

4. Events Leading to Appointment of Liquidators

The Directors of the company have advised the reason for the failure of the company is due to lost capital through redeemable shares and money lent that was never repaid, therefore making shortfall in mortgage repayments, with another contributing factor being the ill health of one of the Directors.

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 a director 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

An investigation will be conducted of the company's books and records to establish if there are any potentially voidable transactions, potential current account issues, and to ensure the Director has complied with the duties and obligations imposed on him under the Companies Act 1993.

The property owned by this company is mortgaged by Westpac bank and therefore if the bank agrees the Liquidator will endeavour to sell the property to recover some of the outstanding loan.

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. Further reports will be issued at six monthly intervals from appointment with a final report at the conclusion of the Liquidation.

8. Creditors Meeting

A Liquidator may call a meeting of creditors in order to decide whether an application should be made to the Court to appoint a replacement Liquidator.

Having regard to the assets and liabilities of the company, the likely result of the liquidation and other relevant matters, the Liquidator considers in accordance with section 245 of the Companies Act 1993 that no such meeting should be held.

A meeting will not be called unless within 10 working days after receiving this notice a creditor gives notice in writing to the Liquidator requiring a meeting to be called.

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 Steph Harborne on 07 571 6280 or email stephh@rhb.co.nz

Please complete and return the enclosed Unsecured Creditors Claim form by 23rd April 2010 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 Steph Harborne at our Tauranga Office.



Kenneth Peter Brown
Joint Liquidator

Appendix I

DBV Investment Limited (In Liquidation) Statement of Affairs

as at the Date of the Appointment of the
Liquidators being 1st March 2010

	<i>Estimated to Realise</i>
Assets	
Property	430,000
Debtors	unknown
	<hr/>
	430,000
Less Secured Claims	
Westpac New Zealand	702,000
Deficit before Unsecured Creditors	(\$1,132,000)
Less Unsecured Creditors	
Trade Creditors	<hr/> 14,065
Deficit (before costs of liquidation)	<u>(\$1,146,065)</u>

Disclaimer

This statement should be read in conjunction with the disclaimer on page one of the above Liquidators report and RHB Chartered Accountants Limited 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.

RHB Chartered Accountants Limited

Appendix II

DBV Investment Limited (In Liquidation) Schedule of Creditors as at 1st March 2010

ABC Body Corporation

169 Manukau Road

Epsom

Auckland