



The Insolvency & Business Recovery Specialists

**BRUSAN DESIGNS LIMITED
(IN LIQUIDATION)**

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

**For the Period from 10 December 2007
to 9 June 2010**

PARTNERS

Boris van Delden B.Com, CA (PP)
Peri M Finnigan BBS, Dip.Bus, CA (PP)

DIRECTOR

Kevin W Bromwich NZ Dip.Bus

SENIOR ASSOCIATES

Tony Maginness Dip.Bus
Roy Horrocks Dip.Bus, CA

CONSULTANTS

John T Whittfield Dip.Ag, M InstLD
John L Vague Jr, FCA, ACIS, AFNZIM
Dennis Wood Grad.DipBus Admin, DipPol, MBA
Garry Whimp A.C.A.

1. PROGRESS OF THE ADMINISTRATION OF THE LIQUIDATION

The liquidators report herewith on the progress made in the liquidation of Brusan Designs Limited. Included in this report is the liquidators Statement of Realisations and Distributions to date.

This second report to creditors follows the earlier report and should be read in conjunction with that report. 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

2.1 There were no assets to realise. The assets that had formerly been owned by the company had been sold to another entity. While we were able to cancel the sale and purchase agreement the assets were also secured under a Specific and General Security Agreement ("GSA") given by an entity related to Brusan (and also in liquidation) and had been represented by Brusan's director to have been owned by the related entity. The other entity traded from the same site as Brusan and the assets were hopelessly intertwined. The shareholders of Brusan had also provided a personal guarantee to the security holder.

As Brusan has no other creditors we concluded that it was not economic to endeavour to unravel the situation, so the proceeds of sale of the assets by auction have been retained by the other company in liquidation.

3. CREDITORS CLAIMS

3.1 Secured Creditors

No secured claims have been received.

3.2 Preferential Creditors

No preferential claims for wages and holiday pay have been received.

3.3 Unsecured Creditors

No unsecured claims have been received.

4. INVESTIGATIONS

Given that there are no claims from any party, no investigations are necessary. The circumstances giving rise to the securitisation of assets though may be explored further depending on the outcome of litigation in the liquidation of Neil Timber Limited (in liquidation).

5. FUNDS / LIKELY OUTCOME

Given that there are no claims from any party, no distributions are likely.

6. MATTERS DELAYING COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

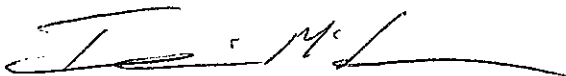
- Monitor litigation in other liquidations
- Completion of liquidation

7. CONCLUSION

Based on the above the liquidator presently proposes to complete all outstanding matters with a view to retiring as liquidators within the 24 months.

Any queries can be directed to Iain McLennan of these offices on DDI 0-9-303 9512 or by visiting our website at www.mvp.co.nz.

Yours faithfully
for BRUSAN DESIGNS LIMITED
(IN LIQUIDATION)



IAIN MCLENNAN
LIQUIDATOR

DATED this 8th day of July 2010