

Meltzer Mason Heath

Chartered Accountants practising as insolvency specialists

Refer to: Lloyd Hayward

Company Number: 1122971

Liquidators' Third Report Tile Systems Limited (In Liquidation) For the period to 2 August 2011

Introduction

Tile Systems Limited was placed into voluntary liquidation in Auckland on 2 August 2010 and Lloyd Hayward and Jeff Meltzer were appointed joint and several Liquidators.

In accordance with section 255 of the Companies Act 1993 the Liquidators are obliged to report to all creditors and shareholders on the conduct of the liquidation during the preceding six months. This report covers the period to 2 August 2011.

Schedule of Receipts and Payments

A schedule of receipts and payments is attached.

Asset Realisations

A further small recovery has been achieved from trade debts due. Trade debt has proved difficult to collect as a result of the company not being able to honour warranties it gave when trading. A number of counter claims have also been received where as a result of the company ceasing to trade defective work has been repaired by third parties. These counter claims have been set off against monies due to the company in accordance with Section 310 of the Companies Act 1993.

Based on the set off claims received there is little prospect of further recoveries of trade debt.

A GST entitlement was identified and claimed. This refund has been received

Dividends

The Liquidators expect that a dividend of less than 10 cents in the dollar will be paid shortly.

Jeff Meltzer

Karen Mason

Arron Heath



Liquidators' Investigations

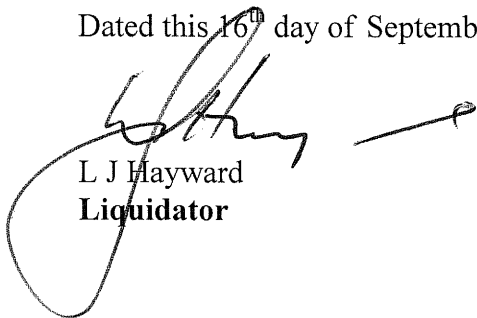
The Liquidators have not identified any matter that is likely to give rise to additional monies being available to creditors.

Outstanding Matters

The Liquidators intend to complete the creditor claim admitting process, attend to final GST matters, undertake a first and final dividend payment, and then retire

Please contact Lloyd Hayward of this office should you require any further information.

Dated this 16th day of September 2011



L J Hayward
Liquidator

Tile Systems Limited (In Liquidation)

Receipts and Payments

For the period to 2 August 2011

	\$
Receipts	
Brought forward	53,076.58
Debtors	16,344.53
Pre Liquidation GST Refund	42,494.64
IBD Interest	741.83
GST Income	1,239.61
	<hr/> 113,897.19
Payments	
Brought forward	27,194.37
Liquidators' Remuneration	6,840.00
Liquidators' Disbursements	136.80
Bank Fees	0.25
Debt Collection	1,673.48
Professional Fees	175.00
Mail Redirection	169.57
GST Expense	2,737.49
	<hr/> 38,926.96
Balance as at 2 August 2011	<hr/> <u>74,970.23</u>

Notes: The funds held are subject to further costs of winding up.