



McDonald
Vague

business recovery partners

T1 Holdings Limited (In Liquidation)

Liquidators' Second Report

For the period from 9 July 2018 to 8 January 2019

McDonald Vague Limited

Level 10, 52 Swanson Street,

Auckland Central

PO Box 6092, Wellesley Street,

Auckland 1141, New Zealand

p: 09 303 0506

f: 09 303 0508

e: insol@mvp.co.nz

www.mvp.co.nz

1 INTRODUCTION AND APPOINTMENT

Iain McLennan and Colin Sanderson, Insolvency Practitioners of Auckland, were appointed jointly and severally as liquidators of T1 Holdings Limited ("the company") on 9 July 2018, by the High Court in Hamilton.

Pursuant to Section 255(2)(d) of the Companies Act 1993 ("the Act"), the liquidators herewith report on the progress of the liquidation. This second report should be read in conjunction with the liquidators' previous report. This report is being sent to all shareholders and all creditors who have filed a claim in the liquidation.

Statements of Realisations and Distributions, in relation to each of the currencies held, are 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 as a result of 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 respect of any information existing at the date of this report which becomes known to us after that date.

3 CONDUCT OF THE LIQUIDATION DURING THE PRECEDING SIX MONTHS

The course of events that eventuated in our appointment as liquidators by the High Court was set out in detail in the 1st report.

Total funds recovered, in all currencies, to 8 January 2019 are as follows –

<u>Currency</u>	
USD	475,532
EUR	500,876
GBP	100,500
CAD	11,203
NZD	175,948

Confirmed funds that remain frozen in New Zealand and overseas bank accounts, including the accounts in the name of T1 Operations Pte Ltd (In Liquidation) in Singapore and Retail Guru Limited (In Liquidation) in New Zealand, as at 8 January 2019, are as follows-

<u>Currency</u>	<u>Approx. NZ\$ Value</u>
NZD 30,985	\$ 354,893
USD 971,112	\$1,444,898
SGD 1,000	\$ 1,096
HKD 5,779	\$ 1,097
Total	\$1,801,984

We are continuing in our efforts to recover funds transferred from the company's New Zealand bank accounts to bank accounts around the world, by the director, Richard Whitham.

We have been advised that the New Zealand Police are investigating the actions of Mr Whitham, for theft by person in a special relationship, in respect of some of the unauthorised transfers made whilst he was in New Zealand. A warrant has been issued for his arrest.

We are also aware that the Singapore Police arrested Mr Whitham for criminal breach of trust in relation to transfers made from the company's bank accounts when he was in Singapore and placed a freezing order on the company's accounts held there. Mr Whitham was released on bail after his arrest and the investigation is on-going.

Since our appointment the freezing orders that were in place covering the company's accounts, and others, have been varied on the application of Worldclear Limited, to allow the liquidators to recover the amounts held in the accounts in the company's name. Funds have been received from some bank accounts in New Zealand, Belgium and Lithuania.

There are funds still held in the company's name in bank accounts in Singapore. These funds are subject to a Singapore Police freezing order. This matter is proceeding through the Courts in Singapore.

The unauthorised payments referred to in the 1st report included funds being paid to an account in the name of T1 Operations Pte Limited (T1 Ops), a company registered in Singapore. Mr Whitham is the director of that company and the accounts were covered by the freezing orders obtained by Worldclear.

T1 Ops has now been placed into liquidation by order of the High Court in Singapore with liquidators from Acutus Advisory appointed. We have filed a claim in the liquidation of T1 Ops for the sums that were transferred to those accounts.

Included in the unauthorised transactions were payments made to a person living in New Zealand and to Retail Guru Limited, a New Zealand registered company controlled by Mr Whitham.

Following an approach from the liquidators, the New Zealand based person has returned the funds they received.

- Pound Sterling GBP100,500

6 LIQUIDATORS' FEES

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 / LIKELY OUTCOME

It is expected that there will be further distributions to the unsecured creditor.

8 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Recovery of the funds subject to the Police freezing order in Singapore
- Receipt of funds by way of distribution from the liquidation of T1 Operations Pte Ltd in Singapore
- The completion of the liquidation of Retail Guru Limited (In Liquidation)
- Completion of legal proceedings and funds recovery in Lithuania
- Completion of enquiries and, if required, legal actions in America

9 ESTIMATED DATE OF COMPLETION

Based on the information contained in this report the liquidators are unable to estimate when the liquidation will be completed.

