



McDonald
Vague

business recovery partners

Tawil Holdings Limited (In Receivership & In Liquidation)

Liquidators' Seventh Report (for the period from 14 August 2016 to 13 February 2017)

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

Peri Micaela Finnigan and Boris van Delden, Insolvency Practitioners of Auckland, were appointed jointly and severally as liquidators of Tawil Holdings Limited ("the company" or "Tawil") on 14 February 2014 by the High Court at Auckland.

Kenneth Peter Brown and Paul Thomas Manning of BDO Tauranga Limited were appointed as Receivers of Tawil on 7 February 2014, pursuant to a General Security Agreement that was unregistered at the date of the Liquidators' appointment.

Pursuant to Section 255(2)(d) of the Companies Act 1993 ("the Act"), the liquidators herewith report 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

This report has been prepared in accordance with section 255(2)(d) of the Act. 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 liquidators have reviewed the charge under which the receivers were appointed.

The liquidators assisted the receivers with the realisation of the company's shareholding in a subsidiary company. The funds from the realisation of the shareholding were held in the receivers' trust account pending the outcome of court proceedings in regard to the priority between potentially competing security interests.

The latest report filed by the Receivers for the period to 7 August 2016, advised that all legal proceedings have been completed and that they intend to retire within the next reporting period.

The liquidators have also reviewed the proceedings taken by a related company named Wire by Design Limited (In Receivership and In Liquidation) from which Tawil's director advised Tawil, and therefore its creditors, may benefit.

The liquidators understand that the action has now settled with no funds being payable to Tawil. The liquidators are now considering their further options.

The liquidators have been advised that issues between certain secured creditors have been settled. We are awaiting amended claims from those creditors.

4 INVESTIGATIONS

The liquidators are continuing their investigations into the books, records and affairs of the company.

5 CREDITORS' CLAIMS

5.1 *Secured Creditors*

The Receivers have advised that the amounts owed to secured creditors at the date of their appointment, being 7 February 2014, were as follows –

All Metals Trading (estimated)	\$400,000
Bibby Financial Services	\$219,012
Caniwi Capital	\$230,000
Commercial Factors (estimated)	\$100,000
Heartland Bank	\$620,600
Wrights Investments Limited	\$886,568
Yes Finance Limited	\$1,332

As a result of a settlement we understand that Commercial Factors claim has been settled.

5.2 *Preferential Creditors*

A preferential claim has been received in respect of the applicant creditor's costs of \$20,649. To date, no payments have been made toward this claim.

The Receivers have identified preferential claims from employees of \$508,802 and from the Inland Revenue Department of \$63,092.

5.3 *Unsecured Creditors*

As at the date of preparing this report two unsecured creditors claim forms have been received which total \$498,054. In the interests of minimising liquidators' fees, the liquidators will not attend to the formality of accepting or rejecting creditors' claims until such time as we are in a position to pay a distribution.

The Receiver's report has identified unsecured claims totalling \$1,962,580.

6 LIQUIDATORS' FEES

Liquidators' fees accrued to the date of this report are \$19,721 excluding GST. The fees are based on 76.9 hours of work undertaken as follows –

Work Category	Hours	\$
Appointment functions	27.3	5,314
Asset realisations	9.6	3,552
Creditors' claims, enquiries and reports	24.2	7,169
Management	6.1	876
Taxation	2.3	400
Investigations	6.4	2,410
Total	76.9	\$19,721

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 too early to determine whether or not there will be a distribution to unsecured creditors.

8 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Completion of investigation into the affairs of the company
- The results of various legal proceedings

9 ESTIMATED DATE OF COMPLETION

Based on the information contained in this report the liquidators presently propose to complete all outstanding matters with a view to retiring as liquidators within the next two to three years.

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


PERI M FINNIGAN
LIQUIDATOR

DATED this 9th day of March 2017

PMF/CRS/gck/220
Tawit Holdings/Reports/4101 Seventh Report

Realisations and Distributions

Tawil Holdings Limited (In Receivership & In Liquidation) 14 February 2014 to 13 February 2017

Realisations	Cash Received \$
Costs in Regard to Subsidiary Share Sale	1,632
Total Realisations	\$1,632
Payments	
Liquidators Fees	
Liquidators Fees	1,632
Total Liquidators Fees	\$1,632
Total Payments	\$1,632
BALANCE HELD	\$Nil

Note: the above figures are GST exclusive