

Other
Currency

NZ \$

4. I have claimed retention/reservation of title rights pursuant to rights held by me
and/or I have a security interest which is registered on the Personal Property Securities Register

Tick if Applicable ☐
(Refer details on reverse)

Full particulars of the claim are set out, and any supporting documents that substantiate the claim, are identified on the reverse of this form.

(The liquidator may require the production of a document under Section 304(2) of the Companies Act 1993. You are **not required to attach any supporting documents** at this stage, but you may attach them now, if you think it would expedite the processing of the claim.)

SIGNED:

Date: / /

WARNING —

It is an offence under Section 304(6) of the Companies Act 1993 to –

Make or authorise the making of, a claim that is false or misleading in a material particular knowing it to be false or misleading; or

Omit, or authorise the omission from a claim of any matter knowing that the omission makes the claim false or misleading in a material particular.

Received
(Date Stamp)

RESERVED FOR OFFICE USE:

Claim admitted/rejected for
voting purposes:
(Delete one)

Signed:

Date: / /

CLAIM REJECTED FOR
PAYMENT:

Preferential Claim for:

Ordinary Claim for:

\$

\$

Preferential Claim for:

Ordinary Claim for:

\$

\$

or
CLAIM ADMITTED FOR PAYMENT:

Signed
Liquidator:

Dated: / /

Note: If the decision to admit or reject a claim is amended, regulation 8 of the Companies Act 1993 Liquidation Regulations 1994 requires that it be recorded in writing.





PARTICULARS OF CLAIM

McDONALD VAGUE

Insolvency & Recovery Specialists

PO Box 6092 Wellesley St PO Auckland New Zealand

Telephone 0-9-303 0506 Facsimile 0-9-303 0508

If the creditor owes money to the company, please give full details.

Date	Details of Claim and Identification of Documents that Evidence or Substantiate the Claim	Amount \$

RETENTION OF TITLE CLAIMANTS ONLY (Romalpa Claims)

Please provide details of the basis of the retention of title claim filed by you and/or details of entry on Personal Property Securities Register.

PREFERENTIAL CLAIMANTS ONLY

Guideline

The Seventh Schedule of the Companies Act 1993 sets out those claims which are regarded as preferential and shows their extent and order of priority. For example, wages, salary and redundancy of any employee in respect of services rendered to the company during the four months preceding the commencement of liquidation is preferential AND the total sum to which priority is to be given in the case of any one employee for wages, holiday pay, deductions and child support must not exceed \$15,000 or such greater amount as is prescribed at the commencement of the liquidation.

1. Why do you believe you are a preferential creditor?
(eg. employee, GST, etc) _____
2. Details of your claim: _____

If applicable please record here your GST Registration number: _____

and total GST included in your claim: _____

\$