

Phoenix Forex Limited (In Liquidation)
Liquidators' Second Report
For the period from 24 October 2013 to 23 April 2014

1 INTRODUCTION AND APPOINTMENT

Jared Waiata Booth and Tony Leonard Maginness, Insolvency Practitioners of Auckland, were appointed jointly and severally as liquidators of Phoenix Forex Limited ("the company") on 24 October 2013.

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

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

3.1 Asset Realisations

The liquidators have recovered \$3,101 to date from the closure of the company's bank account (\$1,101) and the sale of fixed assets by way of auction and private treaty (\$2,000). Further fixed assets are in the process of being realised by way of auction.

The company's director disclosed at the commencement of the liquidation that Restaurant Limited (In Liquidation) ("RL"), previously placed into liquidation on 23 September 2013, was also a debtor of the company. Subsequent to investigations, an unsecured claim was submitted by the liquidators in RL's liquidation for the sum of \$402,401, and the liquidators correspondingly disputed the validity of a GSA registered against RS. RS' liquidators have, notwithstanding this, stated that it is unlikely that there will be a distribution to non preferential creditors of RS.

3.2 Investigations

The liquidators' investigations into the books, records and affairs of the company remain ongoing. No further information is provided on the basis that it may be prejudicial. As a result of investigations to date, \$40,000 has been recovered as a voidable transaction in accordance with section 292 of the Companies Act 1993.

4 CREDITORS' CLAIMS

4.1 Preferential Creditors

One preferential claim has been received, this being from the Inland Revenue Department in the amount of \$1,235,731. The majority of this relates to assessments for PAYE (\$1,061,718) and GST (\$169,018) as calculated by the Inland Revenue Department. No distribution has been paid in relation to this claim at the date of this report.

4.2 Unsecured Creditors

As at the date of preparing this report 31 unsecured creditors claim forms have been received which total \$807,642. Of this, claims totalling \$448,774 relate to former clients, \$199,400 to the Inland Revenue Department, and \$124,148 to trade creditors. 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 to creditors.

5 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Realisation of fixed assets.
- Completion of investigations.

6. ESTIMATED DATE OF COMPLETION

It is currently uncertain as to when this liquidation will be completed.

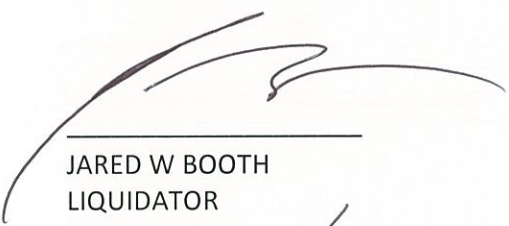
7 CONTACT DETAILS

Enquiries should be directed to the writer on DDI (09) 306 3340 or by email to jbooth@mvp.co.nz.

The Liquidators can be contacted at:

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P O Box 6092
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Auckland 1141



JARED W BOOTH
LIQUIDATOR

DATED this 2nd day of May 2014

JWB/gck/220
Phoenix Forex/Reports/4101 Second Report

Realisations and Distributions

Phoenix Forex Limited (In Liquidation) 24 October 2013 to 23 April 2014

Realisations

Bank Account Closure	1,101
Settlements	40,000
Sale of Fixed Assets	2,000
Interest	39
Total Realisations	43,140

Payments

Liquidators' Fees	27,920
Disbursements	570
Legal Fees	1,013
Resident Withholding Tax on Interest	11
Total Payments	29,513

BALANCE HELD	13,627
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Note: all amounts are GST exclusive.