

Meltzer Mason Heath

Chartered Accountants practising as insolvency specialists

Refer to: Mike Lamacraft

Liquidators' First Report

3.M.I. Choices Limited (In Liquidation) Trading as Adriatic Stone

1. Appointment

We advise that Arron Leslie Heath and Michael Lamacraft were appointed joint and several Liquidators of the above company on 24 September 2008 by special resolution of shareholders.

Arron Leslie Heath and Michael 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>	15 November 1999
<i>Trading Address:</i>	Unit 1/9 Polaris Place, East Tamaki, Auckland
<i>Type of Business:</i>	Granite Manufacturing
<i>Date Ceased Trading:</i>	June 2008
<i>Shareholders:</i>	Michael Robert Mans 51 shares Mikako Otani Mans 49 shares
<i>Directors:</i>	Michael Robert Mans Mikako Otani Mans
<i>Share Capital:</i>	100 ordinary shares
<i>Date of Liquidation:</i>	24 September 2008

3. Events Leading to Appointment

We are advised that the company had been supported for some considerable time by bank funding guaranteed and secured over the shareholders property. Following the loss of a major customer, the company's performance deteriorated and additional funding was neither available nor advisable. Having taken appropriate advice it was decided that the company should be placed in to 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

Assets will be sold at auction or by private treaty.

5.2 Examination of Books and Records

The Liquidators will examine the company's available books and records and conduct a brief initial 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 31 October 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 3.M.I. Choices 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

M Lamacraft
Liquidator

Dated this 24th day of September 2008

Attach:

**Estimated Statement of Affairs of
3.M.I. Choices Limited (In Liquidation)
As at the date of the Appointment of Liquidators
Being 24 September 2008**

	<i>Estimated to Realise</i>	<i>Owed to Secured Creditor</i>	<i>Estimated Realisable Value \$</i>
Assets Specifically Pledged:			
Fixed plant, equipment and vehicles	5,000	(750,000)	<u>(745,000)</u>
Assets not Specifically Pledged:			
Stock			<u>5,000</u>
Estimated Total Assets Available for Preferential Creditor			<u>5,000</u>
Preferential Creditor			
Inland Revenue Department	GST	(55,000)	
	PAYE	<u>(60,000)</u>	
			(115,000)
Estimated Deficiency as regards Preferential Creditors			<u>(110,000)</u>
Secured Creditor shortfall brought down			(745,000)
			<u>(5,000)</u>
Estimated Total Deficiency as regards Unsecured Creditors			<u><u>(860,000)</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 24 September 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.

M Lamacraft
Liquidator

24 September 2008

3.M.I. Choices Limited (In Liquidation)
Creditors Known at Liquidation
September 2008

Company	Address1	Address2	City
Vodafone New Zealand Ltd	Private Bag 92161		AUCKLAND 1030
Diamond Edge	PO Box 100953	North Shore Mail Centre	AUCKLAND 0745
CDK Stone	PO Box 100953	North Shore Mail Centre	AUCKLAND 0745
Kagans Cleaning Rags The Laminex Group	24 Patrick Street 24-26 O'Rorke Road	Onehunga Penrose	AUCKLAND AUCKLAND
Chelsea Diamond Waste Management	236 Bush Road Private Bag 14919	Albany Panmure	AUCKLAND AUCKLAND
Terry Whittle Transport	10b Offenhauser Drive	East Tamaki	AUCKLAND
Whitlock & Co C/- Baycorp	Private Bag 92063	Victoria Street	AUCKLAND
Ministry of Justice	PO Box 2940		WELLINGTON
Numeria Finance	PO Box 911 117	Victoria Street West	AUCKLAND 1142
ANZ National Bank Ltd IRD	Collections PO Box 1535		HAMILTON