

**LIQUIDATORS' FIRST REPORT**  
**ON THE STATE OF AFFAIRS OF**  
**"BRAKATIN HOLDINGS LTD" (IN LIQUIDATION)**  
**"The Company"**

24 September 2010

**Introduction**

On the 23<sup>rd</sup> August 2010 at 11.16am it was resolved by order of the Court, pursuant to Section 241(2) (c) of the Companies Act 1993, that the Company be liquidated, and that Pat Norris, Insolvency Practitioner of Norris Management Services Ltd of Nelson be appointed as Liquidator.

I set out below our first report on the state of affairs of the Company as required by Section 255(2)(c)(ii)(A) of the Companies Act 1993.

**Company Information**

Company Number:	1346400
Date of Incorporation:	14 July 2003
Nature of Business:	Trading as the Fireman's Arms Tavern
Date Ceased Trading:	1/08/2010
Director(s)	Mudgway, Raynor Charles
Shareholder(s):	Mudgway, Raynor Charles Regisvale Trustee Company Limited

**Statement of Affairs**

We attach a statement of the Company's affairs as at today's date or the date of our appointment. This statement has been compiled from the Company's records and information provided by the Company's officers. The verification process is still continuing and due to time constraints our verification work is still to be completed – accordingly neither we nor any of our employees accept any responsibility for any error or omission in this Statement of Affairs.

Subject to further verification, we are of the view that there will be no funds available to unsecured creditors. At this stage it is unsure if there will be enough funds to clear secured creditors. Any realisation of Company assets will only occur from the orderly sale of the assets of the Company by the Liquidator.

## **No Meeting**

The Liquidator does not propose to call a meeting of creditors. He feels that a meeting of creditors is unnecessary because the cost associated with the calling of a meeting would be disproportionate to any benefit to be gained from the meeting.

The Liquidator is confident that he now has the custody and/or control of the majority of the Company's assets.

As a creditor, you are able to require the Liquidator to call a meeting should you give notice in writing to the Liquidator within 14 days after receiving this letter.

You should be aware that at any time during the course of the liquidation a creditor, by notice in writing to the Liquidator can require the Liquidator to call a meeting of creditors to vote on a proposal that a liquidation committee be appointed to act with the Liquidator and to choose the member of the committee. Please note that the Liquidator may decline the request by a member to call a meeting on the ground that:

- a) The request is frivolous or vexatious, or
- b) The request is not made in good faith; or
- c) The costs of calling a meeting would be out of proportion to the value of the Company's assets.

## **Preferential and Unsecured Claim Form to return before 29<sup>th</sup> October 2010.**

Attached is the creditors claim form, which must be completed and returned to NMS by 29<sup>th</sup> October 2010. Notice is therefore given that the Liquidator of the above Company has fixed the 29<sup>th</sup> October 2010 as the day on or before which the creditors of the Company are to make their claims and to establish any priority their claims may have under Section 312 of the Companies Act 1993, or to be excluded from the benefit of any distribution made before their claims are made, or as the case may be, before their claims are made, or as the case may be, from objecting to any distribution.

## **Background**

The Company was incorporated on the 14 July 2003, and we understand started trading from that time. The Company shareholders are recorded as Raynor Charles Mudgway and Regisvale Trustee Company Limited.

The company operated the Fireman's Arms Tavern in Pukekohe.

I have been advised that various issues arose between the company director and the landlord who ultimately cancelled the lease. The landlord was the petitioning creditor in the liquidation application. I am also advised from other parties that a number of issues relating to the trading and commercial operation of the Tavern impacted significantly on the continued viability of the company particularly local compliance issues and sale of liquor licences in relation to the inappropriate serving of alcohol at the premises to underage patrons, and issues with the serving of alcohol by bar staff and management.

The identification and value of assets from company records of the company are still being investigated. The liquidator has collected a 1982 International Fire Truck and

currently has this vehicle for sale. Funds on hand relate to a GST claim made by the company for the period ending 31 July 2010.

