



The Insolvency & Business Recovery Specialists

**NORTH SOUTH FINANCE LIMITED
(IN RECEIVERSHIP & IN LIQUIDATION)**

LIQUIDATORS' THIRD REPORT
Pursuant to Section 255(2)(d)
of the Companies Act 1993

**For the Period from 17 March 2011
to 16 September 2011**

1. PROGRESS OF THE ADMINISTRATION OF THE LIQUIDATION

The liquidators report herewith on the progress made in the liquidation of North South Finance Limited ("NSF"). Included in this report is the liquidators' Statement of Realisations and Distributions to 16 September 2011.

This third report to creditors follows the previous reports and should be read in conjunction with all previous reports. This report is being sent to all shareholders and to all creditors who have filed a claim in the liquidation.

2. REALISATION OF COMPANY ASSETS

The receivers have control of the company's property assets.

3. CREDITORS' CLAIMS

We have to date received one unsecured claim for \$3,987. No preferential claims have been received. The receivers also report that they are unaware of any Inland Revenue Department debt.

4. INVESTIGATIONS

The liquidators continue to monitor other legal actions that are underway and are reviewing their options for legal action against directors and trustees.

The liquidators have received some company records, however most records continue to be held by other investigating agencies.

Despite the absence of some records, the liquidators have commenced and advanced their investigations into a number of areas of concern. However, the liquidators are not able to reach any final conclusions on the matters that they have identified until they have access to all records.

5. LIQUIDATORS' FEES

No liquidators' fees have been billed to the date of this report. Our unbilled time and cost to date, based on 95.9 hours of work undertaken, are as follows:-

Work category	Hours	\$
• Appointment functions	20.2	4,911
• Asset realisations	1.4	560
• Creditors' claims, enquiries and reports	6.5	1,698
• Management	4.5	960
• Taxation	0.3	90
• Investigations	63.0	19,306
Total unbilled time costs	95.9	\$27,525

Liquidators' fees in a Court ordered winding up are to be approved by the Court, and if required, a retrospective application for fee approval will be made by the liquidators.

Section 284(1) of the Companies Act 1993 provides that an application (with the leave of the Court) may be made by a creditor, shareholder or director of a company in liquidation to review or fix the remuneration of the liquidators. In circumstances where no application has been made to review or fix the liquidators' remuneration the Court will be less inclined to rigorously examine the fees submitted by the liquidators for subsequent approval.

6. FUNDS / LIKELY OUTCOME

The receivers report that there will be a shortfall on the amounts due to the secured creditors. Therefore, any prospect of recovery for investors and unsecured creditors is entirely dependent on the outcome of any legal actions which may follow from our investigations.

7. MATTERS DELAYING COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

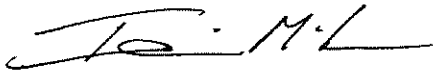
- Recovery of further books and records
- Further investigations

8. CONCLUSION

Based on the above, the liquidators cannot give an indication of when the liquidation may be completed.

Any queries can be directed to Boris van Delden of these offices on 0-9-306 3342 or by visiting our website at www.mvp.co.nz.

Yours faithfully
for NORTH SOUTH FINANCE LIMITED
(IN RECEIVERSHIP & IN LIQUIDATION)



IAIN McLENNAN
LIQUIDATOR

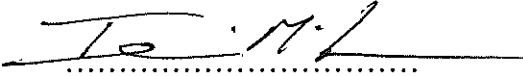
DATED this *7th* day of December 2011

Number of Company: 985810

Name of Company: NORTH SOUTH FINANCE LIMITED (IN RECEIVERSHIP & IN LIQUIDATION)

Subject: LIQUIDATOR'S STATEMENT OF REALISATIONS AND DISTRIBUTIONS FOR THE PERIOD 17 SEPTEMBER 2010 TO 16 SEPTEMBER 2011

	Cash Received
CASH HAS BEEN RECEIVED AS FOLLOWS:	\$
	Nil
TOTAL REALISATIONS	<u>\$Nil</u>
 CASH HAS BEEN PAID AS FOLLOWS:	
Costs Charges & Expenses of Liquidation	
Liquidators' Fees and Disbursements	Nil
TOTAL DISTRIBUTIONS	<u>\$Nil</u>
 TOTAL REALISATIONS	Nil
LESS TOTAL DISTRIBUTIONS	Nil
BALANCE HELD	<u>\$Nil</u>


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IAIN McLENNAN
LIQUIDATOR

Dated this 7th day of December 2011