



McDonald
Vague

business recovery partners

**ETR International Limited
(In Liquidation)**

**Liquidators' Third Report
(for the period from 1 June 2016
to 14 December 2016)**

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 third 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 \$447,525 in accounts receivable to date.

3.3 Sale of Stock

A total of \$275,099 has been realised from the company's stock.

3.4 Trading on Sales Receipts

We realised \$63,971 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 \$2,820 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 \$21,464 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 \$528,356 to the above 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 amount to \$86,972. These claims have been paid in full.

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

Since no further preferential claims have been received, funds previously set aside for payment of any such claims have now 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 \$ forms have been received which total \$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 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 14 day of December 2016

PMF/DW/gck/220
ETR International/Formal Reports/4101 Third Report

Realisations and Distributions

ETR International Limited

Tuesday, 1 December 2015 to 14 December 2016

14/12/2016

Realisations

Bank Account Closure	5,597
Collection of Accounts Receivable	447,525
Sale of Stock	275,099
Trading On Sales Receipts	63,971
Sale of Assets	95,524
GST Recovered	16,397
Interest	2,799
Insurance Refund	1,758
ACC Refund	510
Subvention Payment Received	28,176
Unreferenced and Third Party Receipts in Trust	2,820
Total Realisations	940,177

Liquidators' Costs

Liquidators Fees	219,905
Disbursements	2,014
Total Liquidators's Costs	221,919

Costs of Liquidation and Trading On

Rent	15,902
Bank fees	138
Winding Down Expenses	16,426
Commissions Paid	3,275
Third Party Refunds	9,932
Post Liquidation Wages	16,518
Auction Expenses	1,250
GST - ATO	12,384
Resident Withholding Tax on Interest	784
Total Costs of Liquidation and Trading On	76,609

Distributions

Secured Creditors	528,356
Preferential Wages and Holiday Pay	86,972
Preferential GST and PAYE	15,895
Preferential Distribution: NZ Customs	3,952
Total Distributions	635,174

Total Costs and Distributions	933,702
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BALANCE HELD	6,475
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Less: Funds and Provisions held in Trust

Unreferenced Receipts in Trust	2,820
Total Funds and Provisions held in Trust	2,820

AVAILABLE BALANCE	3,654
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