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Receiver's First Report on the State of Affairs of Halls Brown Contracting Limited (In Liquidation and In Receivership) 'the company' As at 19 September 2016

Introduction

Thomas Lee Rodewald was appointed Receiver and Manager of the above company on the 11th day of July 2016.

The appointment arose under the powers contained in a Security Agreement registered on the PPSR on the 6th day of August 2015 which consists of all the debtor's present and after acquired property.

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

Thomas Lee Rodewald was also appointed Receiver and Manager of the company director Adrian Halls under the powers contained in a security agreement dated the 26th day of November 2015 which property consists of all the debtor's present and after-acquired property.

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Events Leading up to Appointment

Prior to the appointment of a Receiver and Manager, Porter Finance Limited repossessed assets subject to Specific Security Agreements.

Trading On/Closure of Business

The company had ceased to trade several months prior to Receivership.

Liquidation

On 18 July 2016 Grant Reynolds, Insolvency Practitioner was appointed Liquidator by the High Court.

Debtors

There are some minor retentions owing. Retention issues are being dealt with by the Liquidator.

Owing to the General Security Agreement Holders

The ASB as first ranking General Security Holder is owed \$35,000. This sum has been repaid from the sale of private property owned by Adrian Halls.

At the date of the Receiver's appointment the Porter Finance Limited was owed approximately \$25,000 after the sale of repossessed assets.

Owing to Specific Security Creditors.

We have received no claims from specific security holder creditors to date

Owing to Preferential Creditors

We have received a claim from preferential creditor IRD for \$237,308.18.

Unsecured Creditors

Due to the extent of the secured creditor claims there are unlikely to be any funds available for returning to the company, or a liquidator at the conclusion of the receivership for distribution to unsecured creditors. As **Appendix I** we attach a list of known creditors.

Assets and Liabilities of the Company

We attach as **Appendix II** a list of the assets and liabilities of the company at the date of appointment.

Receipts and Payments

We attach as **Appendix III** a list of receipts and payments.



Thomas Lee Rodewald
Receiver and Manager

**Halls Brown Contracting Limited
List of Creditors**

ASB Bank
Brian Snowden
Carter Holt Harvey Limited
Cirtex Industries Limited
Gilmore Brown Limited
Henderson Reeves Connell Rishworth Lawyers Limited
Inland Revenue Department
Northland Metal Industries Limited
Porter Cranes Limited
Real Deal Tyres Advantage Limited
Tarmac NZ
Traffic Signs New Zealand Limited
Halls Brown Limited
PTS Logistics Limited

Statement of Assets and Liabilities
Halls Brown Contracting Limited (In Receivership)
As at 11 July 2016

		Estimated Realisation Value \$
<u>ASSETS</u>		
Accounts Receivable	<i>(Note 1)</i>	Unknown
Fixed Assets		21,000
Total Assets		Unknown
 <u>LIABILITIES</u>		
<i>Charge Holders</i>		
General Security Agreement Holders	<i>Per report</i>	60,000
Specific Security Agreements Holders	<i>Per report</i>	Unknown
 <i>Preferential Creditors</i>		
Inland Revenue Department		237,308
 <i>Unsecured Creditors</i>		
Non PPSR Charge Holders	<i>(Note 2)</i>	1,200,000
IRD (Penalty and Interest)		5,3515
	Total Liabilities	Unknown
	Net Deficit	Unknown

Note 1: Based on information received to date, 2 retentions are owing with a possible value of \$12,000. It is unclear whether these are collectable. The Liquidator is handling this matter. No review has yet been conducted of the shareholders current account.

Note2: No complete list of creditors has been made available.

**Halls Brown Contracting Ltd (In Receivership)
Receipts and Payments from 11/07/2016 to 14/09/2016**

GST exclusive

Receipts

GST on income	3,187.82	
Sale of assets	21,252.18	
		24,440.00

Payments

GST on expenses	3,187.84	
Advertising	513.76	
Commission on sale of assets	228.69	
Legal fees	1,648.50	
Receivers fees	10,714.00	
Storage and removal	5,721.50	
Sundry Purchases	139.83	
Agents Fees	1,504.66	
Travel / Accommodation	781.22	
		24,440.00

Net Funds

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