

Meltzer Mason Heath

Chartered Accountants practising as insolvency specialists

Refer to: Rachel Mason

Liquidators' First Report

ARS 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 26 June 2009 by special resolution of shareholders.

Jeff Meltzer and Rachel Mason are full time Insolvency Practitioners. They have not previously acted in any capacity for the company. On 27 February 2007 Arron Leslie Heath and Michael Lamacraft, of Meltzer Mason Heath, were appointed joint and several Liquidators of Short Run Engineering Limited, of which Kenneth Major Bailey was the sole Director, and a 50% shareholder. That liquidation was completed on 3 April 2007.

2. Background

| | | |
|-------------------------------|---|--------------|
| <i>Date of Incorporation:</i> | 7 November 2006 | |
| <i>Trading Address:</i> | 56D Ben Lomond Crescent, Pakuranga, Auckland | |
| <i>Type of Business:</i> | Acrylic Cutting | |
| <i>Date Ceased Trading:</i> | February 2009 | |
| <i>Shareholder:</i> | Kenneth Major Bailey | 1,000 shares |
| <i>Director:</i> | Kenneth Major Bailey | |
| <i>Share Capital:</i> | 1,000 ordinary shares | |
| <i>Date of Liquidation:</i> | 26 June 2009 | |

3. Events Leading to Appointment

The Director advises that the company's main assets have been sold. These were financed by hire purchase agreements, and the proceeds were applied towards satisfaction of these debts. The Director could no longer continue to operate the company, therefore the decision was 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 bank account will be closed.

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 27 July 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 ARS 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

R Mason
Liquidator

Dated this 1st day of July 2009

Attach:

**Estimated Statement of Affairs of
ARS Limited (In Liquidation)
As at the date of the Appointment of Liquidators
Being 26 June 2009**

| | <i>Estimated Realisable Value \$</i> |
|--|--|
| Assets not Specifically Pledged: | |
| Cash at Bank | 1,100 |
| Estimated Total Assets Available for Preferential Creditors and Secured Creditors | <u>1,100</u> |
| <i>Less – First Ranking Preferential Creditors</i> | |
| Wages and Holiday Pay (Includes PAYE) | NIL |
| | <u>1,100</u> |
| <i>Less – Second Ranking Preferential Creditors</i> | |
| Inland Revenue Department | |
| GST | 14,522 |
| PAYE | <u>4,856</u> |
| | <u>19,378</u> |
| Estimated Total Assets Available for Secured Creditors and Unsecured Creditors | <u>18,278</u> |
| <i>Less – Secured Creditors</i> | NIL |
| Estimated Total Deficiency as regards Secured Creditors and Unsecured Creditors | <u>18,278</u> |
| <i>Less – Unsecured Creditors</i> | <u>27,252</u> |
| Total Deficiency as regards Unsecured Creditors and Shareholders | <u>45,530</u> |
| <i>Less – Issued and Paid Up Capital</i> | <u>1,000</u> |
| Total Deficiency as regards Unsecured Creditors and Shareholders | <u><u>46,530</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 26 June 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.

ARS Limited (In Liquidation)
Creditors Known at Liquidation
June 2009

| Creditor | Address1 | Address2 | Address3 |
|-------------------------------|----------------------|------------------|-----------------|
| ACC Debt Management Unit | P O Box 3248 | | WELLINGTON |
| Amediate Engineering Limited | P O Box 38 130 | Pakuranga | AUCKLAND |
| BOC Limited | P O Box 11 161 | Sockburn | AUCKLAND |
| Electric Motor Solutions | P O Box 58 058 | Greenmount | AUCKLAND |
| GR Sims & Son Limited | P O Box 22 068 | Otahuhu | AUCKLAND |
| Graden Investments Limited | 66A Mellons Bay Road | Howick | AUCKLAND 2014 |
| Harts Chartered Accountants | P O Box 58 442 | Greenmount | AUCKLAND 2141 |
| Mag Assembly Limited | P O Box 107 038 | Manukau | AUCKLAND 2150 |
| Mercury Energy | Private Bag 92 008 | | AUCKLAND |
| NBO New Zealand | P O Box 17 226 | Greenlane | AUCKLAND |
| People Passion (2008) Limited | 258 Great South Road | Papakura | AUCKLAND 2110 |
| Robertson & Sinclair Limited | Private Bag 93 307 | Otahuhu | AUCKLAND |
| Searcha | P O Box 17 163 | Greenlane | AUCKLAND |
| Signcity | P O Box 58 663 | Greenmount | AUCKLAND |
| TelstraClear | Private Bag 92 143 | | AUCKLAND |
| Xpanda Security Limited | P O Box 100 301 | North Shore City | AUCKLAND 0745 |
| Yellow Pages Group Limited | P O Box 17 345 | Greenlane | AUCKLAND 1546 |