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Liquidator's Final Report
pursuant to section 257 of the Companies Act 1993

to the Creditors and Shareholders of

Artworks Studio (1996) Limited (In Liquidation)

Gerard Hulst was appointed Liquidator of the above company by order of the High Court at Auckland on 1 February 2001.

Actions of the Liquidator

The first report to creditors was dated 15 February 2001.

I have followed up all outstanding issues and report as follows:

1. There were no voidable preference payments within the specified period.
2. The company's shareholders were co-operative with the liquidator.
3. A review of the company's records and an analysis of drawings revealed that Frank Watson's current account had a debit balance of \$77,245.32 at the date of liquidation.
4. Mr. Watson disputed this amount claiming that many of the payments were attributable to 'subcontractors who have received payment for work done.'
5. Mr. Watson's accountant, Kevin Walker, of Walker Lee & Dick, arranged to review the books and documentation upon which my analysis of drawings was based.
6. Both Mr. Watson and his accountant disputed the debit current account balance. However neither could substantiate their claims with concrete evidence.
7. There are no funds available in this liquidation to dispute Mr. Watson's claims.
8. There are no matters outstanding in this liquidation.

Statement of Realisations and Distributions
pursuant to s257 of the Companies Act 1993

There were no Realisations and Distributions during this liquidation.

General Comments

The liquidation of the company is now complete and the Liquidator states:

1. All known assets have been disclaimed or realised or distributed without realisation, and
2. All proceeds of realisation have been distributed, and
3. A statement of Realisation and Distribution is included in the report.
4. The company is ready to be removed from the New Zealand Register.

Consequences of Strike Off Action

Given that the liquidator will cease to act effective 28 February 2007, The Inland Revenue Department will then need to give rise to the shareholder's current account debit balance and assess that income for taxation purposes.

Notice of Intention to Remove Company from the Register

I, Gerard Hulst, Chartered Accountant of Auckland, Liquidator of Artworks Studio (1996) Limited (In Liquidation), whose registered office is situated at 26 Hobson Street, Auckland, hereby give notice that, pursuant to section 320 of the Companies Act 1993 and having filed with the Registrar my final report on the Liquidation, it is intended to remove the Company from the New Zealand Register.

The Liquidator will advertise on 26 January 2007 the Notice of Intention to have the company removed from the Register.

All creditors or shareholders may send or deliver to the Registrar, not later than the date to be specified in the Notice, 28 February 2007, an objection to the removal on any of the grounds in section 321 of the Companies Act 1993 which in summary are; there is some current activity being undertaken by the company, or it is a party to legal proceedings, or it would not be just and equitable to remove the company from the Register.

For enquires please contact Gerard Hulst.

Dated this 9th day of February 2006.

Gerard Hulst

Gerard Hulst - Liquidator