



***Ross Asset Management Limited (In Liquidation) (“RAM”)
Bevis Marks Corporation Limited (In Liquidation)
McIntosh Asset Management Limited (In Liquidation)
Mercury Asset Management Limited (In Liquidation)
Dagger Nominees Limited (In Liquidation)
Ross Investment Management Limited (In Liquidation)
Ross Unit Trusts Management Limited (In Liquidation)
United Asset Management Limited (In Liquidation)
together “the Ross Group Companies” or “the Group Companies”***

Outcome of Seventh Liquidation Committee Meeting

The seventh meeting of the Liquidation Committee (“the Committee”) was held on 16 December 2014 at PwC’s offices in Wellington. Five committee members attended in person, one attended by telephone and one apology was received. This document is the Committee’s agreed communication to be sent to all creditors and investors following the meeting. It was agreed that future communications concerning the liquidation process will continue to be sent from the Liquidator on behalf of the Committee.

This report is subject to the restrictions set out at Appendix A.

Proprietary claims

Only a small number of proprietary claims remain. The Committee considered the remaining claims and provided guidance to the liquidators on each claim. It is unlikely any further claims of significance will be considered by the Committee, with the Committee suggesting a release of only \$225 worth of shares at this time.

Share Realisations

A summary of share realisations is attached at Appendix B. The shares which remain to be realised are generally with overseas brokers who will not realise them without a local Court order or are shares for which there is no market. (ie. no other parties are interested in buying them). The Liquidators have successfully had the liquidation orders recognised in one overseas jurisdiction, however, further work is required to obtain new shares certificates and then sell the shares. This work is ongoing. The liquidators are balancing the cost associated with doing so against any likely return.

David & Jillian Ross settlement

As previously advised, a settlement was reached with David and Jillian Ross and sanctioned by the High Court.

The properties in Eastbourne and Riversdale were transferred to RAM, placed on the market and sold for \$828,000 and \$85,000 before costs respectively.

The Woburn Road property was sold for \$1,772,745. Mr Ross’ share of the net balance was received, costs were met and the balance was paid to RAM. The receiverships of the Woburn Ross Trust and the Chapman Ross Trusts have now ended.



50% in value of the chattels from Woburn Road are being sold by auctioneers, Dunbar Sloane, with the proceeds being paid to RAM. These are being treated as reparations from David Ross. To date \$22,929.35 has been received. There are unlikely to be any further receipts.

David Ross' Legal Fees

David Ross' legal fees were not agreed. An amount of money was set aside from the proceeds of sale of Woburn Road to cover these fees. A fee assessor used by the Law Society was appointed to review the fees and provide a decision on whether they are reasonable in the circumstances. It was recently concluded by the assessor that those fees are within a range that could be considered reasonable, given the work completed.

Accordingly, David Ross' legal advisors made an application to the High Court to have the fees approved and the monies released. The release of the monies for the fees was approved by the High Court on 11 December 2014.

Clawback

The three test cases are all currently before the Courts, with proceedings having been filed in all three instances. Confidentiality orders are in place and accordingly it is not appropriate to provide any specific detail on these matters.

The first test case is to be heard on 23 March 2015. The other two are not likely to be heard until the second half of 2015.

The outcome of these test cases should provide much clearer guidance on the circumstances when a claim should be brought. Further claims will then be considered. The potential sum recoverable from such claims could be substantial.

Wider Investigations

Other than to support particular claims noted above, such as clawback, wider investigation is largely complete. In the event particular facts are brought to the liquidators' attention which require further examination, the liquidators' will do so, but it is now unlikely that any further assets or avenues for recovery will be identified through investigation.

Financial position

A summary of the receipts and payments, together with costs incurred but not paid, was presented to the meeting and discussed. As at 30 November 2014, the Liquidators had net funds on hand of \$3,175,889.92. A breakdown of the individual balances held for each Ross Group company is detailed below:

Bevis Marks Corporation Limited (In Liquidation)	\$	45.05
Dagger Nominees Limited (In Liquidation)	\$	1,081,503.10
McIntosh Asset Management Limited (In Liquidation)	\$	14.15
Mercury Asset Management Limited (In Liquidation)	\$	170.71
Ross Asset Management Limited (In Liquidation)	\$	2,076,726.69
Ross Investment Management Limited (In Liquidation)	\$	3.16
Ross Unit Trusts Management Limited (In Liquidation)	\$	6.03
United Asset Management Limited (In Liquidation)	\$	17,421.03
	\$	3,175,889.92



Detailed receipts and payments accounts to 30 November 2014 for each company are attached at Appendix C.

The increase in the bank balance in RAM and the decrease in the bank balances of the majority of other companies has occurred due to monies realised within those companies being distributed to the receivers of David Ross personally. Those monies have, in turn, been paid to RAM as reparations from David Ross.

