



Ex NZDL Limited (In Receivership and In Liquidation) (formerly New Zealand Dairies Limited) Liquidators' Second Six Monthly Report

Company number:1812880

Introduction

As you are aware Ex NZDL Limited (In Receivership and In Liquidation) - ("the Company") was placed into liquidation by the High Court at Christchurch pursuant to section 241(2)(c) of the Companies Act 1993 (the "Act") on 16 October 2012. Malcolm Grant Hollis and Maurice George Noone are the appointed joint and several liquidators of the Company.

This report covers the period 17 April 2013 to 16 October 2013.

Restrictions

This report has been prepared by us in accordance with and for the purpose of section 255 of the Act. It is prepared for the sole purpose of reporting on the state of affairs with respect to the Company in liquidation and the conduct of the liquidation.

This report is subject to the restrictions set out at Appendix A. In particular, all information contained in this report is provided in accordance with section 255 of the Act. Furthermore, in preparing this report we have relied upon and not independently verified or audited information or explanations provided to us.

Conduct of the liquidation in the Preceding Six Months

We set out below a review of matters dealt with since our last report:

Interim Distribution

You will be aware that at the end of May 2013 we paid a second interim distribution of 30 cents in the dollar to all unsecured creditors with whose claims had been admitted at that time. This amounted to the sum of \$2,449,411.

This brings the total distributions paid to unsecured creditors with admitted claims to 80 cents in the dollar.

Unsecured creditors claims

We have spent considerable time reviewing creditors' claims that are not yet admitted and in particular the large claims of three related party creditors. The combined total value of these three claims is in excess of NZ\$9.8m. As such, the acceptance or otherwise of these claims will have a material impact on the final outcome to all creditors in the liquidation.

We are pleased to report that we have recently reached agreement in respect of two of these claims and these parties have now received payment of their 80 cent distribution.



We continue to gather all necessary evidence to prove the remaining claim. It is likely that we will require direction from the High Court to finalise this matter.

Receivership

We understand the Receivers have now received the final 2013 milk payments and attended to the payment of any unpaid receivers' suppliers. They have advised that it is likely the receivership will be finalised prior to Christmas 2013.

Statement of Realisation and Distribution

Attached at Appendix B is a Statement of Realisations and Distributions for this reporting period.

Please note that the two distributions to unsecured creditors recently admitted for payment, have been made in the last week, and as such fall outside this reporting period.

Liquidators' Fees

The liquidators' fees are \$57,500 for this reporting period and include:

- Continued work on recording and reviewing creditors' claims, correspondence with various creditors regarding their claims and the progress of the liquidation.
- Detailed work associated with investigating claims the claim of the three related parties, including reaching agreement with two of these parties.
- Calculation and payment of the second interim dividend.
- Various discussions with the receivers on matters pertaining to the company.
- General investigation and administration.
- All matters associated with the maintenance and reconciliation of the cash book.

Note this list is not exhaustive.

Please note section 284 of the Act below which states;

284 Court supervision of liquidation

- (1) On the application of the liquidator, a liquidation committee, or, with the leave of the Court, a creditor, shareholder, other entitled person, or director of a company in liquidation, the Court may—
 - (e) In respect of any period, review or fix the remuneration of the liquidator at a level which is reasonable in the circumstances:

Proposals for Completing the Liquidation

The liquidation will not be completed until such time that all matters surrounding unsecured the creditor's claim is finalised.

A further report will be issued in six months unless this administration is completed prior to that time in which case a final report will be issued.



Contact Details

If you have any queries or any information regarding this liquidation, please contact Wendy Somerville on (03) 374 3027.

Dated: 4 November 2013

A handwritten signature in blue ink, appearing to read "M.G. Hollis", written over a horizontal line.

Malcolm Grant Hollis
Liquidator



Appendix A

Restrictions

All information contained in this report is provided in accordance with section 255 of the Companies Act 1993.

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 Company. 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.

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 dollars.



Appendix B

Ex NZDL Limited (In Receivership and In Liquidation)

Statement of Realisation and Distribution For the period 17 April to 16 October 2013

	\$	\$
Opening Funds on Hand		11,965,724
Receipts		
Interest received	147,973	
		<u>147,973</u>
Payments		
Second Interim Distribution to unsecured creditors	2,448,852	
Liquidators' fees	57,500	
Legal fees	25,130	
GST on expenses	12,395	
		<u>2,543,877</u>
Closing funds on Hand		<u><u>9,569,820</u></u>

Please note that subsequent to the date of this reporting period an amount of \$5,441,266 has been distributed to recently admitted unsecured creditors.