



McDonald
Vague

business recovery partners

**ETR International Limited
(In Liquidation)**

**Liquidators' Fourth Report
(for the period from 1 December 2016
to 31 May 2017)**

McDonald Vague Limited

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1 INTRODUCTION AND APPOINTMENT

Tony Leonard Maginness and Peri Micaela Finnigan, Insolvency Practitioners of Auckland, were appointed as joint and several liquidators of ETR International Limited ("the company") on 1 December 2015. On 18 December 2015 Tony Leonard Maginness resigned his position as liquidator 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 fourth 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 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 Account Closure

The company used various accounts for local and overseas trading. Upon our appointment we closed accounts that were unnecessary for trading-on or collection purposes, and \$5,597 was recovered from those accounts.

3.2 Accounts Receivable

We have recovered \$449,334 in accounts receivable to date.

3.3 Sale of Stock

A total of \$278,851 has been realised from the company's stock.

3.4 Trading on Sales Receipts

We realised \$64,971 from trading-on during our winding down of the company's operations.

3.5 Sale of Assets

A total of \$95,524 has been realised from sale of the company's tangible and intangible assets.

3.6 Subvention Payment Received

We have realised \$28,176 in respect of a subvention payment in respect of tax losses for which the Inland Revenue Department subvention regime applies.

3.7 Unreferenced Third Party Deposits

We have received a total of \$1,326 which we believe to be payments of accounts owed to the company, but which have been insufficiently referenced, and are currently being held in trust pending identification and reconciliation.

3.8 Sundry Receipts

We have recovered further sundry receipts totalling \$22,321 as detailed in the attached Statement of Realisations and Distributions.

4 INVESTIGATIONS

We have completed our investigations into the books, records and affairs of the company prior to liquidation. No matters have come to our knowledge that require further investigation or action on our part.

5 CREDITORS' CLAIMS

5.1 Secured Creditors

Secured creditors claims amounting to \$1,000,000.00 have been received during the course of the liquidation. These creditors concerned had perfected their securities by registration on the Personal Property Securities Register. We have made distributions totalling \$529,856 to the secured creditors.

An unperfected security interest claim has been received in the amount of \$10,800. We do not anticipate realising sufficient funds to satisfy the amount to creditors with perfected security interests and therefore it is unlikely those with unperfected security interests will receive a distribution in the liquidation.

5.2 Preferential Creditors

Total preferential claims for staff wages, salary, holiday pay and redundancy amounted to \$86,972. These claims were paid in full.

A preferential amount of \$15,895 owed to the Inland Revenue Department for pre-liquidation PAYE and Kiwisaver deductions and contributions was paid in full.

Since no further preferential claims have been received, funds previously set aside for payment of any such claims have been distributed to the secured creditors.

5.3 Unsecured Creditors

As at the date of preparing this report we have received unsecured creditors' claims totalling \$88,752. As we anticipate a shortfall in the amount owed to the secured creditors we do not expect there will be any distribution to unsecured creditors.

6 FUNDS / LIKELY OUTCOME

Although we expect further recoveries, these are not anticipated to make up the shortfall in the amount still owing to the secured creditors. We therefore do not expect there will be sufficient funds available for distribution to any other class of creditor.

7 MATTERS REMAINING

The following matters are outstanding:

- Sale of redundant sample stock.
- Further anticipated subvention receipts in 2017 and potentially 2018.
- Further distributions to secured creditors.

8 ESTIMATED DATE OF COMPLETION

Due to the nature of future subvention recoveries it is not yet possible to estimate a date for completion of the liquidation.

9 CONTACT DETAILS

Enquiries should be directed to Dalwyn Whisken on DDI (09) 969 5336 or by email to dwhisken@mvp.co.nz.

The Liquidators can be contacted at:

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PERI FINNIGAN
LIQUIDATOR

DATED this 26 day of June 2017

Realisations and Distributions

ETR International Limited
Tuesday, 1 December 2015 to 31 May 2017

20/06/2017

Realisations	
Bank Account Closure	5,597
Collection of Accounts Receivable	449,334
Sale of Stock	278,851
Trading On Sales Receipts	64,971
Sale of Assets	95,524
IRD Refund	842
GST Recovered	16,397
Interest	2,814
Insurance Refund	1,758
ACC Refund	510
Subvention Payment Received	28,176
Unreferenced and Third Party Receipts in Trust	1,326
Total Realisations	946,100
Liquidators' Costs	
Liquidators Fees	228,025
Disbursements	2,514
Total Liquidators's Costs	230,539
Costs of Liquidation and Trading On	
Rent	15,902
Bank fees	138
Winding Down Expenses	16,426
Commissions Paid	3,682
Third Party Refunds	9,932
Post Liquidation Wages	16,518
Auction Expenses	1,340
GST - ATO	12,384
Resident Withholding Tax on Interest	788
Total Costs of Liquidation and Trading On	77,110
Distributions	
Secured Creditors	529,856
Preferential Wages and Holiday Pay	86,972
Preferential GST and PAYE	15,895
Preferential Distribution: NZ Customs	3,952
Total Distributions	636,674
Total Costs and Distributions	944,323
BALANCE HELD	1,777
Less: Funds and Provisions held in Trust	
Unreferenced Receipts in Trust	1,326
Total Funds and Provisions held in Trust	1,326
AVAILABLE BALANCE	451