

Driver Holdings Limited (In Liquidation)

Liquidators First Report

6 August 2007

1. Background

Driver Holdings Limited (“the company”) was placed into liquidation by order of the High Court at Auckland on the 5th day of July 2007 at 10.38am. Robert James Neilson and Sheree Ann Hart, Chartered Accountants of Tauranga, were appointed as Joint and Several Liquidators of the company. We detail below the Liquidators first report, for the information of creditors of the company.

2. Disclaimer

This report is not intended for general circulation, nor is it to be reproduced or used for any purpose other than that outlined above without written permission in each specific instance. The Liquidators do not accept any responsibility or liability for any damage or loss occasioned to any party as a result of the circulation, publication, reproduction or use of this report. In particular the Liquidators take no responsibility for any misinformation contained therein that has been supplied by the company, its officers or any other person. The report is also based upon information available at this date, and the Liquidators therefore reserve the right to review, and if necessary, amend the report.

3. Company Information

Date of Incorporation: 25th September 2007

Trading Address: No longer trading, formerly 100 White Swan Rd, Auckland

Type of business: Driving lessons, belt manufacturing, engineering

Date trading ceased: 5th July 2007

Shareholders: Christopher England (100)

Director: Christopher England

4. Events leading to appointment of Liquidators

We have not been able to speak to the director to confirm the events that have lead to the liquidation of the company. GST and PAYE debt is owed, whereby the IRD successfully petitioned the High Court of Auckland to have the company placed into liquidation.

5. Statement of Affairs

We attach as *Appendix I* a statement of the company's affairs as at the date of our appointment.

This has been prepared from information provided by the director of the company and the Liquidators are not yet able to express an opinion on the validity of that information.

6. Proposals for Conducting the Liquidation

The Liquidators will conduct an investigation of the company's books and records to establish if there are any potentially voidable transactions that require investigation, potential current account issues, account for all assets, and ensure the director has complied with the duties and obligations imposed on him under the Companies Act 1993.

7. Estimated Date of Completion of Liquidation and Notice As To Further Reports

It is not practicable to estimate the date of the completion of the liquidation at this stage.

The Liquidators give notice under section 255(5) of the Companies Act 1993 that no further reports will be issued, except for a final report when the liquidation is complete.

8. Creditors Meeting

No meeting will be held. The Liquidators dispense with holding a creditors meeting pursuant to section 243 of the Companies Act 1993 as the dividend is expected to be nil or very small.

In accordance with Section 314 of the Companies Act 1993 a creditor or shareholder may request the Liquidators to call a meeting of creditors or shareholders at any time in the course of the Liquidation to vote on a proposal that a Liquidation Committee be appointed to act with the Liquidators. This request must be in writing.

The Liquidators may decline a request by a creditor or a shareholder to call a meeting on the grounds that:

- a) the request is frivolous or vexatious; or
- b) the request was not made in good faith; or
- c) the costs of calling the meeting would be out of proportion to the value of the company's assets.

The decision to decline a request may be reviewed by the Court on the application of any creditor or shareholder.

9. Creditors Claims

If your terms of trade with the company include reservation of title of goods supplied please contact Robert Neilson on 07 571 6280.

Please complete and return the enclosed Unsecured Creditors Claim form as soon as possible. If you believe that you are a secured creditor please contact this office and the appropriate forms will be sent to you.

Completion of your claim should be given your urgent attention. If creditors do not lodge a claim with the Liquidators, they are not entitled to share in any distribution to creditors that may be made by the Liquidators.

10. Further Information

If you require any further information or if you have any information that will be of assistance to the Liquidators please contact Robert Neilson at our Tauranga Office.

Robert James Neilson
Joint Liquidator

Appendix 1

Statement of Affairs of Driver Holdings Limited (In Liquidation). As at the date of the appointment of the Liquidators being 5 July 2007.

	<i>Estimated to realise</i>
Assets	
Nil	nil
Less Secured Claims	
Nil	nil
Less Preferential Claims	
IRD – GST	11,089
- PAYE	<u>5,062</u>
Deficit before Unsecured Creditors	(16,151)
Less Unsecured Creditors	
IRD - GST	19,747
- PAYE	12,193
Deficit (before costs of liquidation)	(48,091)

Disclaimer

This statement should be read in conjunction with the disclaimer on page one of the above Liquidators Report. Rodewald Hart Brown Ltd have not audited the report and they, their directors or employees accept no liability to any other party in relying on the information presented. The purpose of the report is to give creditors of the company an indication of the financial position of the company as at the date of appointment of the liquidators.

Rodewald Hart Brown Limited