

Meltzer Mason Heath

Chartered Accountants practising as insolvency specialists

Refer to: Mike Lamacraft

Liquidators' First Report

JB Sales International Limited (In Liquidation)

1 Appointment

We advise that Arron Leslie Heath and Michael Lamacraft were appointed joint and several Liquidators of the above company on 30 August 2010 by special resolution of shareholders.

Arron Heath and Mike Lamacraft 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>	8 November 1977
<i>Trading Address:</i>	22 Stonedon Drive, East Tamaki
<i>Type of Business:</i>	Civil Engineering - Equipment sales and service
<i>Date Ceased Trading:</i>	31 December 2008
<i>Shareholders:</i>	Simon R James Balemi 4,061 shares Timothy Craig Balemi, & Jacqueline Balemi 2,352 shares Timothy Balemi 2,137 shares
<i>Directors:</i>	Simon Ronald James Balemi Timothy Craig Balemi
<i>Share Capital:</i>	8,550 ordinary shares
<i>Date of Liquidation:</i>	30 August 2010

3 Events Leading to Appointment

We are advised that the business and assets of the company were sold in December 2008. The company was involved in litigation with a supplier where liability was denied and a counterclaim existed. The cost of defending the legal action and pursuing the counterclaim could not be supported by the company. In the circumstances the decision was taken 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*

We are advised that the company has no realisable assets

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 30 September 2010. 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 JB Sales International 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

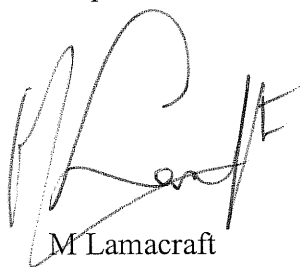
At any time during the liquidation, any creditor may in writing, request the Liquidators to call a meeting of creditors to consider whether a Liquidation Committee should be appointed, and if so, to choose the members of the Committee.

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: Mike Lamacraft

A handwritten signature in black ink, appearing to read 'M Lamacraft', with a large, stylized flourish above the name.

M Lamacraft
Liquidator

Dated this 30th day of August 2010

Attach:

**Estimated Statement of Affairs of
JB Sales International Limited (In Liquidation)
As at the date of the Appointment of Liquidators
Being 30 August 2010**

	<i>Estimated Realisable Value \$</i>
Assets:	NIL
Estimated Total Assets Available for Preferential Creditors	NIL
First Ranking Preferential Creditors	
Wages and Holiday Pay (Includes PAYE)	NIL
Second Ranking Preferential Creditors	
Inland Revenue Department	NIL
Estimated Total Assets Available for Unsecured Creditors	<u>NIL</u>
Unsecured Creditors	
- Related Party Loans	(13,216)
- Shareholder current accounts	(75,300)
- Inter company debt	(60,205)
- Trade Creditors (say)	(10,000)
- Disputed contingent claim	<u>Not known</u>
	<u>(158,721)</u>
Estimated Deficiency as regards Unsecured Creditors	<u>(158,721)</u>
Issued and Paid Up Capital	<u>(8,550)</u>
Estimated Total Deficiency as regards Unsecured Creditors and Shareholders	<u><u>(167,271)</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 30 August 2010.

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.

JB Sales International Limited (In Liquidation)
Creditors Known at Liquidation
August 2010

Company	Address1	Address2	City
Axiam Engineering Limited	C/- Horsley Christie	PO Box 655	WANGANUI
BDO Auckland	PO Box 51 563	Pakuranga	MANUKAU 2140
DG Law	PO Box 14081		PANMURE
Inland Revenue Department	PO Box 1535		HAMILTON
J Trotman	Box 499	Silverdale 0944	AUCKLAND
JB Rental Limited	49 McLaughlins Road	Wiri	AUCKLAND
Simon R Balemi	1/27 Takutai Avenue	Bucklands Beach	MANUKAU 2010
Timothy Balemi	180 Clovelly Road	Bucklands Beach	MANUKAU 2010