

Meltzer Mason Heath

Chartered Accountants practising as insolvency specialists

Refer to: Arron Heath

Company No: 967580

Receivers' Further Report on the State of Affairs

of

Freemont Design & Construction Limited (In Receivership and In Liquidation)

("the Company")

Introduction

Jeffrey Philip Meltzer and Arron Leslie Heath were appointed Receivers of Freemont Design & Construction Limited on 22 August 2006. This further report covers the period from 23 August 2007 to 22 February 2008.

The Official Assignee at Auckland was appointed Liquidator of the Company on 23 November 2006.

Property Disposed of Since Previous Report

No property has been disposed of since the previous report.

Amount Owing to Holders of General Security Agreements

The amounts owing to the holders of General Security Agreements are:

	<i>Amount Owing at 22.02.08 \$</i>
1. ANZ National Bank Limited	Nil
2. Lovegroves Trustee Company Limited / BM Trustee Company Limited	Unknown
3. Easy Factors International Limited	4,180,565
	<u>4,180,565</u>

Note: Easy Factors International Limited have not provided a figure for the amount owing as at 22 February 2008. The figure used is that provided for the previous report.



Preferential Claims

There has been no change in preferential creditor claims since the previous report. Preferential claims total \$276,680, as follows:

	\$
1. Petitioning Creditor costs	2,707
2. Employees	
Wage Arrears	11,323
Holiday Pay	31,348
	<hr/> 42,671
3. Inland Revenue Department	
PAYE	91,033
GST	140,269
	<hr/> 231,302
	<hr/> <hr/> 276,680

As provided in Section 30(2) Receiverships Act 1993 preferential claims are payable from the proceeds of accounts receivable and inventory. The Company has no inventory. Provision for payment of preferential creditor claims has been made as part of the assignment of accounts receivable to Easy Factors International Limited. However, recovery of accounts receivable amounts is still doubtful and the possibility that no funds will be available to satisfy the claims of preferential creditors cannot be discounted.

Amounts Likely to be Available for Payment to Unsecured Creditors

The Receivers do not consider it likely that sufficient funds will be realised to enable a payment to be made to the Company's unsecured creditors.

Receipts and Payments

A receipts and payments statement for the period 23 August 2007 to 22 February 2008 is attached.

Disclaimer

As required by Section 24 of the Receiverships Act 1993, this report has been prepared by the Receivers and is available to all persons entitled to receive it under Section 26 of the Act.

This report is based on information that has been disclosed to the Receivers at the date of the report. The information has been received or obtained from various sources and has not been verified by the Receivers and the Receivers have accepted without review information and explanations that have been provided to them.

Some figures in this report are estimates only and are subject to change upon new information being disclosed to or obtained by the Receivers.

The Receivers accordingly make no representation or warranty as to the accuracy or completeness of the information contained in this report, and shall not be liable for any statement, information or matters (whether express or implied) contained in, or derived, or omitted from, this report. The Receivers shall not be responsible for the reliance of any person on information contained in, or derived, or omitted from, this report.

A L Heath
Receiver

14 March 2008

Freemont Design & Construction Limited
(In Receivership & In Liquidation)
Receivership Receipts and Payments for the period
23 August 2007 to 22 February 2008

	\$	\$
Balance carried forward		6,554.41
Receipts		
Advances from Security Holder	4,997.98	
GST Refunds	4,605.44	
		<u>9,603.42</u>
		16,157.83
Payments		
Receivers' Remuneration	4,415.00	
Receivers' Disbursements	27.64	
Bank Fees	35.02	
Interest	1,019.18	
Telephone	644.69	
GST Paid	636.85	
		<u>6,778.38</u>
Balance carried forward		<u>9,379.45</u>