At 30 November 2014 a further \$22,434 of time costs and a further \$1,927 of disbursements had been incurred by the Liquidators but not been paid. A further \$65,063 of legal costs had also been incurred but had not yet been paid.

Distribution to Creditors and Investors

It is still not possible to give an indication of the likely value of any distribution. The outcome of clawback claims may materially impact the available funds to distribute. The Committee determined that it will consider a distribution model once the result of all clawback claims has been established.

If you have any other queries, please submit your enquiry through the on-line form via PWC's website, through the dedicated phone line (04) 462 7040, by writing to our mailing address or to the email address above. The Liquidators will endeavour to respond to all enquiries as quickly as possible where appropriate. Please mark any queries for the Liquidation Committee so that these can be passed to them for consideration.

Dated 16 January 2015

A handwritten signature in black ink, appearing to read 'John Fisk'.

John Fisk
Liquidator



Appendix A

Restrictions

The statements and opinions expressed herein have been made in good faith, and on the basis that all information relied upon is true and accurate in all material respects, and not misleading by reason of omission or otherwise.

We have not independently verified the accuracy of information provided to us, and have not conducted any form of audit in respect of the Group Companies. Accordingly, we express no opinion on the reliability, accuracy, or completeness of the information provided to us and upon which we have relied. Whilst all care and attention has been taken in compiling this report, we do not accept any liability whatsoever arising from this report.

The statements and opinions expressed in this report are based on information available as at the date of the report.

We reserve the right, but will be under no obligation, to review or amend our report, if any additional information, which was in existence on the date of this report was not brought to our attention, or subsequently comes to light.

We have relied on forecasts and assumptions prepared by the Group Companies about future events which, by their nature, are not able to be independently verified. Inevitably, some assumptions may not materialise and unanticipated events and circumstances are likely to occur. Therefore, actual results in the future will vary from the forecasts upon which we have relied. These variations may be material.

In addition the following should be noted:

- Certain numbers included in tables throughout this report have been rounded and therefore do not add exactly.
- Unless otherwise stated all amounts are stated in New Zealand dollar

Ross Group Companies (In Liquidation)

Share Realisation Summary at 30/11/2014

PORTFOLIO VALUATION

Shares held by RAM Entities	Valuation of Holdings ⁽¹⁾	Unlikely to be realised ⁽²⁾	Valuation of realisable holdings ⁽³⁾
NZ Holdings	\$1,320,362.09	-\$3,490.35	\$1,316,871.74
Australian Holdings	\$2,923,679.68	-\$473,469.32	\$2,450,210.36
USA Holdings	\$698,398.26	-\$50,352.54	\$648,045.72
Other Country Holdings	\$1,026,608.49	-\$1,401.50	\$1,025,206.99
Totals	\$5,969,048.52	-\$528,713.71	\$5,440,334.81

SHARE REALISATIONS

Shares held by RAM Entities	Net Realisations to Date ⁽⁴⁾	Yet to be Realised ⁽⁵⁾	Shares Subject to Verified Proprietary Claims ⁽⁶⁾	Shares Subject to Unverified Proprietary Claims ⁽⁷⁾	Estimated Total Realisations available for Investors & Creditors ⁽⁸⁾
NZ Holdings	\$1,184,238.50	\$149,298.63	-\$55,559.88	-\$138,908.25	\$1,139,069.00
Australian Holdings	\$1,690,223.12	\$195,277.98	-\$36,569.06	-\$141,359.79	\$1,707,572.25
USA Holdings	\$185,316.41	\$407,756.36	\$0.00	-\$158,945.90	\$434,126.87
Other Country Holdings	\$425,008.64	\$558,819.69	-\$253,742.81	\$0.00	\$730,085.52
Totals	\$3,484,786.68	\$1,311,152.65	-\$345,871.75	-\$439,213.94	\$4,010,853.64

RECONCILIATION OF REALISATIONS RECEIVED

Shares held by RAM Entities	Gross Realisations to Date ⁽⁹⁾	Share Realisations Received to Date ⁽¹⁰⁾	Realisations Yet to be Received from Brokers ⁽¹¹⁾	Brokerage Fees Paid ⁽¹²⁾	Net Realisations to Date ⁽⁴⁾
NZ Holdings	\$1,192,629.98	\$1,162,314.16	\$21,924.34	-\$8,391.48	\$1,184,238.50
Australian Holdings	\$1,726,676.02	\$1,680,926.53	\$9,296.59	-\$36,452.90	\$1,690,223.12
USA Holdings	\$195,238.76	\$185,316.42	-\$0.01	-\$9,922.35	\$185,316.41
Other Country Holdings	\$430,868.30	\$425,008.65	-\$0.01	-\$5,859.66	\$425,008.64
Totals	\$3,545,413.06	\$3,453,565.76	\$31,220.92	-\$60,626.39	\$3,484,786.68

SHARES HELD BY NON-RAM ENTITIES

Shares held by non-RAM entities	Valuation of Holdings ⁽¹⁾	Shares Subject to Verified Proprietary Claims ⁽⁶⁾	Shares Subject to Unverified Proprietary Claims ⁽⁷⁾
Shares held by 3rd parties ⁽¹³⁾	\$5,629,939.00	-\$2,912,180.84	-\$2,717,758.16

Notes

(1) - Estimated value of shares held at receivership. Valuations are primarily at 21 February 2013, however shares still held after 30 July 2013 have more recent valuations. Valuation is before deduction of any brokerage.

