

Tom-Tom Hospitality Limited (In Liquidation)
Trading as: Tom Tom Bar and Eatery

Liquidators' Second Report
For the period from 27 May 2015 to 26 November 2015

1 INTRODUCTION AND APPOINTMENT

Tony Leonard Maginness and Jared Waiata Booth, Insolvency Practitioners of Auckland, were appointed jointly and severally as liquidators of Tom-Tom Hospitality Limited ("the company") on 27 May 2015.

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.

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 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

Asset Realisations

3.1 *Inventory*

(Statement of Affairs: \$8,000)

The available stock was sold for \$8,000. Stock that was subject to Purchase Money Security Interests was returned to the supplier. There will be no further realisations from the sale of stock.

3.2 *Intercompany Advances*

(Statement of Affairs: \$Unknown)

Accounting records for the company listed inter-company advances of \$233,131 as payable to the company. This amount was disputed by the director who said that a previous accounts person had not correctly recorded transactions. This matter is still under investigation.

3.3 Plant and Equipment, Furniture and Fittings *(Statement of Affairs: \$Undisclosed)*

Information in relation to the value of the assets was withheld in the Statement of Affairs as its release may have prejudiced the liquidators' negotiations to sell the business.

A number of attempts were made to sell the business as a going concern, however, these were all unable to be finalised.

The freehold assets of the company have realised \$27,000. The assets subject to specific securities have been realised by the secured creditors. There was no equity in those assets for the company.

There are no further items of plant and equipment or furniture and fittings to be sold.

4 INVESTIGATIONS

The liquidators are continuing their investigations into the books, records and affairs of the company. As identified in 3.2 above, the liquidators are investigating the position in relation to the inter-company advances.

5 CREDITORS' CLAIMS

5.1 Secured Creditors

A secured claim has been received from the Bank of New Zealand in respect of a General Security Agreement for the amount of \$366,432. A distribution of \$8,726 has been paid to the Bank of New Zealand. Interest continues to accrue on the outstanding amount.

A secured claim has also been notified by Independent Liquor (NZ) Limited in respect of a second ranked General Security Agreement for the amount of \$314,469. Interest continues to accrue on this amount.

5.2 Preferential Creditors

Total preferential claims for wages or salary and holiday pay amount to \$21,532.

The Inland Revenue Department has submitted a preferential claim for \$137,280.

No dividend has been paid to preferential creditors at the date of this report.

5.3 Unsecured Creditors

As at the date of preparing this report 36 unsecured creditors claim forms have been received which total \$419,843.

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.

6 FUNDS / LIKELY OUTCOME

There will be a short fall on the amount due to the General Security Agreement holder. Therefore, at this stage the liquidator does not anticipate paying a distribution to unsecured creditors

7 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Completion of the investigation of the books and records of the company
- Completion of the analysis of the intercompany loans

8 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 six months.

9 CONTACT DETAILS

Enquiries should be directed to Colin Sanderson on DDI (07) 878 0908 or by email to CSanderson@mvp.co.nz.

The Liquidators can be contacted at:

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JARED W BOOTH
LIQUIDATOR

DATED this 26th day of November 2015

Realisations and Distributions

Tom-Tom Hospitality Limited (In Liquidation) 27 May 2015 to 26 November 2015

Realisations	As Per Statement of Affairs \$	Cash Received \$
Interest	-	94
Insurance Refund	-	275
Inventory	8,000	8,000
Plant and Equipment, Furniture and Fittings	Undisclosed	27,000
Total Realisations	\$Unknown	\$35,369
Payments		
Liquidators Fees		
Liquidators Fees		20,745
Disbursements		255
Total Liquidators Fees		\$21,000
Other Costs of Liquidation and Trading On		
Security Costs		306
Consultancy fees		1,720
Power		2,473
Resident withholding tax		26
Total Costs of Liquidation and Trading On		\$4,525
Distributions		
Secured Creditor – Bank of New Zealand		8,726
Total Distributions to Creditors		\$8,726
Total Payments		\$34,251
BALANCE HELD		\$1,118

Note: the above figures are GST exclusive