

4 December 2009

Dear Creditor

**Re: Architecture D M (Christchurch) Ltd (in Liquidation)**

1. On the 25<sup>th</sup> November 2009 at 4.25pm it was resolved by special resolution, pursuant to Section 241 (2) (a) of the Companies Act 1993, that Architecture D M (Christchurch) Ltd be liquidated, and that Pat Norris, Insolvency Practitioner of Norris Management Services Ltd of Nelson be appointed as Liquidator.

The liquidator does not propose to call a meeting of creditors. He feels that a meeting of creditors is unnecessary for the following reasons:

- a) Given the relatively modest size of the Company and its assets, the cost associated with the calling of a meeting would be disproportionate to any benefit to be gained from the meeting;
- b) Given the co-operation, which the Liquidator has received, from the Company's officers and its advisors to date, the liquidator is confident that he now has custody and control of all the Company's assets and is aware of its creditors.

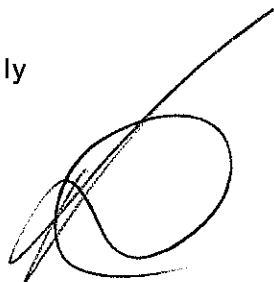
The Liquidator is now providing you with his initial Statutory Report and is required by law to provide you with further reports within 20 working days of the end of each period of six months following the commencement of the liquidation.

2. As a creditor, you are able to require the Liquidator to call a meeting should you give notice in writing to the Liquidator within 14 days after receiving this letter.

3. You should be aware that at any time during the course of the liquidation a creditor, by notice in writing to the Liquidator can require the Liquidator to call a meeting of creditors to vote on a proposal that a liquidation committee be appointed to act with the liquidator and to choose the members of the committee. Please note that the Liquidator may decline the request by a member to call a meeting on the grounds that:
- a) The request is frivolous or vexatious; or
  - b) The request is not made in good faith; or
  - c) The costs of calling a meeting would be out of proportion to the value of the Company's assets.
4. Enclosed you will find:
- a) A report containing a statement of the Company's affairs, proposals for conducting the liquidation and liquidator's views on its likely completion.
  - b) An unsecured creditors claim form for completion and return to Norris Management Services Ltd. PO Box 1575, Nelson by 25<sup>th</sup> January 2010.

The Liquidator records that he is independent of the director(s)/shareholder(s)

Yours faithfully



Pat D Norris  
**LIQUIDATOR**  
Architecture D M (Christchurch) Ltd.

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**LIQUIDATORS' FIRST REPORT**  
**ON THE STATE OF AFFAIRS OF**  
**"ARCHITECTURE D M (CHRISTCHURCH) LIMITED" (IN LIQUIDATION)**  
**"The Company"**

4 December 2009

### **Introduction**

On the 25<sup>th</sup> November 2009 at 4.25pm it was resolved by special resolution, pursuant to Section 241(2)(a) of the Companies Act 1993, that the Company be liquidated, and that Pat Norris, Insolvency Practitioner of Norris Management Services Ltd. of Nelson be appointed as Liquidator.

I set out below our first report on the state of affairs of the Company as required by section 255(2)(c)(ii)(A) of the Companies Act 1993.

### **Company Information**

Company Number:	1757882
Date of Incorporation:	20 January 2006
Nature of Business:	Architecture
Date Ceased Trading:	25 November 2009
Director(s):	MCLEOD, David George
Shareholder(s):	MCLEOD, David George, MCLEOD, Nichola Mary

### **Statement of Affairs**

We attach a statement of the Company's affairs as at the date of our appointment. This statement has been compiled from the Company's records and information provided by the Company's officers. Due to time constraints our verification work is still to be completed – accordingly neither we nor any of our employees accept any responsibility for any error or omission in this Statement of Affairs.

Subject to further verification, we estimate that there will be no funds available to unsecured creditors. At this stage there are insufficient funds to clear preferential and secured creditors and that repayment will only occur from the orderly sale of the assets of the Company.

## **Background**

The company was formed 20 January 2006 as part of the Architecture D M chain. The business experienced a significant downturn in trade for 2007/2008 and was unable to meet acceptable trading patterns. The results for the company for 2008 show a small profit of \$15,226.00 and then recorded a loss in 2009 of \$13,427.00. The business ceased trading in early 2009. The directors and shareholders have liquidated Architecture D M (Christchurch) Ltd. (In Liq.) with their other companies Northland, Auckland, Wellington, Nelson and Queenstown. In addition the directors and shareholders have also liquidated ADM (NZ) Ltd. (In Liq.). Given the extent of the debt incurred by this company and its limited assets it is highly unlikely that there will be a dividend paid to unsecured creditors.

## **Assets**

The only known assets of the company are its accounts receivable but due to disputes it is unsure as to how much will be collected.

## **Proposals for Conducting the Liquidation**

The following matters will be attended to:

- Realise all assets
- Pay preferential creditors (employees and Inland Revenue)
- Collect debtors
- Investigation into voidable transactions
- Confirm Inland Revenue preferential claims
- Calculate director's current accounts
- Verify creditor's claims
- Hold an informal creditors meeting if required

## **Estimated Date of Completion of Liquidation**

We estimate that the liquidation should be completed within 6 months. However, a number of issues may cause unexpected delays to the completion.

## **General**

Any enquires regarding the liquidation should be directed to Pat Norris, Norris Management Services Ltd, 163 Haven Road, PO Box 1575, Nelson, telephone (03) 545 7787, fax (03) 545 7776, email: [norris.management@xtra.co.nz](mailto:norris.management@xtra.co.nz) or view details of this liquidation on our website [www.norrismanagement.co.nz](http://www.norrismanagement.co.nz).

## **Independence**

The Liquidator confirms he is independent of the director(s)/shareholder(s) of the Company.

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PD Norris  
Insolvency Practitioner  
Norris Managements Services Ltd

**Unsecured Creditors**

Dave Curtis Design  
Ourway Investments

Primus Finance  
Shell  
Telstra  
Wilson Parking  
Mark Brown Accounting

6 Huntsbury Avenue, Huntsbury Hill, Chch  
140a Lichfield Street, Christchurch  
70 Plunket Avenue Puhinui Manukau City Auckland  
2104  
P O Box 2091, Wellington  
CLEAR Tower 49 Symonds St, Auckland city  
PO Box 22 608 High Street Christchurch  
P O Box 986, Nelson 7040

Architecture DM (Christchurch) Ltd (in Liquidation)

Statement of Affairs

As at Date of Appointment of Liquidator

25 November 2009

Assets

Plant and Equipment	\$ NIL
Accounts Receivable	\$ 9255.00
	<u>\$ 9255.00</u>
Less Preferential Creditors: (to be confirmed)	\$ 11567.86
Secured Creditors:	\$ 9921.70
Unsecured Creditors	\$ 15211.13
	<u>\$ 36700.69</u>
Estimated Deficiency Subject to Cost of Liquidation	(\$ 27445.69)

Please note disclaimers as per the Liquidators Reports