(2) - Estimated value of shares where it has been determined that it is unlikely they will be able to be realised. This includes deregistered shares and shares where the cost of realisation is likely to be greater than their value.

(3) - Estimated value of shares held removing those shares where it is currently unlikely that they will be realised.

(4) - Actual value of shares realised to date after brokerage.

(5) - Estimated value of shares which have not yet been realised. A provision has been made for brokerage fees of 0.1%. These shares have not been disposed of because they are subject to an unresolved proprietary claim or are difficult to realise.

(6) - Actual value of shares or the proceeds of sale of shares that have been released to third parties with the approval of the Court as they were able to demonstrate that they have a valid proprietary claim to those shares. Value is after deduction of any relevant brokerage.

(7) - Estimated value of shares subject to proprietary claims which have not yet been released. It is unlikely all shares will be determined as subject to valid proprietary claims.

(8) - Sum of shares realised to date, shares yet to be realised less provision for proprietary claims. Costs of realisations need to be met from these funds.

(9) - Gross proceeds of sale of shares before deduction of brokerage.

(10) - Net Proceeds of sale of shares received by the Liquidators, after brokerage deducted.

(11) - Net Proceeds of sale of shares yet to be received by the Liquidators, after brokerage deducted.

(12) - Brokerage Fees actually paid to brokers to realise the various shares realised to date.

(13) - Shares held in the names of parties other than an entity subject to liquidation or receivership orders. David Ross had authority in relation to these shares so they are covered by the freezing orders. These are unlikely to be available for investors.



Receipts & Payments Summary

Ross Group Companies (In Liquidation)**Summary of Companies' bank account balances at 30 November 2014**

Bevis Marks Corporation Limited (In Liquidation)	\$	45.05
Dagger Nominees Limited (In Liquidation)	\$	1,081,503.10
McIntosh Asset Management Limited (In Liquidation)	\$	14.15
Mercury Asset Management Limited (In Liquidation)	\$	170.71
Ross Asset Management Limited (In Liquidation)	\$	2,076,726.69
Ross Investment Management Limited (In Liquidation)	\$	3.16
Ross Unit Trusts Management Limited (In Liquidation)	\$	6.03
United Asset Management Limited (In Liquidation)	\$	17,421.03
	\$	3,175,889.92

Ross Group Companies (In Liquidation)
Summary of transactions at 30 November 2014

Bevis Marks Corporation Limited (In Liquidation)

Receipts

Share sales	86,033.47	
Dividends	6,386.66	
Transfer from Receivers' account	2,902.15	
Interest income	2,700.07	
GST on receipts	-	
Total receipts		98,022.35

Payments

Bank charges	90.78	
Brokerage fees	2,696.17	
Broker document charges	105.00	
Distribution to David Ross Receivership	82,322.51	
Liquidators' fees	8,149.28	
Liquidators' general expenses & disbursements	585.91	
Receivers' fees	1,485.52	
Receivers' general expenses & disbursements	222.83	
RWT	737.02	
GST on payments	1,582.28	
Total payments		97,977.30

Total cash on hand

\$ 45.05

Ross Group Companies (In Liquidation)
Summary of transactions at 30 November 2014

Dagger Nominees Limited (In Liquidation)

Receipts

Share sales	1,139,796.99	
Dividends	34,298.00	
Transfer from Receivers' account	4,922.65	
Interest income	27,751.75	
Funds on Hand	7,355.59	
Investor Management Fees	186.43	
GST on receipts	27.96	
Total receipts		1,214,339.37

Payments

Bank charges	493.53	
Brokerage Fees	13,954.06	
Broker document charges	2,248.64	
Liquidators' fees	16,072.09	
Liquidators' general expenses & disbursements	3,332.53	
Proprietary Claims	85,863.46	
RWT	7,735.52	
GST on payments	3,136.44	
Total payments		132,836.27

Total cash on hand	\$ 1,081,503.10
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Ross Group Companies (In Liquidation)
Summary of transactions at 30 November 2014

McIntosh Asset Management Limited (In Liquidation)

Receipts

Share sales	28,236.14	
Dividends	495.60	
Interest income	924.28	
GST on receipts	-	
Total receipts		29,656.02

