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Receiver's First Report on the State of Affairs Pelorus Contracting Assets Limited (In Receivership) 'the company' as at 28 August 2017

Thomas Lee Rodewald was appointed as Receiver and Manager of the above company on the 22nd day of June 2017 under the powers contained in a general security agreement dated the 7th day of September 2016 which property consists of all present and after acquired personal property.

Thomas Lee Rodewald was also appointed as Receiver and Manager of Top of The South Contracting Limited (In Liquidation and Receivership) – previously known as Pelorus Contracting Limited.

We set out below our first report on the state of the affairs of the above named company as required by section 23 of the Receivership Act 1993.

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Events Leading up to Our Appointment

On the 29th day of May 2017 Top of the South Contracting Limited was placed into Liquidation by its shareholders. Following this discussions were held with Porter Finance Limited. Porter Finance Limited requested Rodewald Consulting Limited conduct a quick review. Following further discussions Porter Finance Limited appointed Rodewald Consulting Limited as Receivers and Managers to both companies.

Trading On/Closure of Business

Prior to the appointment of a Receiver, trading had ceased.

Relationship Between Companies

We were advised that Pelorus Contracting Assets Limited (In Receivership) owned the assets while Top of the South Limited (In Liquidation and Receivership) up until 29 May 2017 was the trading entity. We have established a bank account in the name of Pelorus Contracting Assets Limited (In Receivership) was opened in February 2017 and the majority of trading activity took place via this bank account. However, the IRD confirmed Pelorus Contracting Assets Limited (In Receivership), was not registered for GST or PAYE.

It appears the affairs of both companies had been mixed.

Debtors

May and June logging work remains due for payment. It is unclear which of the 2 companies is entitled to the proceeds. We are working through issues in regards this.

Amounts Owing to the General Security Agreement Holders

At the date of the Receiver's appointment the amounts owing to Porter Finance Limited was approximately \$744,797.22.

Specific Security Creditors

Asku Finance Limited are owed approximately \$56,000.

Preferential Creditors

It is unclear if the employees claim against this company or Top of the South Contracting Limited (In Liquidation and In Receivership). Approximately \$18,000 is owed to employees.

As stated above this company is not registered with the IRD, therefore no claim has been received.

Unsecured Creditors

No complete list of unsecured creditors has been received.

Assets & Liabilities of the Company

We have been unable to complete a detailed analysis of the Assets and Liabilities of this company as it appears they are mixed in with Top of the South Contracting Limited (In Liquidation and Receivership). We have noted several assets were removed by a related party prior to Receivership. For commercial reasons we cannot yet disclose the value of assets repossessed by Porters or in our possession.

Receipts & Payments

To date we have received \$45 as proceeds from the bank account. No payments have been made.

Information Provided by the Company

The directors of the company have provided some information regarding this company.



Thomas Lee Rodewald
Receiver and Manager