### **Employees Unpaid Wages Claims**

The liquidator is not aware of any unpaid wages claims.

### **Proposals for Conducting the Liquidation**

The following matters will be attended to:

- Realise all assets
- Pay preferential creditors (employees and Inland Revenue)
- Collect debtors
- Investigation into voidable transactions
- Confirm Inland Revenue preferential claims
- Calculate director's current accounts
- Verify creditor's claims
- Hold an informal creditors meeting if required

### **Estimated Date of Completion of Liquidation**

We cannot with any certainty estimate when the liquidation will be completed. The Liquidator will report within 6 months; however creditors should be aware that the Liquidator does not consider that the Liquidation will be completed within six months.

### **Liquidation Costs**

The Liquidator wishes to advise that the Liquidators and support staff fees are set as per S.28 (1) (b) of the Companies Act 1993 Liquidation Regulations 1994 for Court appointments. GST is payable on these stated rates and charges.

All disbursements incurred on behalf of the liquidation will be on-charged; these may include fees of agents, experts and other professionals, travel and accommodation costs searching, registering and filing costs, Court charges, documentation, delivery and telephone calls. Costs and charges are all plus GST.

### **Disposal Sale Charges / Fees**

On instruction from the Liquidator, NMS generally utilizes in-house sales staff to dispose of liquidated company assets, chattels, and/or property by public auction, nationally and internationally. NMS sale charges are based and billed hourly in accordance with the hourly rates prescribed by the Act. Sale costs are generally identified as, but not limited to: storage, collection and removal costs, valuation costs, sales schedules and photographic identification, listing and success fees (Trade Me), dispatch and freight costs. Sale of items by third parties independent to NMS and or the Liquidator may incur an industry based sales fee/commission if not sold on behalf of the Liquidator through NMS. All costs and charges are plus GST.

## **Debt Recoveries**

NMS may use in house debt recovery staff or the liquidator may contract out to third parties. Debt recovery charges incurred may also include Court filing and filing fees, document and service fees, independent legal and/or third party debt recovery charges/fees. All costs and charges are plus GST.

## **Complaints**

NMS maintains a procedure for handling complaints by clients, designed to ensure that a complaint is dealt with promptly and fairly. If you have a complaint about our services or charges, you may refer your complaints directly to the Liquidator Pat Norris. Alternatively, you may forward your complaint as follow:

- By letter to: Enquiries, PO Box 1575, NELSON
- By e-mail to: [enquiries@nmsnz.co.nz](mailto:enquiries@nmsnz.co.nz)
- By telephone on (03) 545 0778 or (021) 896 767

## **Feedback**

Client satisfaction is the fundamental objective for NMS. Feedback from clients is very helpful for us and enables us to ensure we are meeting our client's expectations. If you would like to comment on any aspect of the service provided, please contact Pat Norris directly. Also, please feel free to contact us if you have any comments or questions about these or related matters.

## **Confidential Information**

The Liquidator would welcome and appreciate any information, which may be of benefit assisting with this liquidation. Information can be relayed on a "strictly confidential" basis directly to the Liquidator, or through the NMS web site [www.norrismanagement.co.nz](http://www.norrismanagement.co.nz) enquiries/information section.

## **General**

Any enquires regarding the liquidation should be directed to Pat Norris, Norris Management Services Ltd, PO Box 1575, Nelson, telephone (03) 545 0778, fax (03) 545 0779, email: [pat@nmsnz.co.nz](mailto:pat@nmsnz.co.nz) or view details of this liquidation on our website [www.norrismanagement.co.nz](http://www.norrismanagement.co.nz).

## **Independence**

The Liquidator confirms he is independent of the director(s)/shareholder(s) of the Company.

