

29 December 2008

G T RIGGING LIMITED (IN RECEIVERSHIP & LIQUIDATION)

Receivers' First and Final Report on the State of Affairs

Pursuant to Section 23 of the Receiverships Act 1993

Introduction

Kevin David Pitfield and Gareth Russel Hoole were appointed as joint receivers of G T Rigging Limited (In Receivership & Liquidation) ("the company") by Oceania Factors Limited, on 11 September 2008 under the powers contained within a General Security Agreement dated 20 May 2008.

This report has been prepared by the receivers in accordance with and for the purpose of Section 23 of the Receiverships Act 1993.

Restrictions and Disclaimers

The report is prepared for the sole purpose of reporting on the state of affairs with respect to the property in receivership and the conduct of the receivership.

In compiling this report the receivers have relied on the accuracy of all relevant information provided by the management of the company. Whilst all care and attention has been taken in compiling this report, the receivers, Staples Rodway Limited, its employees and its agents do not accept any liability whatsoever arising from this report.

This report is not intended for general circulation and all information contained in it is for the confidential use of the parties to whom it is provided in accordance with Sections 26 and 27 of the Receiverships Act 1993. This report is not to be disseminated or passed on to any other party without the receivers' prior written authority or as may be required by law.

The financial particulars included in this report have been prepared from the company's records and information supplied to the receivers by the company and its director. In preparing the particulars the receivers have not carried out anything in the nature of an audit or other verification procedure.

The receivers reserve the right (but will be under no obligation) to review the contents of this report and, if considered necessary, to revise the report in light of any information which becomes known to the receivers at a subsequent date.

Events Leading To Appointment

The company was incorporated on the 2 July 2004 and its sole shareholder and director was Gilbert Mair Fraser.

The principal business of the company was crane erection and rigging.

The company was indebted to Oceania Factors Limited (“Oceania”) through advances made to the company under a factoring arrangement with Oceania. Those advances were secured by way of a registered General Security Agreement over the company. The company was placed into liquidation by order of the High Court on 11 September 2008, which constituted an event of default under the agreement, culminating in the appointment of receivers by the secured creditor.

Particulars of the Assets Comprising the Property in Receivership

The property in Receivership comprised all of the assets and undertakings of the company. At the date of the appointment of the receivers, those assets comprised a receivables ledger of \$151,775, all of which was factored by Oceania.

Collection efforts revealed a number of disputed invoices and the collectability of the ledger in full, has proven to be questionable.

A motor vehicle in the company’s possession was subject to a finance lease and was returned to the lessor.

Particulars of Debt and Liabilities Currently Outstanding and Requiring to be Satisfied from the Property In Receivership

Due to Oceania Factors Limited secured by priority ranking General Security Agreement, a sum of \$130,919.04

It was agreed between the receivers and Jo-Anne Kara, director of North Shore Rigging Limited that that company would engage all staff previously employed by G T Rigging and assume all responsibility for unpaid wages, holiday pay and any other claims from the employees of the company. Therefore there are no outstanding wages due to the staff.

Due to the Inland Revenue Department in respect of unpaid PAYE and GST and thus ranking as preferential pursuant to the 7th schedule of the Companies Act 1993, a sum of approximately \$448,000.

The receivers have not been able to ascertain with any degree of certainty what other creditors may exist due to the non-cooperation of the director in not having provided any financial records.

Proposals for the Conduct of the Receivership

The company ceased trading soon after the appointment of the receivers and all employees were terminated.

To date receivership costs total \$16,284.79. The receivers have collected accounts receivable amounting to \$147,203.83, the remaining amounts due have been disputed. \$130,919.04 has been repaid to the priority ranking secured creditor in full satisfaction of their secured claim.

Amounts Likely to be Available for Payments to Unsecured Creditors

The receivers do not believe there will be any funds available for the remaining creditors based on the information provided.

Information Provided By the Company

The director of the company has been completely non-cooperative in making available the financial records required by the receivers to complete this report and to conduct their investigations into the affairs of the company.

Further enquiries relating to the company should be directed to the attention of the court appointed liquidator c/- Deloitte, 10 Brandon Street, Wellington.

Dated this 29th day of December, 2008.



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Gareth Russel Hoole
RECEIVER



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Kevin David Pitfield
RECEIVER