

LIQUIDATOR'S FIRST REPORT

(pursuant to section 255 of the Companies Act 1993)

to the Creditors and Shareholders of

Graffiti Screen Print Limited (In Liquidation)

Gerard Hulst, Chartered Accountant of Auckland, was appointed Liquidator of the above company by an order of the High Court at Auckland on the 4th day of July 2002 at 10.35am.

The Liquidator takes no responsibility for any misinformation contained in this report that has been supplied by the company, its officers or other persons.

COMPANY INFORMATION

Date of Incorporation : 10th November 1999
Company Number : AK 1001448
Trading Address : 6/19 Ashfield Road
Glenfield
Type of Business : Screen Printer
Date trading ceased : December 2000
Share Capital : 1,000
Shareholders : A Squared Software Limited 1,000
Directors : Dale Verne RAWLINGS
High Court Reference : M.559 – IM02
Petitioning Creditor : The company was placed in Liquidation on the petition of Inland Revenue Department for \$49,034.88 being GST, Income Tax, PAYE, ARCIC Employer premiums, and penalties. Costs of \$1,820.00 plus disbursements of \$1,276.31 were awarded.

A statement of the company's financial position (assets & liabilities) at the date of liquidation is included with this report.

OBSERVATIONS

The company operated as a screen printer.

Dale advised that he originally personally purchased the assets of the company then on sold them to the company. He took a debenture as security. He then took back the assets subject to this debenture and sold them to his Trust. UDC financed two machines. In Jan 2001 Graffiti stopped trading and Flying Kiwi Studios Limited took over. Dale said he advised the landlord of this situation and that Flying Kiwi Studios Limited was only a monthly tenant.

COMPANIES WITH WHICH THE DIRECTORS HAVE AN ASSOCIATION

An internet search of the Companies Office records shows that Dale RAWLINGS is associated with the following companies.

Company	Detail	Status
FYR (NO.1) Limited	In Liquidation	Director
Dye Screen Printers Limited	Registered	Director
WWW.Giftbasket.co.nz Limited	Registered	Director
Flying Kiwi Studios Limited	Registered	Director and Shareholder
Axiomatic Systems Limited	Registered	Director and Shareholder
Soul Metes Limited	Registered	Director and Shareholder
A Squared Software Limited	Struck Off	Director
Cardinal Centurion Limited	Struck Off	Director and Shareholder
T G Rawlings & Co Limited	Registered	Shareholder
Waikare Inlet and Orongo Bay Delivery Centre Limited	Registered	Shareholder

FINANCIAL INFORMATION

I have not received any financial records or Financial Statements of the company.

Assets and Liabilities identified by the Liquidator are:

	Estimated Realisable Value
<u>Assets</u>	
None	
<u>Liabilities</u>	
Inland Revenue Department	
- petitioning creditor costs	3,096.31
- as per claim	49,034.88
2 x unsecured creditors	27,123.57
	<hr/> 79,254.76

PROPOSALS FOR CONDUCTING THE LIQUIDATION

DISPOSAL OF ASSETS

There are no known assets to be disposed.

OTHER ACTIONS OF THE LIQUIDATOR

I will conduct an investigation into the affairs of the company;

- a) To determine the date of insolvency
- b) To determine the conduct of the Directors
- c) To establish whether the directors owe any money to the company and to pursue recovery thereof.
- d) To determine if there are any voidable transactions and to pursue recovery thereof.

ESTIMATED COMPLETION DATE

The administration is expected to be completed by 31st July 2003, subject to any court actions.

PROSPECT OF DIVIDEND

It is unlikely there will be a dividend to unsecured creditors.

NOTICE REGARDING MEETINGS

Having regard to the assets and liabilities of the company, the likely result of the liquidation and other relevant matters, the Liquidator considers in accordance with section 245 of the Companies Act 1993 that no meeting of creditors should be held at this time.

Consequently, a meeting of creditors will not be held unless within 14 days after receiving this notice a creditor gives notice in writing to the Liquidator requiring a meeting to be called.

LIQUIDATION COMMITTEE

At any time during the liquidation, any creditor may in writing request the Liquidator 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 Liquidator as appropriate in the conduct of the liquidation.

In the absence of a liquidation committee, the Liquidator will work closely with the petitioning creditor.



**Gerard Hulst
Liquidator**

Dated this 31st day of July 2002.

UNSECURED CREDITOR'S CLAIM

Section 304(1) Companies Act 1993

Graffiti Screen Print Limited (In Liquidation)

P.O Box 6901 Wellesley Street, Auckland 1

Name and postal address of creditor in full:

Telephone Number:

Facsimile Number:

Amount Claimed:

\$

I, _____

(title if claim is not on behalf of an individual) _____
 claim that the company was at the date it was put into liquidation indebted to the above named creditor for the amount claimed. We hold no security for the amount claimed.

PARTICULARS OF CLAIM

Invoice Date	Invoice Number	Brief Description of Goods or Services Provided	Invoice Amount

Attach separate sheet if space is insufficient

You are not required to attach any supporting documents at this stage, but you may attach them now, if you think it would expedite the processing of the claim. The liquidator may require the production of all documents.

WARNING: It is an offence under the Companies Act to make or authorise the making of, a claim that is false or misleading in a material particular knowing it to be false or misleading; or Omit, or authorise the omission from a claim of any matter knowing that the omission makes the claim false or misleading in a material particular.

Signed:

Date:

RESERVED FOR LIQUIDATOR'S DECISION

CLAIM ADMITTED FOR PAYMENT

OR

CLAIM REJECTED FOR PAYMENT

Preferential Claim

Ordinary Claim

Deferred Claim

\$

\$

\$

Signed Liquidator:

Dated: