

BRNO Developments Limited (In Liquidation)

Liquidators First Report

06 January 2009.

1. Background

BRNO Developments Limited ("the company") was placed into liquidation by order of the High Court at Auckland on the 28th day of November 2008, at 10:32 am. Robert James Neilson and Kenneth Peter Brown, Chartered Accountants of Tauranga were appointed as Joint and Several Liquidators of the company.

2. Disclaimer

This report is not intended for general circulation, nor is it to be reproduced or used for any purpose other than that outlined above without written permission in each specific instance. The Liquidators do not accept any responsibility or liability for any damage or loss occasioned to any party as a result of the circulation, publication, reproduction or use of this report. In particular the Liquidators take no responsibility for any misinformation contained therein that has been supplied by the company, its officers or any other person. The report is also based upon information available at this date, and the Liquidators therefore reserve the right to review, and if necessary, amend the report.

3. Company Information

Date of Incorporation: 27 April 2006
Trading Address: 89b Island Bay Road, Birkenhead, Auckland
Type of business: Property Developers
Date trading ceased: November 2008
Shareholders: ROKOSSOVA, Margarita
Directors: ROKOSSOVA, Margarita

4. Events leading to appointment of Liquidators

The Company entered into an unconditional agreement to purchase three sections and failed to settle the purchase and was subsequently put into Liquidation. The directors of the company have failed to cooperate and supply information relating to the failure of the company.

5. Statement of Affairs

We attach as *Appendix I* a statement of the company's affairs as at the date of our appointment.

This has been prepared from information provided by sources outside of the company and the Liquidators are not yet able to express an opinion on the validity of that information.

Also attached as *Appendix II* is a list of known creditors as at the date of appointment.

6. Proposals for Conducting the Liquidation

The Liquidators will be pursuing information from the directors of the company in relation to the affairs of the company. We will also be reviewing all related property transactions, the current account and any void transactions. We will also be looking to confirm this was the only business activity that the company traded.

Further on receipt of the records for the company the Liquidators will be investigating the roles of the various parties in the running of the company and duties of each as prescribed under the Companies Act.

7. Estimated Date of Completion of Liquidation and Notice As To Further Reports

It is not practicable to estimate the date of the completion of the liquidation at this stage. A Further report will be issued in 6 months time if the Liquidation is not completed.

8. Creditors Meeting

No meeting will be held. The Liquidators dispense with holding a creditors meeting pursuant to Section 243 of the Companies Act 1993 as the dividend is expected to be nil or very small.

In accordance with Section 314 of the Companies Act 1993 a creditor or shareholder may request the Liquidators to call a meeting of creditors or shareholders at any time in the course of the Liquidation to vote on a proposal that a Liquidation Committee be appointed to act with the Liquidators. This request must be in writing.

The Liquidators may decline a request by a creditor or a shareholder to call a meeting on the grounds that:

- a) the request is frivolous or vexatious; or
- b) the request was not made in good faith; or
- c) the costs of calling the meeting would be out of proportion to the value of the company's assets.

The decision to decline a request may be reviewed by the Court on the application of any creditor or shareholder.

9. Creditors Claims

If your terms of trade with the company include reservation of title of goods supplied please contact Stephen Wheeler on 07 571 6280.

Please complete and return the enclosed Unsecured Creditors Claim form by 28 February 2009 to P O Box 15660, Tauranga. If you believe that you are a secured creditor please contact our Tauranga office and the appropriate forms will be sent to you.

Completion of your claim should be given your urgent attention. If creditors do not lodge a claim with the Liquidators, they are not entitled to share in any distribution to creditors that may be made by the Liquidators.

10. Further Information

If you require any further information or if you have any information that will be of assistance to the Liquidators please contact Stephen Wheeler at our Tauranga Office.



Robert James Neilson
Joint Liquidator

Appendix I
BRNO Developments Limited (In Liquidation)
Statement of Affairs
as at the 28th November 2008.

	<i>Estimated to realise</i>
Assets	
NIL	
Less Secured Claims	
Nil	
Less Preferential Claims	
IRD – GST	\$ 3,747
Other	\$ 3,155
Deficit before Unsecured Creditors	(\$6,902)
Less Unsecured Creditors	
IRD – GST (penalties & interest)	\$14,200
Trade Creditors	\$64,302
Deficit (before costs of liquidation)	(\$81,519)

Disclaimer

This statement should be read in conjunction with the disclaimer on page one of the above Liquidators report and Rodewald Hart Brown Ltd have not audited the report and they, their directors or employees accept no liability to any other party in relying on the information presented. The purpose of the report is to give creditors of the company an indication of the financial position of the company as at the date of appointment of the liquidators.

Rodewald Hart Brown Limited

Appendix II

BRNO Developments Limited (In Liquidation)
Schedule of Creditors as at 28 November 2008

Landsdale Developments Limited	12 th Avenue	Tauranga
Commissioner of Inland Revenue	P O Box 33-150	North Shore
Bunnings Ltd T/A Benchmark Building Supplies	P O Box 100-163	North shore