

Meltzer Mason Heath

Chartered Accountants practising as insolvency specialists

Refer to: Mike Lamacraft

Liquidators' First Report

Rawaka Limited (In Liquidation)

1. Appointment

We advise that Jeffrey Philip Meltzer and Michael Lamacraft were appointed joint and several Liquidators of the above company on 14 July 2004 by special resolution of shareholders.

Jeff Meltzer and Mike Lamacraft are full time Insolvency Practitioners. They have not previously acted in any capacity for the company or the officers and shareholders of the company.

2. Background

<i>Date of Incorporation:</i>	14 January 2003
<i>Trading Address:</i>	2 Queen Street, Northcote, Auckland
<i>Type of Business:</i>	Rawaka Cultural Experience
<i>Date Ceased Trading:</i>	June 2004
<i>Shareholder:</i>	Suzanne Kilworth 100 shares
<i>Director:</i>	Suzanne Kilworth
<i>Share Capital:</i>	100 ordinary shares of \$1.00 each
<i>Date of Liquidation:</i>	14 July 2004

3. Events Leading to Appointment

We are advised that prior to taking the lease last year for Fisherman's Wharf the company employed a consultant to secure funding for Rawaka. It was later discovered the information he had supplied was incorrect, and therefore the opening had to be delayed until another investor was found. This meant Rawaka was unable to open in December as planned so the high season tourist trade was missed. Further, council requirements meant the company couldn't open until April. The director then tried to secure further funding and as of the date of liquidation was unable to do so.



4. Statement of Affairs

The Liquidators have prepared an estimated Statement of Affairs being the assets and liabilities of the company at the date of liquidation. We attach a copy.

5. Proposals for Conducting the Liquidation

5.1 Realisation of Assets

The Liquidators are currently seeking a purchaser for the business as a going concern. If this does not prove to be possible any asset owned by the company will be valued and sold in accordance with professional advice.

5.2 Investigations

The Liquidators will review the company's books and records, conduct an initial investigation into the trading affairs of the company and conduct all other investigations that the Liquidators are charged to do.

6. Creditors Claim Form

Creditors should complete and return the attached Creditor's claim form by 16 August 2004. Creditors who do not make a claim within the period may be excluded from any distribution that may be made.

7. Retention of Title Claims/Security Interests

Please note, if you believe you have a valid retention of title claim or security interest over goods or equipment supplied to Rawaka Limited (In Liquidation), and you have not yet contacted the Liquidators, please contact us immediately.

8. Initial Creditors Meeting

A meeting of creditors will be held on Friday, 30 July at 10:00am in Rooms 2 & 3 of the Auckland Branch of the Institute of Chartered Accountants of New Zealand, 27-33 Ohinerau Street, Remuera, Auckland. A notice of meeting and agenda are attached along with a proxy form if a creditor is unable to attend the meeting.

9. Liquidation Committee

At any time during the liquidation, any creditor may in writing, request the Liquidators to call a meeting of creditors to consider whether a Liquidation Committee should be appointed, and if so, to choose the members of the Committee.

A Liquidation Committee has certain powers set out in s315 of the Companies Act 1993, including to assist the Liquidators as appropriate in the conduct of the liquidation.

10. Estimated Date of Completion of Liquidation

It is not practicable to estimate the date of completion of the liquidation at this stage.

Enquiries should be directed to: Mike Lamacraft

M Lamacraft
Liquidator

Dated this 19th day of July 2004

Attach:

**Estimated Statement of Affairs of
Rawaka Limited (In Liquidation)
As at the date of the Appointment of Liquidators
Being 14 July 2004**

	<i>Estimated to Realise</i>	<i>Owed to Secured Creditors</i>	<i>Estimated to Realise</i>
	\$	\$	\$
Assets Specifically Pledged			
Fixed Assets	Unknown	(464,000)	(464,000)
Estimated Shortfall as regards Secured Creditors			<u>Unknown</u>
Assets not Specially Pledged			
Debtors			<u>500</u>
			500
First Ranking Preferential Creditors			
Wages and Holiday Pay (Includes PAYE)			<u>(15,000)</u>
			(14,500)
Second Ranking Preferential Creditors			
Inland Revenue Department – PAYE			<u>(15,000)</u>
Estimated Shortfall as regards Preferential Creditors			(29,500)
Secured Creditors shortfall brought down			<u>Unknown</u>
Estimated Total Deficiency as regards Secured Creditors and Preferential Creditors			Unknown
Unsecured Creditors			
- Loans		(326,500)	
- Trade		(482,000)	
- Shareholders (March 2004)		<u>(355,000)</u>	
			<u>(1,163,500)</u>
Estimated Total Deficiency as regards Unsecured Creditors			Unknown
Issued and Paid Up Capital			<u>(100)</u>
Estimated Deficiency as regards Unsecured Creditors and Shareholders			<u>Unknown</u>

Note: The above estimates are subject to the costs of realisation, including Liquidators' fees.

Disclaimer of Liability:

We have compiled the Statement of Affairs as at the date of Liquidation being 14 July 2004.

A compilation is limited to the collection, classification and summarisation of the books and records of the company together with information supplied by the Directors. A compilation does not involve the verification of that information. We have not carried out an audit or reviewed the information supplied and therefore we do not accept any responsibility for the accuracy of the information from which the Statement of Affairs has been prepared. Further, the Statement of Affairs has been prepared for the purpose of the liquidation only, and we do not accept any responsibility on any ground whatever, including liability in negligence, to any other person.