10 CONTACT DETAILS

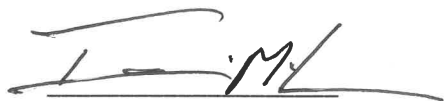
Enquiries should be directed to Colin Sanderson on DDI (07) 838 0908 or by email to CSanderson@mvp.co.nz.

The Liquidators can be contacted at:

McDonald Vague Limited

Level 10, 52 Swanson Street
Auckland 1010

P O Box 6092
Wellesley Street
Auckland 1141



IAIN MCLENNAN
LIQUIDATOR

DATED this 16th day of January 2019

Realisations and Distributions NZD account

T1 Holdings Limited (In Liquidation)
29 May 2018 to 8 January 2019

16/01/2019

Realisations

T1 Operations liquidator funding returned	10,502
Bank account closure	165,948
From N Bartrum - Retail Guru	10,000
Transfer from T1 Holdings EUR account	113,157
Transfer from T1 Holdings USD account	119,140
Interest	118

Total Realisations 418,865

Payments

Liquidators Fees

Liquidators fees	86,196
Disbursements	754

Total Liquidators Fees 86,950

Other Costs of Liquidation and Trading On

Legal fees	182,614
Legal fees - Singapore	32,250
Travel expenses	7,119
Resident Withholding tax on interest	33
Bank fees	45

Total Costs of Liquidation and Trading On 222,061

Distributions

Dividend to unsecured Creditor	91,325
--------------------------------	--------

Total Distributions to Unsecured Creditors 91,325

Total Payments 400,336

BALANCE HELD 18,529

NOTE: ALL AMOUNTS ARE GST INCLUSIVE

Realisations and Distributions

T1 Holdings Limited (In Liquidation) - USD Account 9 July 2018 to 8 January 2019

Realisations	Cash Received \$
Bank account closure - New Zealand	225,548
Bank account closure - Lithuania	249,984
Transfer from T1 Holdings EUR account	231,720
Interest	265
Total Realisations	\$ 707,517
Payments	
Costs of Liquidation and Trading On	
Funds to solicitor's trust account for Preservation Orders	252,086
Transfer to NZD account	80,255
Legal costs - Singapore	24,854
Legal Stamp Duty - Lithuania	3,492
Retain to Liquidators of T1 Operations Pte Ltd Singapore	7,253
Bank fees	15
Withholding Tax	74
Total Costs of Liquidation and Trading On	\$ 368,029
Distributions	
Dividend to Unsecured cReditor	323,246
Total Distributions to Creditors	\$ 323,246
Total Payments	\$ 691,275
BALANCE HELD	\$ 16,242

Note: the above figures are GST inclusive

Realisations and Distributions

T1 Holdings Limited (In Liquidation) - Canadian Dollar Account 9 July 2018 to 8 January 2019

Realisations	Cash Received \$
Bank account closures New Zealand and Belgium	11,203
Total Realisations	\$ 11,203
Payments	
Distributions	
Dividend to unsecured creditor	11,203
Total Distributions to Creditors	\$ 11,203
Total Payments	\$ 11,203
BALANCE HELD	\$ -

Note: the above figures are GST inclusive

Realisations and Distributions

T1 Holdings Limited (In Liquidation) - EUR Account 9 July 2018 to 8 January 2019

Realisations	Cash Received
	\$
Bank account closures New Zealand and Lithuania	500,876
Pre liquidation GST Refund	
Total Realisations	\$ 500,876
Payments	
Costs of Liquidation	
Legal costs - South Africa	12,104
Bank fees	118
Total Costs of Liquidation and Trading On	\$ 12,222
Distributions	
Transfers to T1 Holdings - NZD account	66,000
Transfers to T1 Holdings - USD account	200,000
Dividend to Unsecured Creditor	222,654
Total Distributions to Creditors	\$ 488,654
Total Payments	\$ 500,876
BALANCE HELD	\$ -

Note: the above figures are GST inclusive

Realisations and Distributions

T1 Holdings Limited (In Liquidation) - GBP Account 9 July 2018 to 8 January 2019

Realisations	Cash Received
	\$
Bank account closure - New Zealand	100,500
Total Realisations	\$ 100,500
Payments	
Distributions	
Dividend to unsecured creditor	100,500
Total Distributions to Creditors	\$ 100,500
Total Payments	\$ 100,500
BALANCE HELD	\$ -

Note: the above figures are GST inclusive