

Meltzer Mason Heath

Chartered Accountants practising as insolvency specialists

Refer to: Rachel Mason

Liquidators' First Report

Cottons New Zealand Pty Limited (In Liquidation)

1 Appointment

We advise that Karen Betty Mason and Jeffrey Philip Meltzer were appointed joint and several Liquidators of the above company on 24 September 2009 by special resolution of shareholders.

Karen Mason and Jeff Meltzer are Insolvency Specialists and full time Insolvency Practitioners. They have not previously acted in any capacity for the company or the officers and shareholders of the company.

2 Background

<i>Date of Incorporation:</i>	20 May 2003
<i>Type of Business:</i>	Wholesaler (not trading)
<i>Shareholders:</i>	Cottons Corporation Pty Limited 1,001 shares
<i>Directors:</i>	Constantine Koulouris Kon Koulouris
<i>Share Capital:</i>	1,001 ordinary shares
<i>Date of Liquidation:</i>	24 September 2009

3 Events Leading to Appointment

The Liquidators are advised that as the company is no longer operating, and is no longer required, the decision was taken to place the company in liquidation.

4 Statement of Affairs

The Liquidators have prepared an Estimated Statement of Affairs being the assets and liabilities of the company at the date of liquidation. We attach a copy.

Jeff Meltzer

Karen Mason

Arron Heath



5 Proposals for Conducting the Liquidation

5.1 *Realisation of Assets*

The Liquidators will arrange for the company's bank account to be closed.

5.2 *Examination of Books and Records*

The Liquidators will examine the company's available books and records and conduct a brief review of the company's affairs.

5.3 *Knowledge of Information Relevant to the Liquidation*

Should creditors and other parties possess any information that may be relevant to the liquidation, or may lead to realisations for the benefit of creditors, please advise the Liquidators in writing and provide them with copies of supporting documents.

6 List of Creditors

As the only known creditor is the shareholder, no creditors list has been compiled.

7 Creditors Claim Form

Creditors should complete and return the attached Creditor's claim form by 30 October 2009. Creditors who do not make a claim within the period may be excluded from any distribution that may be made.

8 Retention of Title Claims/Security Interests

Please note, if you believe you have a valid retention of title claim or security interest over goods or equipment supplied to Cottons New Zealand Pty Limited (In Liquidation), and you have not yet contacted the Liquidators, please contact us immediately.

9 Initial Creditors Meeting

As it is unlikely there will be a distribution to creditors, pursuant to s245 of the Companies Act 1993 the Liquidators propose to dispense with the meeting of creditors to consider whether to appoint different Liquidators, and to consider the views of creditors.

Accordingly a meeting of creditors will not be called unless a creditor gives notice to the Liquidators within 10 working days after receiving this notice, requiring a meeting to be called.

10 Liquidation Committee

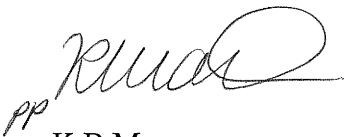
At any time during the liquidation, any creditor may in writing, request the Liquidators to call a meeting of creditors to consider whether a Liquidation Committee should be appointed, and if so, to choose the members of the Committee.

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

11 Estimated Date of Completion of Liquidation

It is not practicable to estimate the date of completion of the liquidation at this stage.

Enquiries should be directed to: Rachel Mason

A handwritten signature in black ink, appearing to read 'KB Mason', with a large flourish at the end. The initials 'pp' are written in the bottom left corner of the signature.

K B Mason
Liquidator

Dated this 25th day of September 2009

Attach:

**Estimated Statement of Affairs of
Cottons New Zealand Pty Limited (In Liquidation)
As at the date of the Appointment of Liquidators
Being 24 September 2009**


	<i>Estimated Realisable Value \$</i>
Assets not Specifically Pledged:	
Cash at Bank	700
Estimated Total Assets Available for Preferential Creditors and Secured Creditors	700
<i>Less – First Ranking Preferential Creditors</i>	
Wages and Holiday Pay (Includes PAYE)	NIL
	700
<i>Less – Second Ranking Preferential Creditors</i>	
Inland Revenue Department – GST & PAYE	NIL
	700
Estimated Total Assets Available for Secured Creditors and Unsecured Creditors	
<i>Less – Secured Creditors</i>	NIL
Estimated Total Assets Available for Secured Creditors and Unsecured Creditors	700
<i>Less – Unsecured Creditors</i>	6,296
Total Deficiency as regards Unsecured Creditors and Shareholders	5,596
<i>Less – Issued and Paid Up Capital</i>	1,001
Total Deficiency as regards Unsecured Creditors and Shareholders	6,597

Note: The above estimates are subject to the costs of realisation, including Liquidators' fees.

Disclaimer of Liability:

We have prepared the Estimated Statement of Affairs as at the date of liquidation being 24 September 2009.

The Estimated Statement of Affairs has been prepared based on information from the books and records of the company together with information supplied by the Director. This information has not been verified. The Liquidators have not carried out an audit or reviewed the information supplied and therefore they do not accept any responsibility for the accuracy of the information from which the Estimated Statement of Affairs has been prepared. Further, the Estimated Statement of Affairs has been prepared for the purpose of the liquidation only, and the Liquidators do not accept any responsibility on any ground whatever, including liability in negligence, to any other person.


 PP K B Mason

24 September 2009