PD Norris  
Liquidator  
Brakatin Holdings Ltd (In Liquidation)



**Brakatin Holdings Ltd (In Liquidation)**  
**Company Number: 1346400**

Estimated Statement of Financial Position As At 24 September 2010

<b>Assets</b>	<b>Book Value \$</b>	<b>Estimated To Realise \$</b>
Fixed Assets	Unknown	Unknown
Bank Balance	Unknown	\$520.00
Vehicles	Estimated	\$6,500.00
Estimated Funds Available (Subject to Costs of Liquidation)		\$7,020.00
Less		
<b><i>Petitioning Creditors</i></b>	Unknown	\$3,588.00
<b><i>Preferential Creditors</i></b>	Unknown	Unknown
<b><i>Secured Creditors</i></b>	Unknown	Unknown
<b><i>Unsecured Creditors</i></b>		
Other Creditors	To be Confirmed	\$27,000.00
<b>Estimated Shortfall</b> (Subject to Costs of Liquidation)		( \$23,568.00 )

NB: Please note the Liquidators Disclaimers. Due to time constraints our verification work is still to be completed. Accordingly neither the Liquidator nor any of his staff except any responsibility for any error or omission in this statement of Financial Position.

## BRAKATIN HOLDINGS LIMITED - CREDITOR LIST

Name	Address 1	Address 2	Address 3
ACC	PO Box 795	WELLINGTON	
AFS Total Fire Protection Limited	PO Box 4224	AUCKLAND 1140	
APRA NZ Limited	PO Box 6315	AUCKLAND 1141	
Auckland Glass Recyclers Ltd	PO Box 12611	AUCKLAND	
BOC Limited	Private Bag 92234	Victoria Street West	AUCKLAND 1142
Contact Energy Limited	PO Box 38097	Wellington Mail Centre	LOWER HUTT 5045
Cotter Refridgeration Limited	PO Box 603	PUKEKOHE	
Eden Air	PO Box 129	Takanini	AUCKLAND 2245
E-Gas 2000 Limited	PO Box 2577	WELLINGTON 6140	
Franklin District Council	Private Bag 5	PUKEKOHE	
Lion Nathan Liquor	PO Box 23	Newmarket	AUCKLAND
Neglasari Farms Limited	108 Fielding Road	RD1	DRURY 2577
Securi-Com Limited	PO Box 481	PUKEKOHE	
Swain & Associates	PO Box 34431	Pirkenhead	NORTH SHORE CITY
Telecom New Zealand LTD 285895243	Private Bag 4742	CHRISTCHURCH	
Telecom New Zealand LTD 188404650	Private Bag 4742	CHRISTCHURCH	
The National Bank of New Zealand	PO Box 40	WELLINGTON 6140	



### Creditor's Claim

(For use by Preferential and Unsecured Creditors)  
SECTION 304(1) COMPANIES ACT 1993

Name and postal address of creditor in full

Telephone Number: ( )

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 Norris Management Services Ltd 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 above named creditor for the sum of (Amount in words and figures):

Status of claim:

Tick

1. I am an unsecured creditor
2. I am surrendering the security I hold and I am claiming as an unsecured creditor
3. I am making a preferential claim (Refer details on reverse)
4. I have a security interest (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. **Please attach any supporting documents**

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.

Reserved for office use:

Received  
(Date Stamp)

Claim admitted/rejected  
for voting purposes:  
(Please tick one)

Signed:

Date: / /

Claim rejected for  
payment:

Signed:

Date: / /

or

Claim admitted for payment:

Preferential Claim for:

Ordinary Claim for:

Deferred Claim for:

\$

\$

\$

Date: / /

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



### Particulars of claim

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 \$

#### Security interest claimants only

Please provide details of the basis of your security interest and furnish a copy of the security documentation.

#### Retention of Title Claimants Only (Romalpa Claims)

Please provide details of the basis of your retention of title claim and furnish a copy of the documentation showing that such a reservation of title clause is a condition of contract.

#### Preferential claimants only

1. Are you claiming the full amount of your claim as preferential? **Yes / No**
2. If no, what part of the claim is preferential? \$
3. Why do you believe you are a preferential creditor? (e.g. employee, GST etc)
4. Details of your claim:

**If applicable** please record here your GST Registration number:

and total GST included in your claim: \$