



McDonald
Vague

business recovery partners

CTPartners New Zealand Limited (In Liquidation)

Liquidators' Seventh Report (for the period from 23 April 2018 to 22 October 2018)

McDonald Vague Limited

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1 INTRODUCTION AND APPOINTMENT

Boris van Delden and Jared Waiata Booth, Insolvency Practitioners of Auckland, were appointed joint and several liquidators of CTPartners New Zealand Limited ("the company") on 23 October 2015 by the High Court at Auckland. On 18 March 2016, Jared Waiata Booth resigned his position as liquidator, appointing Peri Micaela Finnigan as his successor.

Pursuant to Section 255(2)(d) of the Companies Act 1993 ("the Act"), the liquidators are reporting on the progress of the liquidation. This seventh report should be read in conjunction with the liquidators' previous reports.

This report is being sent to all shareholders and all creditors who have filed a claim in the liquidation.

A Statement of Realisations and Distributions is **attached**.

2 RESTRICTIONS

Whilst all care and attention has been taken in compiling this report, we do not accept any liability whatsoever to any party arising from the circulation, publication, reproduction, or use of this report.

We reserve the right (but are under no obligation) to review and, if we consider necessary, revise this report in light of any information existing at the date of this report but that becomes known to us after that date.

3 CONDUCT OF THE LIQUIDATION DURING THE PRECEDING SIX MONTHS

Asset Realisations

3.1 Bank Account Closure

On closure of the company bank account, the liquidators received \$2,109.

3.2 Debtors

The liquidators recovered \$73,600 from pre-liquidation debtors. There are no further pre-liquidation debtors to be recovered.

3.3 Sale of Assets

The liquidators recovered \$11,798 from the sale of the company's assets.

3.4 GST Refund & Bank Interest

The liquidators received \$18,564 from a pre-liquidation GST refund and recovered GST of \$69,113 from the Inland Revenue D for GST not claimed on pre liquidation returns.

Bank interest of \$3,127 has been earned on funds held by the liquidators for the benefit of the company. RWT of \$818 has been paid on the interest earned.

3.5 Legal Action

The liquidators settled a claim with a third party relating to funds received by that company pre-liquidation, which resulted in a recovery of \$114,990.

4 INVESTIGATIONS

The liquidators have completed all investigations into the books, records, and affairs of the company and, in particular, possible grounds for recovery of funds paid to certain creditors prior to the date of liquidation.

5 CREDITORS' CLAIMS

5.1 Secured Creditors

A secured claim was received in respect of a General Security Agreement from:

- PHL Variable Insurance Company and Phoenix Life Insurance Company for the amount of US\$6,540,922 (rejected by the liquidators on 19 October 2017. They had 20 working days to object. No objection was received by the liquidators).

The claim was for a guarantee that provided no benefit to CTPartners and the liquidators voided the security and rejected the claim as an unsecured claim in the liquidation.

and PPSR claims from:

- Fuji Xerox Finance Limited for the amount of \$11,604 (amended to an unsecured claim of \$1,583).
- Built Limited for the amount of \$206,914 (amended to an unsecured claim of \$157,966).

These creditors have received 24.485 cents in the dollar on this claim

JP Morgan Chase Bank had a General Security Agreement registered against the company as at the date of liquidation. The liquidators challenged the security and payment received pursuant to the security, which resulted in a recovery of \$114,990.

5.2 *Preferential Creditors*

The liquidators have received preferential claims in the liquidation totalling \$163,850.

Simon Monks held a preferential claim of \$4,303 in relation to costs and disbursements awarded by the High Court to him when he successfully applied to have the company put into liquidation. This preferential claim has been paid in full.

Built Limited, who supported the liquidation application of Simon Monks, held a preferential claim of \$892 in relation to costs and disbursements awarded by the High Court as a creditor in support of the liquidation. This preferential claim has been paid in full.

The liquidators accepted employees' preferential claims to the extent of \$29,481. The accepted preferential claims have been paid in full. The balance that the employees' claimed as preferential totalling \$129,174 were rejected by the liquidators as not being preferential amounts payable, however those claims were accepted as unsecured claims in the liquidation. These creditors have now been paid 24.485 cents in the dollar on their claims.

5.3 *Unsecured Creditors*

unsecured creditors' claims received totalling \$606,739 which includes the preference claims noted above that were accepted as unsecured creditors. The liquidators have now attended to the formality of accepting or rejecting creditors' claims and 11 unsecured claims have been admitted amounting to \$364,258.

On filing the final GST return and statutory reports, the liquidators were in a position to pay a distribution of 24.485 cents in the dollar to the unsecured creditors amounting to \$89,190.

6 LIQUIDATORS' FEES

Liquidators' fees and office disbursements to the date of this report total \$152,830 excluding GST. The fees are based on the hours of work undertaken as follows:

Work Category	Hours	\$
Appointment functions and statutory requirements	160.05	43,979
Asset realisations	40.80	11,112
Creditors' claims, queries, and distributions	117.10	39,434
Taxation	27.30	6,366
Investigations and legal	134.98	44,248
Finalisation	25.20	6,621
Office disbursements	9.00	1,070
Total	514.43	\$152,830

The liquidators have incurred disbursements totalling \$15,788 excluding GST in relation to their conduct of the liquidation as follows:

Legal fees	15,106
Debt collection costs	22
Auctioneer costs	660
Total	<u>\$15,788</u>

Liquidators' fees in a Court ordered liquidation are to be approved by the Court and if required a retrospective application for fee approval will be made by the liquidators.

Section 284 (1) of the Act provides that an application (with the leave of the Court) may be made by a creditor, shareholder or director of a company in liquidation to review or fix the remuneration of the liquidators. In circumstances where no application has been made to review or fix the liquidators' remuneration the Court will be less inclined to rigorously examine the fees submitted by the liquidators for subsequent approval.

7 FUNDS

All preferential creditors were paid in full.

A full and final distribution of 24.485 cents in the dollar was made to unsecured creditors.

8 MATTERS DELAYING THE COMPLETION OF HE LIQUIDATION

The following matter is outstanding:

- Completion of statutory reporting and final report.

9 CONTACT DETAILS

Enquiries should be directed to David Taylforth on telephone (09) 306 3344 or by email to dtaylforth@mvp.co.nz.

The Liquidators can be contacted at:

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BORIS VAN DELDEN
LIQUIDATOR

DATED this 24 day of October 2018

Realisations and Distributions

CTPartners New Zealand Limited (In Liquidation) 23 October 2015 to 22 October 2018

Realisations	Cash Received \$
Bank Account Closure	2,109
Settlement re legal action	114,990
Debtors	73,600
Interest	3,128
Sale of Assets	11,798
GST Refunds	87,677
Total Realisations	\$293,302
Payments	
Liquidators Fees	
Liquidators Fees	151,285
Disbursements	1,545
Total Liquidators Fees	\$152,830
Other Costs of Liquidation and Trading On	
Legal Fees	15,106
Debt Collection Costs	22
Auctioneer Costs	660
Residents Withholding Tax on Interest	818
Total Costs of Liquidation and Trading On	\$16,606
Distributions	
Preferential Court Costs	5,195
Preferential Employee Claims	29,481
Unsecured Creditors	89,190
Total Distributions to Preferential and Unsecured Creditors	\$123,866
Total Payments	\$293,302
BALANCE HELD	\$Nil

Note: the above figures are GST exclusive