

Meltzer Mason Heath

Chartered Accountants practising as insolvency specialists

Refer to: Mike Lamacraft

Liquidators' First Report

Waite Holdings Limited (In Liquidation) Trading as Video Ezy Ponsonby

1 Appointment

We advise that Arron Leslie Heath and Michael Lamacraft were appointed joint and several Liquidators of the above company on 11 March 2011 by special resolution of shareholders.

Arron Heath 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. On the same day they were appointed Liquidators of Kumeu Produce Market Limited, a company with a common director.

2 Background

<i>Date of Incorporation:</i>	24 March 2006
<i>Trading Address:</i>	160 Ponsonby Road, Ponsonby, Auckland
<i>Type of Business:</i>	Video Store
<i>Date Ceased Trading:</i>	8 December 2010
<i>Shareholder:</i>	Legal Trustees Limited and Nicholas Lee Waite 120 shares
<i>Directors:</i>	Nicholas Lee Waite
<i>Share Capital:</i>	120 ordinary shares
<i>Date of Liquidation:</i>	11 March 2011

3 Events Leading to Appointment

We are advised that the company's turnover was in significant decline and the company could not meet its financial obligations. Under pressure from the secured lender the business was sold. A substantial shortfall resulted for the secured lender and consequently no funds were available to other creditors.

Jeff Meltzer

Karen Mason

Arron Heath



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*

We are advised that all assets were sold with the business.

5.2 *Examination of Books and Records*

The Liquidators will examine the company's available books and records and conduct a brief review of the company's affairs. In particular the sale of the business will be reviewed to ensure fair value was achieved.

5.3 *Knowledge of Information Relevant to the Liquidation*

Should creditors and other parties possess any information that may be relevant to the liquidation, or may lead to realisations for the benefit of creditors, please advise the Liquidators in writing and provide them with copies of supporting documents.

6 List of Creditors

A list of all known creditors has been compiled by the Liquidators. We attach a copy.

7 Creditors Claim Form

Creditors should complete and return the attached Creditor's claim form by 8 April 2011. Creditors who do not make a claim within the period may be excluded from any distribution that may be made.

8 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 Waite Holdings Limited (In Liquidation), and you have not yet contacted the Liquidators, please contact us immediately.

9 Initial Creditors Meeting

As it is unlikely there will be a distribution to creditors, pursuant to s245 of the Companies Act 1993 the Liquidators propose to dispense with the meeting of creditors to consider whether to appoint different Liquidators, and to consider the views of creditors.

Accordingly a meeting of creditors will not be called unless a creditor gives notice to the Liquidators within 10 working days after receiving this notice, requiring a meeting to be called.

10 Liquidation Committee

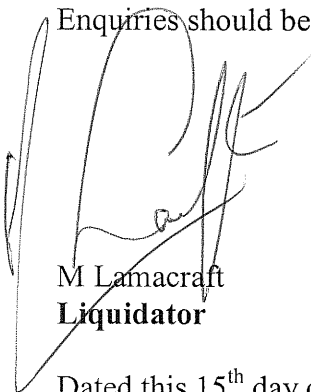
At any time during the liquidation, any creditor may in writing, request the Liquidators to call a meeting of creditors to consider whether a Liquidation Committee should be appointed, and if so, to choose the members of the Committee.

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.

11 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

A handwritten signature in black ink, appearing to read 'M Lamacraft', is written over the typed name and title.

M Lamacraft
Liquidator

Dated this 15th day of March 2011

Attach:

**Estimated Statement of Affairs of
Waite Holdings Limited (In Liquidation)
As at the date of the Appointment of Liquidators
Being 11 March 2011**

		<i>Estimated Realisable Value \$</i>
Assets:		Nil
Estimated Total Assets Available for Preferential Creditors		<u>Nil</u>
First Ranking Preferential Creditors		Nil
Wages and Holiday Pay (Includes PAYE)		<u>Nil</u>
		Nil
Second Ranking Preferential Creditors		
Inland Revenue Department	GST (45,000) PAYE (143,000)	<u>(188,000)</u>
		(188,000)
Estimated Deficiency as regards Preferential Creditors		<u>(188,000)</u>
Unsecured Creditors		
Trade	(80,000)	
Shareholder Advances	<u>(178,000)</u>	(258,000)
		(446,000)
Estimated Deficiency as regards Unsecured Creditors		<u>(446,000)</u>
Issued and Paid Up Capital		(100)
Total Deficiency as regards Unsecured Creditors and Shareholders		<u>(446,100)</u>

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

Disclaimer of Liability:

We have prepared the Estimated Statement of Affairs as at the date of liquidation being 11 March 2011.

The Estimated Statement of Affairs has been prepared based on information from the books and records of the company together with information supplied by the Director. This information has not been verified. The Liquidators have not carried out an audit or reviewed the information supplied and therefore they do not accept any responsibility for the accuracy of the information from which the Estimated Statement of Affairs has been prepared. Further, the Estimated Statement of Affairs has been prepared for the purpose of the liquidation only, and the Liquidators do not accept any responsibility on any ground whatever, including liability in negligence, to any other person.

Waite Holdings Limited (In Receivership)
Creditors Known at Liquidation
March 2011

Company	Address1	Address2	City
Inland Revenue Department	PO Box 1535		Hamilton
Warner Bros. Video Ltd	PO Box 8687	Symonds Street,	Auckland
Sony Pictures (NZ) Ltd	19 Hargreaves St	St Marys Bay	Auckland 1011
EMI Music	PO Box 19240	Avondale	Auckland 1746
Madman NZ Ltd	PO Box 47426	Ponsonby	Auckland 1021
Triton Music Ltd	PO Box 15923	New Lynn	Auckland
V M Distribution	PO Box 37 376	Parnell	Auckland 1151
Metro	PO Box 37 376	Parnell	Auckland 1151
Family Home Entertainment	PO Box 750		Whangaparaoa
Magna Home Entertainment NZ	PO Box 305 541	Triton Plaza,	North Shore 0757
Bidvest New Zealand Ltd	PO Box 300 096	Albany	Auckland 0752
Davies Foods	Landscape Lane		Te Awamutu
Sweetline	Private Bag 11047		Palmerston North
Lochiel Print	PO Box 11299	Ellerslie	Auckland 1542
United Confectionery	22G Convoy Lane	Otahuhu	Auckland 1062
NZ Copier Systems Ltd	PO Box 97 643	Manukau City,	Manukau 2241
Eftpos Concepts (NZ) Ltd	12 Belfast Street	Hillsborough	Auckland 1042
Just Water	Private Bag 92 811	Penrose	Auckland 1642
Michael A Clarke Ltd	PO Box 38411	Howick	Auckland
Short & Partners	PO Box 137 241	Parnell	Auckland
Equipment Finance	Private Bag 94013	SAMC	Auckland
Roadshow	Private Bag 19998	Avondale	Auckland
Equipment Finance Ltd	Private Bag 94013	South Auckland Mail Centre	Manukau 2240
ACC	PO Box 38023	Te Puni	Wellington