

Meltzer Mason Heath

Chartered Accountants practising as insolvency specialists

Refer to: Arron Heath

Liquidators' First Report

National Mortgage Nominee Company 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 3 March 2008 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. Previously they were appointed liquidators of an associated company, National Mortgage Brokers Limited. That liquidation was completed in May 2007.

2. Background

<i>Date of Incorporation:</i>	4 August 1998
<i>Trading Address:</i>	Level 12, One Queen Street, Auckland
<i>Type of Business:</i>	Nominee company (bare trustee) for National Mortgage Brokers Limited - a liquidated company
<i>Date Ceased Trading:</i>	2005
<i>Shareholders:</i>	Longbow Limited 100 shares
<i>Director:</i>	Neal Medhurst Nicholls
<i>Share Capital:</i>	100 ordinary shares of \$1 each
<i>Date of Liquidation:</i>	3 March 2008

3. Events Leading to Appointment

The Liquidators understand that the company was involved in a dispute with the Inland Revenue Department over the priority of GST in a mortgagee sale. Following resolution in favour of the Commissioner the company became involved in a further dispute as to whether GST could be claimed on expenses. The company lost the dispute and faced a claim from the IRD. As it appeared unlikely that the total amount of the claim could be paid, the company was placed into 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 only asset appears to be funds held in an accountant's trust account. Those funds will be recovered.

5.2 Examination of Books and Records

The Liquidators do not propose to examine the company's available books and records, unless the creditors decide otherwise. It is the Liquidators' view that the maximum amount be distributed to creditors.

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 enclosed Creditor's claim form by 11 April 2008. 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 National Mortgage Nominee Company 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: Arron Heath

A L Heath
Liquidator

Dated this 10th day of March 2008

Attach:

**Estimated Statement of Affairs of
National Mortgage Nominee Company Limited (In Liquidation)
As at the date of the Appointment of Liquidators
Being 3 March 2008**

		<i>Estimated Realisable Value \$</i>
Assets:		
Cash in Trust Account		64,000
Estimated Total Assets Available for Preferential Creditors		<u>64,000</u>
<i>Less</i> – First Ranking Preferential Creditors		
Wages and Holiday Pay (Includes PAYE)		Nil
		<u>64,000</u>
<i>Less</i> – Second Ranking Preferential Creditors		
Inland Revenue Department	GST	109,888
	PAYE	<u>Nil</u>
		<u>109,888</u>
Estimated Deficiency as regards Preferential Creditors		<u>(45,888)</u>
<i>Less</i> – Secured Creditors		Nil
		<u>(45,888)</u>
<i>Less</i> – Unsecured Creditors		<u>245,771</u>
Estimated Deficiency as regards Preferential and Unsecured Creditors		(291,659)
<i>Less</i> – Issued and Paid Up Capital		<u>100</u>
Estimated Total Deficiency		<u><u>(291,759)</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 3 March 2008.

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.

National Mortgage Nominee Company Limited (In Liquidation)
Creditors Known at Liquidation
March 2008

Company	Address1	Address2	City
The District Commissioner Inland Revenue Department	PO Box 1535		HAMILTON <i>Attention: Debt Management</i>
Lowthers	PO Box 1963	Shortland Street	AUCKLAND