

Cewell Trustee Company Limited (In Liquidation)

Liquidators' Twelfth Report For the period from 18 August 2015 to 17 February 2016

1 INTRODUCTION AND APPOINTMENT

Roy Horrocks and Garry Whimp, Insolvency Practitioners of Auckland, were appointed jointly and severally as liquidators of Cewell Trustee Company Limited ("the company") on 18 August 2010 by the High Court at Whangarei. Roy Horrocks resigned his position as liquidator on 3 April 2013 appointing Boris van Delden as his successor.

Pursuant to Section 255(2)(d) of the Companies Act 1993 ("the Act"), the liquidators herewith report on the progress of the liquidation. This twelfth 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

Asset Realisations

The only asset of the company is an indemnity from the Trust. This has not been realised.

4 INVESTIGATIONS

Following the investigation of the company's books and records, in relation to drawings and distributions, the liquidators entered into negotiations with the director in relation to apparent breaches of the director's duties. A settlement was reached with the director.

The terms of the agreement, contained in a Deed of Settlement, are confidential between the director and the liquidators. The director has been making payments to the liquidators. A dispute which arose between the director and the liquidator over the payment of the outstanding settlement amount was referred to the Disputes Tribunal.

The Tribunal heard the matter on 24 November 2015 and found in favour of the liquidator. The director was ordered to make payment of the full of the outstanding amount of the settlement agreement by 8 December 2015.

The director has not complied with that order but has continued to make part payments towards settlement of the debt.

5 CREDITORS' CLAIMS

5.1 *Preferential Creditors*

A preferential claim has been received in respect of the applicant creditor's costs of \$4,040. This amount has been paid in full.

5.2 *Unsecured Creditors*

As at the date of preparing this report one unsecured creditors claim form has been received which totals \$70,501. An interim payment of \$15,960 has been made on this claim.

6 LIQUIDATORS' FEES

Liquidators' fees to the date of this report are \$90,508 excluding GST. The fees are based on 359.6 hours of work undertaken as follows:

Work Category	Hours	\$
Commencement	27.4	6,785
Statutory Requirements	22.0	3,815
Asset realisations	14.5	4,120
Creditors' claims, enquiries and reports	1.4	296
Management & Taxation	47.5	8,212
Investigations & Legal	246.8	67,280
Total	359.6	\$90,508

Currently the fees paid to McDonald Vague total \$47,271. Further fees will be paid from any future realisations.

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

Following the agreement with the director there were funds available for distribution to creditors.

8 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matter is outstanding:

- Receipt of the balance of funds payable under the settlement agreement.

9 ESTIMATED DATE OF COMPLETION

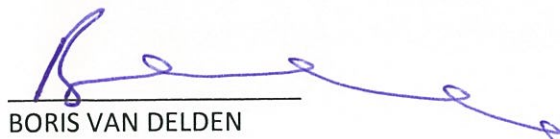
We are unable to estimate a completion date at this time.

10 CONTACT DETAILS

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

The Liquidators can be contacted at:

McDonald Vague
Level 10, 52 Swanson Street, Auckland 1010
P O Box 6092, Wellesley Street, Auckland 1141



BORIS VAN DELDEN
LIQUIDATOR

DATED this 22nd day of February 2016

Realisations and Distributions

Cewell Trustee Company Limited (In Liquidation) 18 August 2010 to 17 February 2016

Realisations	Cash Received \$
No Assets have been realised	NII
Funds from Director	72,000
Total Realisations	\$72,000
 Payments	
Liquidators Fees	
Liquidators Fees (GST inclusive)	47,271
Disbursements (GST inclusive)	3,729
Total Liquidators Fees	\$51,000
 Distributions	
Preferential Court awarded costs of applicant creditor	4,040
Interim distribution to unsecured creditor	15,960
Total Distributions to Preferential and Unsecured Creditors	\$20,000
 Total Payments	\$71,000
 BALANCE HELD	\$1,000

Note: This company is not registered for GST