

Meltzer Mason Heath

Chartered Accountants practising as insolvency specialists

Refer to: Karen Mason

Liquidators' First Report

Eden 2 10 Limited (In Liquidation)

1 Appointment

We advise that Karen Betty Mason and Rachel Karen Mason were appointed joint and several Liquidators of the above company on 16 June 2011 by special resolution of shareholders.

Karen Mason and Rachel Mason are 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> | 4 January 2002 |
| <i>Trading Address:</i> | 7 Remuera Road, Newmarket, Auckland |
| <i>Type of Business:</i> | Retail Fashion |
| <i>Date Ceased Trading:</i> | 6 June 2011 |
| <i>Shareholders:</i> | Lara Salesse Parker 3,100 shares Garrith Charles Parker 500 shares |
| <i>Director:</i> | Lara Salesse Parker |
| <i>Share Capital:</i> | 3,600 ordinary shares |
| <i>Date of Liquidation:</i> | 16 June 2011 |

3 Events Leading to Appointment

The Director advises that the recent increases in wages and GST have not been added to the costs of production as it made the final price of the garments prohibitive. Coupled with the downturn in the economy and particularly in the retail sector, the company could no longer trade profitably and it was resolved to place the company in liquidation.

Jeff Meltzer

Karen Mason

Arron Heath



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.

5 Proposals for Conducting the Liquidation

5.1 *Realisation of Assets*

The equipment will be sold by private treaty given its specialist nature and the vehicle will be sold either on TradeMe or by auction.

The remaining stock is currently being sold by an outlet on a sale or return basis.

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

A list of all known creditors has been compiled by the Liquidators. We attach a copy.

7 Creditors Claim Form

Creditors should complete and return the attached Creditor's claim form by 20 July 2011. 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 Eden 2 10 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: Karen Mason



K B Mason
Liquidator

Dated this 20th day of June 2011

Attach:

**Estimated Statement of Affairs of
Eden 2 10 Limited (In Liquidation)
As at the date of the Appointment of Liquidators
Being 16 June 2011**

| | <i>Book Value</i> | <i>Estimated Realisable Value</i> |
|--|-------------------|---|
| | \$ | \$ |
| Assets not Specifically Pledged: | | |
| Cash at Bank | | 4,000 |
| Stock | | 1,500 |
| Fittings and Equipment | | 2,500 |
| Motor Vehicle | | <u>6,000</u> |
| Estimated Total Assets Available for Preferential Creditors and Secured Creditors | | 14,000 |
| <i>Less</i> – First Ranking Preferential Creditors | | Nil |
| Wages and Holiday Pay (Includes PAYE) | | <u>14,000</u> |
| <i>Less</i> – Second Ranking Preferential Creditors | | |
| Inland Revenue Department | GST PAYE | 22,391 <u>17,502</u> |
| | | <u>39,893</u> |
| Estimated Total Deficiency as regards Secured Creditors and Unsecured Creditors | | 25,893 |
| <i>Less</i> – Secured Creditors | | <u>Nil</u> |
| Estimated Total Deficiency as regards Secured Creditors and Unsecured Creditors | | 25,893 |
| <i>Less</i> – Unsecured Creditors | | <u>134,794</u> |
| Total Deficiency as regards Unsecured Creditors and Shareholders | | 160,687 |
| <i>Less</i> – Issued and Paid Up Capital | | <u>3,600</u> |
| Total Deficiency as regards Unsecured Creditors and Shareholders | | <u><u>164,287</u></u> |

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 16 June 2011.

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.



K B Mason

16 June 2011

Eden 2 10 Limited (In Liquidation)
Creditors Known at Liquidation
June 2011

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| Company | Address1 | Address2 | City |
|--|-----------------------------|----------------------|---------------|
| Nutex Wholesalers Ltd | 25-29 Gordon Road | Morningside | Auckland |
| Cooper Watkinson Textiles Ltd | 8 Lion Place | Newmarket | Auckland |
| YKK Ltd | Private Bag 803 | Manurewa | Auckland 2243 |
| Saben Ltd | PO Box 91307 | Victoria Street West | Auckland |
| Brannagan Print Ltd | PO Box 23359 | Hunters Corner | Auckland 2155 |
| Genesis Energy | Private Bag 3131 | Waikato Mail Centre | Hamilton 3240 |
| Mercury Energy | Private Bag 92008 | | Auckland |
| Magic Signs Ltd | 1 Burt Road | Ellerslie | Auckland |
| Jonathan Poor | Wallace Flats Ltd | PO Box 2811 | Auckland |
| Luigi Muollo | PO Box 9739 | Marion Square | Wellington |
| Gun Enterprises Ltd | | | |
| Stephen Tilley Photography | Suite 2, 58 Surrey Crescent | Grey Lynn | Auckland 1021 |
| Process PR Ltd | Suite 2, 58 Surrey Crescent | Grey Lynn | Auckland 1021 |
| Jacquie Peterson Pattern Maker | Unit 11 Rosmay Terrace | Kingsland | Auckland |
| Jane Margaret Chittenden | 26a Main Road | | Tirau 3410 |
| Jane and Dale Chittenden Family Trust | 26a Main Road | | Tirau 3410 |
| Garrith Charles Parker & Lara Salesse Parker | | | |
| Inland Revenue Department | PO Box 1535 | | Hamilton |
| Vodafone NZ | Private Bag 92161 | | Auckland |
| Signature Security Group | 101, Level 1 Station Road | Penrose | Auckland 1061 |
| Victoria Pickworth | 6 Marine Lane | Mt Wellington | Auckland |