

Meltzer Mason Heath

Chartered Accountants practising as insolvency specialists

Refer to: Rachel Mason

Liquidators' First Report

Mercatini Christchurch Limited (In Liquidation)

1. Appointment

We advise that Jeffrey Philip Meltzer and Rachel Karen Mason were appointed joint and several Liquidators of the above company on 12 January 2009 by special resolution of shareholders.

Jeff Meltzer and Rachel Mason 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>	12 April 2007
<i>Trading Address:</i>	216 Madras Street, Christchurch
<i>Type of Business:</i>	Furniture Retailer
<i>Date Ceased Trading:</i>	12 January 2009
<i>Shareholders:</i>	Elisabeth Judy Burt 50 shares
	Frans Huysmans 50 shares
<i>Directors:</i>	Elisabeth Judy Burt
	Frans Huysmans
<i>Share Capital:</i>	100 ordinary shares
<i>Date of Liquidation:</i>	12 January 2009

3. Events Leading to Appointment

The Directors advise that the company's trading has not been sufficient to meet the costs of running the business. After considering various restructuring options, the Directors realised that the company's position was unlikely to be improved. The decision was therefore 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.

5. Proposals for Conducting the Liquidation

5.1 Realisation of Assets

The company's assets consist of stock on hand. This stock has been relocated from the company's premises to the Auckland store of a related company. The stock will be sold from these premises, with that company accounting to the Liquidators for the proceeds.

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 16 February 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 Mercatini Christchurch 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

J P Meltzer
Liquidator

Dated this 13th day of January 2009

Attach:

**Estimated Statement of Affairs of
Mercatini Christchurch Limited (In Liquidation)
As at the date of the Appointment of Liquidators
Being 12 January 2009**

	<i>Book Value</i>	<i>Estimated Realisable Value</i>
	\$	\$
Assets not Specifically Pledged:		
Stock on Hand	290,000	125,000
Estimated Total Assets Available for Preferential Creditors and Secured Creditors		<u>125,000</u>
<i>Less</i> – First Ranking Preferential Creditors		
Wages and Holiday Pay (Includes PAYE)		2,700
		<u>122,300</u>
<i>Less</i> – Second Ranking Preferential Creditors		
Inland Revenue Department	GST PAYE	
	8,785 <u>9,159</u>	17,944
		<u>104,356</u>
Estimated Total Assets Available for Secured Creditors and Unsecured Creditors		<u>104,356</u>
<i>Less</i> – Secured Creditors		NIL
Estimated Total Assets Available for Secured Creditors and Unsecured Creditors		<u>104,356</u>
<i>Less</i> – Unsecured Creditors		220,750
Total Deficiency as regards Unsecured Creditors and Shareholders		<u>116,394</u>
<i>Less</i> – Issued and Paid Up Capital		100
Total Deficiency as regards Unsecured Creditors and Shareholders		<u>116,494</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 12 January 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.

Mercatini Christchurch Limited (In Liquidation)
Creditors Known at Liquidation
January 2009

Creditor	Address1	Address2
Accent Lighting	829 Colombo Street	CHRISTCHURCH
Clean R Window	P O Box 1914	CHRISTCHURCH
Jenny Burt Florists	100 Fendalton Road	CHRISTCHURCH
Meridian Energy	PO Box 2128	CHRISTCHURCH
Telecom New Zealand Limited	PO Box 1473	CHRISTCHURCH
The Press	Private Bag 4722	CHRISTCHURCH 8001
Mercantini Limited	PO Box 47701	AUCKLAND
	Ponsonby	