

GERARD HULST & ASSOCIATES
CHARTERED ACCOUNTANTS

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Receiver's First Report

(pursuant to Section 23 of the Receiverships Act 1993)

On the State of Affairs of

Mareka Corporation Limited (In Receivership)

Introduction

Gerard Hulst was appointed Receiver and Manager of all the assets, property and undertakings of the above company on 6th September 2001.

The appointing debenture holder is : Maori Womens Development Inc

The debenture was created on 16 May 2001 and is for a priority sum of \$1 million. Actual advances were \$448,000.

Shareholding

Records held by the Companies office disclose the following:

Supa Prints Limited	100	Shares
Kia Kaha New Zealand Limited	200	Shares

Officers

Records held by the Companies Office disclose the following:

HARRISON	Anna-Lee Kahurangi
LOUGHLIN	Peter
PANAPA	John
PANAPA	Christine Rewa

Background

The company was incorporated on 14 February 2001.

The objective of the company was to be a retail outlet for Maori apparel designers.

At the date of appointment the company had three significant brands.

Kaha - This stock consists of either cotton T-shirts with six different designs or Knit polo shirts of various colours with two distinct logos.

Maia - The majority of this stock consists of various colours of the traditional T-shirt made from a Lycra material. The balance of the stock are cotton mesh singlets.

Rewa - This stock consists of dresses, skirts and trousers in either black, purple or orange with a paua shell design trim. The tag inside each garment states "100 % polyester". Some garments have a silky feel while others have a leather look.

Events leading up to the appointment of Receiver and Manager

Money was advanced by the company to the three major suppliers. Those companies provided their first delivery of stock however each complained about the others quality.

The company opened a retail store in Ponsonby Road, however the internal divisions in the company meant that the shop did not trade.

Reaction to Appointment

The Directors accepted the appointment as inevitable and have co-operated with the receiver.

Financial Position of the Company

I have been unable to determine the exact financial position of the company. This will be covered in my next report. I can confirm that there will be insufficient recoveries to repay the debenture holder, consequently there will be no funds available to unsecured creditors.

Property Disposed of to date

Shop fittings have been sold by auction.

Matters outstanding pertaining to the Receivership

Stock

All the stock is held in a secure lock up. It has been sorted into size and colour. The T-shirts have been offered to various outlets, however no one has expressed an interest.

I will continue to find a suitable purchaser.

Debtors

The amount advanced to the suppliers that has not been delivered in stock is a debtor of the company. I will actively pursue recovery of these amounts.

Breaches of Other Acts

Section 28 of the Receiverships Act 1993 requires the Receiver to comment whether there have been breaches of the Companies Act 1955 or the Securities Act 1978.

In my opinion there have been no breaches of any other Acts.

Gerard Hulst
Receiver and Manager

Dated this 21st day of December 2001.

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