



McDonald
Vague

business recovery partners

Gameloft New Zealand Limited (In Liquidation)

Liquidators' Third Report (for the period from 5 August 2016 to 4 February 2017)

McDonald Vague Limited

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1 INTRODUCTION AND APPOINTMENT

Peri Micaela Finnigan and Boris van Delden, Insolvency Practitioners of Auckland, were appointed jointly and severally as liquidators of Gameloft New Zealand Limited ("the company") on 5 February 2016.

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 Bank Account **(Statement of Affairs: \$299,848)**

The company's bank account was closed and \$299,848 was received.

3.2 Computer Software and Equipment **(Statement of Affairs: \$85,000)**

The sale of the company's computer equipment, including servers, has been completed and realised \$136,000. The software licences were not owned by the company and the licence to use purchased by the company could not be transferred.

3.3 Furniture and Fittings **(Statement of Affairs: \$15,000)**

Some of the company's furniture and fittings were able to be sold and realised \$4,735. No buyer could be found for the balance and these items were disclaimed by the liquidators.

3.4 Pre Paid Tax **(Statement of Affairs: \$44,405)**

A tax refund was received of \$44,430.

4 INVESTIGATIONS

The liquidators have completed their investigations into the books, records and affairs of the company. As a result of the investigation the following matters arose:

The liquidators reviewed of the actions of the company's directors leading to the decision to cease trading and liquidate the company. The liquidators decided that, based on the information available, there was no available causes of action against the directors.

5 CREDITORS' CLAIMS

5.1 Secured Creditors

No claims have been received from secured creditors. However, \$2,370 has been paid to Westpac New Zealand Limited to settle company credit card debts pursuant to guarantees held over the company's trading accounts with HSBC.

5.2 Preferential Creditors

Three preferential claims amounting to \$3,314 were received from employees who had been engaged to start work but who had not commenced work prior to the liquidation. Legal advice received by the liquidators was that these people had a preferential claim for payment of holiday pay. This amount has been paid in full.

The majority of the company's employees had their employment terminated and received their paid entitlements prior to the appointment of the liquidators.

A further group of employees had ceased their employment prior to the appointment of the liquidators but received their final pay after the commencement of the liquidation.

On appointment eleven staff were remaining. The termination payments have since been paid to these employees. Reimbursement has been received from the shareholder company for wages paid to staff who continued after the appointment of the liquidators to complete tasks for the shareholder company.

The Inland Revenue Department has advised the liquidators that they have no preferential claim.

5.3 Unsecured Creditors

24 unsecured creditor claim forms have been received totalling \$6,338,432. This figure includes claims filed by the shareholder, Gameloft SE (France) for unsecured advances, and Callaghan Innovation which provided funding to the company under funding agreements.

The claim filed by Callaghan Innovation was disputed by the company directors and the liquidators obtained legal advice in relation to that claim. The initial advice received by the liquidators was that part of Callaghan's claim could be disputed.

This was discussed at length with the solicitors representing Callaghan who disputed the advice given to the liquidators.

After consideration of all the advice available and an assessment of the potential costs to continue the dispute against the difference in return to the majority of the creditors, it was decided to accept the Callaghan claim in full.

A first and final distribution of 8.4 cents in the dollar has been made to unsecured creditors.

6 FUNDS / LIKELY OUTCOME

A distribution of 8.4 cents in the dollar has been paid. There is no expectation of further funds. The liquidators will now complete the liquidation.

7 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matter is outstanding:

- Completion of the investigations identified in Section 4 above.

8 ESTIMATED DATE OF COMPLETION

Based on the information contained in this report the liquidators estimate the liquidation will be completed in the next two months.

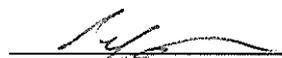
9 CONTACT DETAILS

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:

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PERI M FINNIGAN
LIQUIDATOR

DATED this 27th day of February 2017

Realisations and Distributions

Gameloft New Zealand Limited (In Liquidation) 5 February 2016 to 4 February 2017

Realisations	As Per Amended Statement of Affairs \$	Cash Received \$
Bank Account Closure	299,848	299,848
GLSE Wages reimbursement	-	44,069
Debtors	Unknown	2,468
Interest	-	3,068
Furniture and Fittings	15,000	4,735
Computers and Equipment	85,000	136,000
Pre liquidation Tax Refund	44,405	242,722
Tax Credit Refund	-	44,430
Utilities Refund	-	1,362
Insurance Refund	-	3,183
Health Insurance Refund	-	839
Total Realisations	\$444,253	\$782,724
Payments		
Liquidators Fees		
Liquidators Fees		65,178
Disbursements		1,453
Total Liquidators Fees		\$66,631
Other Costs of Liquidation		
Legal Fees		13,854
Bank Fees		162
Cleaning Services		9,872
Telephone Expenses		224
Data Services		4,676
Carpark Rental		557
Utilities		3,532
Security Costs		340
Postage Re-direction Costs		113
Wages and PAYE		40,295
Residents Withholding Tax on Interest		859
Staff Expenses - Reimbursements		6,231
Total Costs of Liquidation		\$80,715

Distributions

Secured Creditor	2,370
Preferential Creditors - Wages and Holiday Pay	158,103
Distribution to Unsecured Creditors	471,723

Total Distributions to Unsecured Creditors	\$632,196
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Total Payments	\$779,542
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BALANCE HELD	\$3,182
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Note: the above figures are GST exclusive