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Receiver's First Report on the State of Affairs of Potter Civil Engineering Contractors Limited (In Liquidation) & (In Receivership) 'the company' as at 7 November 2017

Thomas Lee Rodewald was appointed as Receiver and Manager of the above company on the 7th day of November 2017 under the powers contained in a general security agreement dated 8 June 2016 which property consists of all present and future rights to the property.

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 6 November 2017 the High Court appointed Wendy Somerville and Malcolm Hollis of PWC as Liquidators. As result the GSA Holder appointed a Receiver and Manager.

Trading On/Closure of Business

The company acted as a corporate trustee for the Potter Civil Waikato Trust. This trust operates as a contracting business. On 6 November 2017 Potter Civil Engineering Contractors Limited (In Liquidation) & (In Receivership) was removed as trustee.

Based on the High Court decision CIV-2014-463-000201 **RANOLF COMPANY LTD (IN LIQUIDATION) v BHANA AND BHANA & ANOR** [2017] NZHC 1183 [12 June 2017] Potter Civil Engineering Contractors Limited (In Liquidation and In Receivership) has an indemnity claim against the Potter Civil Waikato Trust for all its liabilities relating to the Trust affairs.

Currently the appointing General Security Agreement holder is attempting to clear its exposure from the sale of charged assets owned by other companies within the Potter Group.

Debtors

As stated above the Potter Civil Engineering Contractors Limited (In Liquidation and In Receivership) has an indemnity claim against the assets of the Potter Civil Waikato Trust. The Receiver is therefore not in a position to collect any book debts owed.

Amounts Owing to the General Security Agreement Holders

At the date of the Receiver's appointment the amounts owing were as follows:

	\$
Brookmill Finance Limited	<i>unknown</i>
Killarney Capital Limited	5,956,896.07
Asset Finance Limited	265,634.09
Plus Finance Limited	<i>unknown</i>
	\$ <u><i>unknown</i></u>
Specific Security Creditors	
Telecom Rentals Limited	<i>unknown</i>
Ricoh Finance a Division of Ricoh NZ Ltd	<i>unknown</i>
Diggabits NZ Limited	<i>unknown</i>
Fletcher Concrete and Infrastructure T/H Hume Ind	<i>unknown</i>
Fletcher Concrete and Infrastructure Ltd T/A Firth	<i>unknown</i>
Machinery Parts Specialist NZ Limited	8,111
J Swap Contractors Limited	282,438
Diggabits NZ Limited	699
West-Trak Equipment Limited	2,803
	\$ <u><i>unknown</i></u>
Preferential Creditors	
Employee wages claims	65,300
IRD	227,302
	\$ <u>292,602</u>
Total Secured and Preferential Creditors	\$ <u><i>unknown</i></u>

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. The total amount due to unsecured creditors to date is \$893,540.27.

Assets & Liabilities of the Company

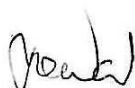
The realisable value of the companies indemnity claim against the trust has yet to be established. The liabilities of the company are specified above.

Receipts & Payments

We attach as **Appendix 1** a list of receipts and payments to 12 January 2018.

Information Provided by the Company

The directors of the company have co-operated in making available the information required by the receivers to complete this report.



Thomas Lee Rodewald
Receiver and Manager

Potter Civil Engineering Contractors Limited (In Liquidation) & (In Receivership)
Receipts and Payments from 7 November 2017 to 12 January 2018

GST exclusive

Receipts

GSA Advance	12,650.00	12,650.00
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Payments

GST on expenses	1,650.00	
Advertising	163.29	
Retention of title claims	9,920.71	
Trading Purchases	916.00	
		12,650.00

Net Funds

\$ -
