

**GERARD HULST & ASSOCIATES**  
*CHARTERED ACCOUNTANTS*

Box 6901 Wellesley Street  
Auckland 1

Telephone : (09) 357 6756	Facsimile : (09) 303 3371	e-mail : gerard@hulst.co.nz
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**LIQUIDATOR'S FIRST REPORT**

*(pursuant to section 255 of the Companies Act 1993)*

**to the Creditors and Shareholders of**

**Waikato Distribution Services Limited (In Liquidation)**

Gerard Hulst, Chartered Accountant of Auckland, was appointed Liquidator of the above company by order of the High Court at Auckland on the 25<sup>th</sup> October 2001 at 10.57am.

*The Liquidator takes no responsibility for any misinformation contained in this report that has been supplied by the company, its officers or other persons.*

**COMPANY INFORMATION**

**Date of Incorporation :** 5<sup>th</sup> October 1999

**Company Number :** AK983181

**Trading Address :** 16 Penrose Road, Penrose, Auckland.  
6 Kilarney Lane, Hamilton.

**Type of Business :** Freight Carriers

**Date trading ceased :** November 2000

**Share Capital :** 100 shares

**Shareholders :** Josephine Deborah COBB 51  
Raymond William COBB 49

**Director :** Bruce Christieson

**High Court Reference :** M1362/01

**Petitioning Creditor :** The company was placed in Liquidation on the petition of The Commissioner of Inland Revenue for \$81,223.46 being GST, PAYE and Income Tax. Costs of \$1,820.00 plus disbursements of \$487.07 were awarded.

*A statement of the company's financial position (assets and liabilities) at the date of liquidation is included with this report.*

## OBSERVATIONS

Raymond Cobb was a Director and Shareholder of R-Jays Freight Link Limited. The assets of R-Jays Freight Link Ltd. were transferred to Waikato Distribution Services Ltd sometime prior to the liquidation of R-Jays Freight Link Limited on 1<sup>st</sup> February 2000.

We are advised that Mr Christieson was the Hamilton Despatch Manager for R-Jays Freight Link Ltd, however it is unclear why he became the Director of Waikato Distribution Services Ltd.

The company operated a general freight carrier business from two locations, 16 Penrose Road, Penrose, Auckland; and 6 Kilarney Lane, Hamilton.

Just prior to 3<sup>rd</sup> October 2000, Mr Christieson resigned as a Director of Waikato Distribution Services Ltd. We are unsure as to his reasons for resignation, however the notice of resignation was never lodged or recorded by the companies' office.

On the 3<sup>rd</sup> October 2000, Mr Cobb issued a formal notice of termination of Mr Christieson's employment.

Karen Milham, daughter of Raymond Cobb, has advised that the reason why the company failed was because the director Bruce Christieson never acted in the best interest of the company. Mr Cobb had advised Mr Christieson that the company was running at a loss and that there was not enough money in the account.

The company assets consisted of four trucks, two Trailer B Trains and a company car.

Two of the four trucks and the two Trailer B trains were financed by UDC Finance. The agreement was between UDC and Waikato Distribution Services Limited and Mr and Mrs Cobb were the guarantors to the agreement.

Karen Milham advised that Mr Christieson made a personal arrangement with two mates to hire the other two trucks. These two hire agreements were terminated when disputes occurred between Cobb and Christieson.

When the company ceased to trade, Mr Cobb advised UDC to repossess the trucks and the trailers.

Karen Milham also advised that the company car was financed by Allied Finance. The agreement was between Allied Finance and Mr Cobb. The vehicle was based in Hamilton and when the company ceased to trade, Mr Cobb advised Allied Finance to repossess the vehicle.

The company also owned office furniture, a computer, a printer and a photocopier.

## COMPANIES WITH WHICH THE DIRECTORS HAVE AN ASSOCIATION

An Internet search of the companies register shows that Bruce CHRISTIESON is not associated with any other companies.

Raymond William COBB was associated with the following companies:

Company	Details	Status	Changes
T.K.R Transport Limited	Struck Off	Director Shareholder	
RJFL Holdings Limited	Struck Off	Director Shareholder	
Diab Limited	Struck Off	Director Shareholder	
R-Jays Freight Link Limited (In Liquidation)	Struck Off	Director Shareholder	

## FINANCIAL INFORMATION

No financial accounts were ever prepared for the company. The company used the services of BDO Auckland, Chartered Accountants.

Assets and Liabilities identified by the Liquidator are:

	Estimated Realisable Value
<b><u>Assets</u></b>	
Computer	100.00
Printer	50.00
Photocopier	200.00
<b><u>Liabilities</u></b>	
Inland Revenue Department	81,223.46
Unsecured Creditor	12,581.76

## ***PROPOSALS FOR CONDUCTING THE LIQUIDATION***

### **DISPOSAL OF ASSETS**

The office furniture has been abandoned on the basis that it has no commercial value. The computer, printer and photocopier have been taken to auction.

### **OTHER ACTIONS OF THE LIQUIDATOR**

I will conduct an investigation into the affairs of the company;

- a) To determine the date of insolvency
- b) To determine the conduct of the Directors
- c) To establish whether the directors owe any money to the company and to pursue recovery thereof.
- d) To determine if there are any voidable transactions and to pursue recovery thereof.

## **ESTIMATED COMPLETION DATE**

The administration is expected to be completed by 31<sup>st</sup> October 2002, subject to any court actions.

## **PROSPECT OF DIVIDEND**

It is unlikely that there will be a dividend to unsecured creditors.

## **NOTICE REGARDING MEETINGS**

Having regard to the assets and liabilities of the company, the likely result of the liquidation and other relevant matters, the Liquidator considers in accordance with section 245 of the Companies Act 1993 that no meeting of creditors should be held at this time.

Consequently, a meeting of creditors will not be held unless within 14 days after receiving this notice a creditor gives notice in writing to the Liquidator requiring a meeting to be called.

## **LIQUIDATION COMMITTEE**

At any time during the liquidation, any creditor may in writing request the Liquidator to call a meeting of creditors to consider whether a Liquidation Committee should be appointed, and if so, to choose the members of the committee.

A Liquidation Committee has certain powers set out in s315 of the Companies Act 1993, including to assist the Liquidator as appropriate in the conduct of the liquidation.

In the absence of a liquidation committee, the Liquidator will work closely with the petitioning creditor.



**Gerard Hulst**

**Liquidator**

**Dated this 4th day of December 2001.**

