

***Receivers' Six Monthly Report on the State of Affairs
of David Robert Gilmour Ross (Receivers and
Managers Appointed)
The Woburn Ross Trust (Receivers and Managers
Appointed)
The Chapman Ross Trust (Receivers and Managers
Appointed)
Ace Investment Trust (Receivers and Managers
Appointed)
Ace Investment Trust Limited (Receivers and
Managers Appointed)
Ace Investments Limited (Receivers and Managers
Appointed)
Ross Unit Trust (Receivers and Managers Appointed)
Ross Unit Trust Limited (Receivers and Managers
Appointed)
Vivian Investments (Receivers and Managers
Appointed)
Vivian Investments Limited (Receivers and Managers
Appointed)***

Pursuant to Section 24 of the Receiverships Act 1993

Reporting Period: 6 November 2012 to 5 May 2013



Introduction

We, John Howard Ross Fisk and David John Bridgman, Chartered Accountants of Wellington and Auckland respectively were appointed receivers of certain entities pursuant to orders of the High Court at Wellington dated 6 November 2012, following an application made by the Financial Markets Authority ("FMA") under the Financial Advisers Act 2008 (subpart 4). The entities to which we were appointed on 6 November 2012 are:

- Ross Asset Management Limited
- Bevis Marks Corporation Limited
- McIntosh Asset Management Limited
- Mercury Asset Management Limited
- Dagger Nominees Limited
- Ross Investment Management Limited
- Ross Unit Trusts Management Limited
- United Asset Management Limited
- Mr David Robert Gilmour Ross
- The Woburn Ross Trust
- The Chapman Ross Trust

Following our report to the Court as receivers of the Group dated 13 November 2012, the FMA sought and obtained further orders on 14 November 2012 that the orders made by the High Court appointing receivers on 6 November 2012 be extended to include the following possible entities:

- Ace Investment Trust
- Ace Investment Trust Limited
- Ace Investments Limited
- Ross Unit Trust
- Ross Unit Trust Limited
- Vivian Investments
- Vivian Investments Limited

This was on the basis that David Ross appeared to have trading accounts in these names. These do not appear to be companies incorporated in New Zealand or Australia. The appointment of receivers to David Ross includes his capacity as a trustee and accordingly any interest he may have in two trusts he controls, being the Woburn Ross Trust and the Chapman Ross Trust.

On 17 December 2012 the following companies were placed into liquidation pursuant to section 241(2)(a) and 241(2)(c) of the Companies Act 1993. John Howard Ross Fisk and David John Bridgman are the appointed liquidators:

- Ross Asset Management Limited
- Bevis Marks Corporation Limited
- McIntosh Asset Management Limited
- Mercury Asset Management Limited
- Dagger Nominees Limited
- Ross Investment Management Limited
- Ross Unit Trusts Management Limited
- United Asset Management Limited



As a result of the liquidation of the above companies the Court ordered the end of the receiverships of those companies on 25 March 2013. A final report on the receiverships of those companies has been filed. Accordingly they are not dealt with in this report.

We are being assisted by Richard Bodman and Kris Renouf of First NZ Capital (“the Advisors”) to identify and preserve the assets of the Ross Group consistent with the preservation provisions of the Financial Advisers Act 2008. The effect of our appointment is that we have assumed control of the Ross Group and are provided with various powers to manage the affairs and assets of the Ross Group.

This report has been prepared by us in accordance with and for the purpose of Section 24 of the Receiverships Act 1993 (“the Act”). It is prepared for the sole purpose of reporting on the state of affairs with respect to the property in receivership and the conduct of the receivership.

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 Sections 26 and 27 of the Act. Furthermore, in preparing this report we have relied upon and not independently verified or audited information or explanations provided to us.

Our first report on the receivership was dated 16 January 2013.

Particulars of debts and liabilities at the date of report outstanding and to be satisfied from the property in receivership

Class of creditor	Name of creditor	Nature of claim	Note	Amount of claim \$
Secured creditor	Nil			0.00
Preferential creditors	Nil			0.00
Unsecured creditors	Ross Asset Management Ltd (In Liquidation)	Joint Shareholder Current Account	1	3,491,579
	Other	Shortfall on sale of motor vehicle	2	69,039
Total liabilities				3,560,618

- As recorded in Financial Statements dated 31/03/10. Outstanding from David Ross joint with Jillian Ross.
- This is a debt personally guaranteed by David Ross owing following the sale of a vehicle leased by United Asset Management Limited (In Liquidation)

Property disposed of since appointment

The purpose of the receivership was to preserve assets pending further investigations into the affairs of Ross Asset Management Limited (In Liquidation) (“RAM”) and to subsequently determine whether any of those assets are available for parties who had monies invested with RAM. We detail below property that has been disposed of since the appointment of receivers.

