

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

to the Creditors and Shareholders of
Westcity Auctions Limited (In Liquidation)

Gerard Hulst was appointed Liquidator of the above company by special resolution of the shareholders on the 2nd of March 2000.

Actions of the Liquidator

The first report to creditors was dated 21 March 2000.

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

1. The repurchase of the business by Citywide Auctions Ltd. / Robert Hewitt was considered to be fair value for the goodwill. No other assets were acquired by Citywide Auctions.
2. At the date of my appointment no funds were held in the "vendors account" with the company's bank. There had not been any transactions in the account for at least six weeks prior to the liquidation. There was no commercial benefit to the creditors in determining whether the account was a constructive trust.
3. In my opinion the business was insolvent from the date it commenced to trade. There was no commercial benefit to the creditors in bringing an action for reckless trading against the Directors.
4. The issue of voidable transactions, especially the motor vehicle, was investigated. As the motor vehicles were never registered in the name of the company it would have been difficult to establish that company assets has been sold. The value of the assets did not justify litigation.
5. The financial records of the company were not good, however there was nothing to suggest that the Directors had taken excessive drawings.

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

A Statement of Realisations and Distributions is attached.

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 attached.
4. The company is ready to be removed from the New Zealand Register.

Notice of Intention to remove Company from the Register

I, Gerard Hulst, Chartered Accountant of Auckland, Liquidator of Westcity Auctions 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 1 August 2002 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, 30 August 2002, 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 27th day of June 2002



Gerard Hulst - Liquidator

Westcity Auctions Limited (In Liquidation)
Statement of Realisations and Distributions
for the period 2 March 2000 to 26 June 2002

PARTICULARS OF REALISATIONS

Pre appointment Debtors (Gross Realisations)	135.40
Sale of Stock	2,199.55
Sale of Office F & E	1,138.55
Sale of Plant & Machinery	71.11
Sale of Fixtures and Fittings	792.00
TOTAL	<u>\$4,336.61</u>

PARTICULARS OF DISTRIBUTIONS

Auction Commission	363.04
Auction Expenses	699.69
Auction Commission	374.22
Auction Commission/Costs	75.55
Search Fee	30.00
Stationery (Admin File Setup)	625.00
Postage	118.00
Wages / Travel	250.00
Storage	531.00
GST Claimable	313.74
Liquidator's Remuneration	956.37
TOTAL	<u>\$4,336.61</u>