

28 July 2008

**SECOND REPORT OF THE LIQUIDATORS
TO CREDITORS AND MEMBERS OF
STORYVILLE COMPANY LIMITED (In Liquidation)**

INTRODUCTION

Storyville Company Limited (In Liquidation) ("the company") was placed into liquidation on 26 November 2007 at 9:00 am by a special resolution of shareholders pursuant to Section 241(2)(a) of the Companies Act 1993 ("the Act"). Gareth Russel Hoole and Kevin David Pitfield were appointed joint and several liquidators of the company at that time.

RESTRICTIONS

This report is not intended for general circulation, nor is it to be reproduced or used for any purpose without the liquidators' written permission in each specific instance. The liquidators, Staples Rodway Limited, its employees and agents do not assume any responsibility or liability for any losses occasioned to any party for any reason including as a result of the circulation, publication, reproduction or use of this report contrary to the provisions of this paragraph.

The liquidators reserve the right (but will be under no obligation) to review this report and, if considered necessary, to revise the report in light of any information existing at the date of this report which becomes known to us after that date.

EVENTS SINCE THE LAST REPORT

The liquidators have established that the principal business of the company was that of a bar and café, trading as Tupelo Bar and Café in Wellington. Tupelo had ceased its trading operations prior to the appointment of the liquidators

The liquidators have met with Mr. Kelly Wright, the director of the company and were advised by him that he had agreed to take the office of director to assist the proprietor of Tupelo, Mr. Shaun Williams. Mr Wright advised that even though he was the sole director of the company, the daily management and control of the company devolved upon Mr. Williams.

The liquidators have reported to the Official Assignee that Mr. Williams was managing a business in apparent contravention of his bankruptcy terms. Discussions have also been held with the Police who were investigating allegations by the landlord that Mr. Williams had regained entry to the premises illegally. At the time of preparation of this report the whereabouts of Mr. Williams was not known to the liquidators, who would like to question him about certain transactions which occurred shortly prior to the company being placed into liquidation.

Some assets belonging to the company were recovered from the premises previously occupied and have been realised at public auction.

PROPOSALS FOR THE REMAINING CONDUCT OF THE LIQUIDATION

The liquidators are awaiting the outcome of an attempt by the director to locate Mr. Williams. Subject to the outcome of those efforts and any actions the Official Assignee may wish to take against Mr. Williams through the liquidators, the liquidators will shortly be in a position to bring the liquidation to a conclusion and make application to have the company removed from the New Zealand register.



.....
Gareth Hoole
LIQUIDATOR



.....
Kevin Pitfield
LIQUIDATOR