Paintings

David Ross and his wife Jillian Ross, who is not subject to the receivership order, jointly own various paintings. It was agreed with Mrs Ross that the paintings would be sold at auction on 27 March 2013. The result of the auction was that paintings were sold for \$198,837.25 after costs. Some paintings did



not sell and these are discussed below. The proceeds of sale of the paintings are currently being held in a solicitors' trust account. Discussions are underway in relation to the proceeds, however, it is likely that they will be used to meet Mr and Mrs Ross' legal costs in relation to investigations by the FMA into the conduct of RAM as was ordered by the High Court.

Bank Account

At the date of receivership Mr Ross had a joint bank account with Mrs Ross held with ANZ Bank with a total credit balance of \$24,667. Half of these monies were paid to Mrs Ross. The remaining funds were used to meet an order made by the High Court that Mr Ross be paid up to \$1,000 per week to meet living expenses during the period of the receivership, so long as his personal assets are available to meet that expense. These payments exhausted the funds in the bank account with the final payment being made to Mr Ross on 20 February 2013.

Proposals for disposal of receivership property

The status of the property subject to the receivership orders is as follows.

Paintings

As discussed above certain paintings did not sell when they were put up at auction. These paintings are being relisted with a different auction house and will be sold in due course. The proceeds will be likely to be dealt with in the same manner as the paintings above.

Share Portfolios

The Advisors have identified various shares held under the names of David Ross, Ross Unit Trust Limited, Ace Investment Trust Limited and Vivian Investments Limited. At this time no action is being taken in relation to these shares, although notice has been provided to third parties that they should only be dealt with on written instructions from the receivers. Investigations are ongoing.

105 Woburn Road, Lower Hutt

This property is owned by the Woburn Ross Trust and is Mr and Mrs Ross' family home. It was acquired in 1987 prior to the commencement of RAM in 1990. It is not subject to a mortgage. Discussions are underway between the trustees of the trust to determine the most appropriate way to deal with the property moving forward.

623 Marine Drive, Days Bay, Lower Hutt

This property is owned by the Chapman Ross Trust. It is a rental property. It was acquired in 2005, which was after the commencement of RAM. It is not subject to a mortgage. Investigations are ongoing into whether RAM monies were used to purchase this property and, in turn, whether it may be made available for creditors and investors of RAM. In addition, discussions are underway with the trustees to deal with this property, and the property referred to below, in a way that will produce the best outcome for RAM investors.

13 Tama Road, Riversdale Beach

This property is owned by the Chapman Ross Trust. It is a bare section. It was acquired in 2006, which was after the commencement of RAM. It is not subject to a mortgage. Investigations are ongoing into whether RAM monies were used to purchase this property and, in turn, whether it may be made available for creditors and investors of RAM.

Amounts likely to be available for payment to creditors

We are not aware of any significant personal creditors of Mr Ross (outside of potential claims by RAM investors) or any of the entities in receivership. However, as noted above there is a substantial amount

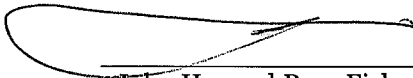


outstanding to Ross Asset Management Limited (In Liquidation) by way of an outstanding shareholder current account and a shortfall owing on the sale of a motor vehicle.

Receipts and payments

We attach, as Appendix B, statements of receipts and payments in the receiverships for the period of the receiverships, being 6 November 2013 to 5 May 2013.

Dated: /st July 2013



John Howard Ross Fisk
Receiver



Appendix A

Restrictions

All information contained in this report is provided in accordance with Sections 26 and 27 of the Receiverships 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.

We have relied on forecasts and assumptions prepared by the Company 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 dollars.



Appendix B

**David Ross (Receivers and Managers Appointed)
Receivers' Statement of Receipts and Payments
for the Period 6 November 2012 to 5 May 2013**

Receipts	\$
Funds on Hand	24,667.34
	<hr/>
	\$24,667.34
Payments	
Bank Charges	25.00
Court Ordered Allowance	11,000.00
Distribution to Jillian Ross	13,498.01
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	\$24,523.01
Balance	\$144.33



***Woburn Ross Trust
Receivers' Statement of Receipts and Payments
for the Period 6 November 2012 to 5 May 2013***

	\$
Receipts	
Funds on Hand	8,552.50
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	\$8,552.50
Payments	
Bank Charges	25.00
Council Rates	4,827.00
Insurance	1,509.82
GST Receivable	226.48
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	\$6,588.30
Balance	\$1,964.20



***Chapman Ross Trust
Receivers' Statement of Receipts and Payments
for the Period 6 November 2012 to 5 May 2013***

	\$
Receipts	
Funds on Hand	6,984.58
	<hr/> \$6,984.58
Payments	
Bank Charges	25.00
Council Rates	2,433.10
Insurance	476.78
GST Receivable	71.52
	<hr/> \$3,006.40
Balance	\$3,978.18