Payments

Brokerage Fees	444.01	
Distribution to David Ross Receivership	22,912.44	
Liquidators' fees	4,919.35	
Liquidators' general expenses & disbursements	327.75	
RWT	251.26	
GST on payments	787.06	
Total payments		29,641.87

Total cash on hand	\$	14.15
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Ross Group Companies (In Liquidation)
Summary of transactions at 30 November 2014

Mercury Asset Management Limited (In Liquidation)

Receipts

Share sales	40,832.35	
Dividends	148.67	
Interest income	1,344.27	
Funds on Hand	1,574.15	
GST on receipts	-	
Total receipts		43,899.44

Payments

Brokerage Fees	1,316.20	
Distribution to David Ross Receivership	35,728.37	
Liquidators' fees	5,164.38	
Liquidators' general expenses & disbursements	329.40	
RWT	366.31	
GST on payments	824.07	
Total payments		43,728.73

Total cash on hand	\$ 170.71
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Ross Group Companies (In Liquidation)
Summary of transactions at 30 November 2014

Ross Asset Management Limited (In Liquidation)

Receipts

Share sales	2,105,800.87	
Dividends	16,063.97	
Funds on Hand	31,947.25	
Transfer from Receivers' account	40,378.06	
Interest income	25,935.94	
Investor management fees	26,376.27	
RAM office furniture sales	9,475.21	
Sale of Tama Road	85,000.00	
Sale of Marine Drive	828,000.00	
Rental Income	6,404.52	
Reparations from David Ross Receivership	872,960.95	
GST on receipts	47,856.52	
Total Receipts		4,096,199.56

Payments

Advertising	4,127.72	
Bank charges	604.37	
Brokerage Fees	39,452.28	
Broker document charges	1,587.26	
Commission	26,850.48	
Council Rates	1,466.25	
Document storage	13,514.49	
Duress Payments	10,095.39	
Electricity	1,191.56	
Employee Preferential Claim	19,574.83	
Freight	1,815.00	
Insurance	3,956.04	
IT Support	7,147.21	
Landlord make good costs	505.65	
Legal Fees	554,824.95	
Liquidation Committee expenses	191.70	
Liquidators' fees	543,496.11	
Liquidators' general expenses & disbursements	42,826.34	
Mail Collection	320.00	
PAYE	11,142.61	
Property Management Costs	530.41	
Property Maintenance	923.95	
Petitioning creditor costs	1,302.80	
Proprietary claims	292,307.50	
Receivers' Fees	172,185.53	
Receivers' general expenses & disbursements	12,098.48	
Office Rental	25,146.87	
RWT	6,481.14	
Security	313.61	
Telephone	770.13	
Wages	11,104.29	
GST on payments	211,617.92	
Total payments		2,019,472.87

Total cash on hand	\$ 2,076,726.69
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Ross Group Companies (In Liquidation)
Summary of transactions at 30 November 2014

Ross Investment Management Limited (In Liquidation)

Receipts

Share sales	7,923.35	
Interest income	188.05	
GST on receipts	-	
Total receipts		8,111.40

Payments

Brokerage Fees	115.71	
Distribution to David Ross Receivership	4,976.91	
Liquidators' Fees	2,369.35	
Liquidators' general expenses & disbursements	207.45	
RWT	52.30	
GST on payments	386.52	
Total payments		8,108.24

Total cash on hand	<u><u>\$</u></u>	<u><u>3.16</u></u>
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Ross Group Companies (In Liquidation)
Summary of transactions at 30 November 2014

Ross Unit Trusts Management Limited (In Liquidation)

Receipts

Share sales	8,308.30	
Interest income	206.56	
GST on receipts	-	
Total receipts		8,514.86

Payments

Bank Charges	34.00	
Brokerage Fees	255.09	
Distribution to David Ross Receivership	6,174.75	
Liquidators' Fees	1,624.84	
Liquidators' general expenses & disbursements	166.50	
RWT	57.49	
GST on payments	196.16	
Total payments		8,508.83

Total cash on hand	\$ 6.03
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Ross Group Companies (In Liquidation)
Summary of transactions at 30 November 2014

United Asset Management Limited (In Liquidation)

Receipts

Share sales	132,725.13	
Transfer from Receivers' account	881.45	
Funds on Hand	17,574.66	
Interest income	4,111.00	
GST on receipts	-	
Total receipts		155,292.24

Payments

Bank charges	34.20	
Brokerage fees	2,629.81	
Broker Document Charges	54.00	
Distribution to David Ross Receivership	96,584.77	
Distribution to Unsecured Creditors	27,615.70	
Liquidators fees	7,992.51	
Liquidators' general expenses & disbursements	564.31	
RWT	1,112.39	
GST on payments	1,283.52	
Total payments		137,871.21

Total cash on hand	\$	17,421.03
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