



***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”***

Liquidators' Fifth Six Monthly Report

For the Period 17 December 2014 to 16 June 2015

Company numbers:455971
372992
455890
377152
431870
652854
652855
647452



Introduction

The Ross Group Companies were placed into liquidation on 17 December 2012 and John Howard Ross Fisk and David John Bridgman are the appointed joint and several liquidators. The appointments are pursuant to sections 241(2)(a) and 241(2)(c) of the Act. More specific details in relation to the appointments are contained in our previous reports to creditors.

This report covers the period 17 December 2014 to 16 June 2015.

We acted as receivers of the Group Companies within the two years prior to liquidation. Accordingly we applied for and obtained the consent of the Court to act as liquidators pursuant to section 280 of the Act. On the basis that the Group Companies are in liquidation the High Court brought the receiverships of the Group Companies to an end on 25 March 2013.

Some of the information contained in this report has previously been reported in updates to investors and creditors arising from the Liquidation Committee meetings we have held during the period. These updates are available on our website <http://www.pwc.co.nz/rossassetmanagement>.

Restrictions

This report has been prepared by us in accordance with and for the purpose of section 255 of the Companies Act 1993 ("the Act"). It is prepared for the sole purpose of reporting on the state of affairs with respect to the Ross Group Companies in liquidation and the conduct of the liquidations.

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 6 Months

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

Liquidation Committee

No further meetings of the liquidation committee have been held since our last report to creditors. We anticipate holding a liquidation committee meeting in July or August 2015.

Shares held

There have been minimal share realisations in the period covered by this report. As previously advised, this is due to difficulties in realising the remaining shares, such as share certificates not being held or the shares being of minimal realisable value. We continue to examine options to progress these matters in a cost effective manner.

We attach at Appendix C details of share realisations to date. This includes shares sold where the proceeds of sale had not yet been received by the Liquidators during the period covered by this report.

Proprietary Claims

The review of proprietary claims is now largely concluded other than two large claims where further evidence is being provided. This includes one claim which we had previously declined. That claimant has applied to the High Court to have his claim recognised and significant time has been spent by the liquidators and their solicitors responding to that claim. With the approval of the Liquidation



Committee shares valued at circa \$3.26 million has been released to investors where it has been determined that they have valid proprietary claims.

Shareholder current account

As previously advised a settlement was reached with Mr and Mrs Ross which brought a number of assets owned by Mr and Mrs Ross personally, the Chapman Ross Trust and the Woburn Ross Trust into the liquidations for the benefit of investors. No further significant realisations are anticipated in relation to this settlement.

Insolvent Transactions

Pursuant to the Act transactions entered into with a creditor within a prescribed period and while the company is insolvent, may be voided. The effect of this is to make the monies repayable to the company in liquidation for the benefit of all creditors. Additionally the Property Law Act 2007 permits dispositions of property to be set aside when they are made in certain circumstances including that they were made when the company was insolvent and were made with the intent to prejudice a creditor, or without the company receiving reasonably equivalent value in exchange. There are defences that may be available in relation to both types of claim, in particular, defences based on the creditor's change of position in reliance on the transaction or disposition of property.

As previously advised we commenced legal proceedings against three RAM investors who received payments in the period prior to liquidation requesting that those monies be returned to the Liquidators for the benefit of investors and creditors as a whole. The total value of the sum requested is circa \$3.8 million. All claims were disputed by the investors in question with statements of defence being filed. The first matter was heard in March 2015. The Court's judgment was released shortly after the period covered by this report and held that the investor in question had to return withdrawals he had made from his portfolio which were greater in value than the capital he had initially contributed. The amount ordered to be repaid has a value of circa \$454,000. Payment has not yet been received from the investor at the date of completing this report. The investor has appealed this decision to the Court of Appeal.

The liquidators are considering what further steps need to be taken in light of this judgment, both in relation to the two other proceedings before the Courts and other investors who received money from RAM in the period leading up to its liquidation.

As previously advised any investor who received cash, shares or other property from RAM within the past six years is on notice that the liquidators believe they may have a valid claim to recover those monies or property pursuant to sections 292, 294 and 297 of the Companies Act 1993 and sections 347 and 348 of the Property Law Act 2007.

Further Investigation

The available records of the Group Companies are imperfect and incomplete. Many of the transactions recorded in the RAM transaction database are fictitious and accordingly can not be relied on. The Liquidators continue to use forensic accounting techniques to review the records of the Companies to determine whether any further assets can be identified. Based on investigations to date the Liquidators believe it is unlikely any further assets will be identified.



Distribution of Assets

As successful voidable transaction claims may have the effect of changing an investor's net contributions position, it will not be possible to agree final claims until all legal claims have been resolved. No distribution can occur until all claims have been agreed. Details of the Liquidators' preferred method of distribution have been provided to the Committee for its information.

Statement of Realisation and Distribution

Attached as Appendix B are Statements of Realisations and Distributions for the period of the liquidations.

The Liquidators held funds on hand as at 16 June 2014 of \$2,895,165.73. This was held in the liquidations as follows:

• Ross Asset Management Limited (in Liquidation)	\$ 1,813,281.92
• Bevis Marks Corporation Limited (in Liquidation)	\$ 10.71
• McIntosh Asset Management Limited (in Liquidation)	\$ 14.33
• Mercury Asset Management Limited (in Liquidation)	\$ 582.19
• Dagger Nominees Limited (in Liquidation)	\$ 1,081,256.61
• United Asset Management Limited (in Liquidation)	\$ 10.66
• Ross Investment Management Limited (in Liquidation)	\$ 3.20
• Ross Unit Trusts Management Limited (in Liquidation)	\$ 6.11

Liquidators' Fees

The Liquidators' fees paid during the reporting period are \$50,444.00

The fees paid to date cover the following areas

- 13% - reporting to creditors
- 7% - convening of Committee meetings
- 9% - the reconstruction and recovery of the overdrawn shareholder current account
- 13% - sale of shares
- 2% - liaising with Inland Revenue
- 19% - investigation into potentially insolvent transactions
- 10% - dealing with investor queries
- 11% - reviewing investor and creditor claims
- 16% - other investigations and general administration of the liquidations

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

Due to the above litigation it is not yet possible to accurately estimate when the liquidations are likely to be completed. A further report will be issued in 6 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 other queries, please submit your enquiry through the on-line form via our website, through the dedicated phone line (04) 462 7040, by writing to our mailing address or email receiverships@nz.pwc.com. We will endeavour to respond to all enquiries as quickly as possible.

Dated: 15th July 2015

A handwritten signature in blue ink, appearing to read 'John Howard Ross Fisk', written over a horizontal line.

John Howard Ross Fisk
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 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 dollars.



Appendix B

Statement of Realisations and Distributions For the period 17 December 2012 to 16 June 2015

Ross Asset Management Limited (In Liquidation)

Receipts	\$	\$
Asset Sales	9,475.21	
Dividends	23,182.61	
Funds on Hand	31,947.25	
Interest Income	45,654.73	
Management Fees	26,376.27	
Rental Income	6,404.52	
Reparations from David Ross	875,161.64	
Sale of Eastbourne Property	828,000.00	
Sale of Riversdale Property	85,000.00	
Share Sales	2,160,600.91	
Transfer from Receivers	40,378.06	
GST Payable	49,278.29	
Total Receipts		4,181,459.49

Payments

Advertising	4,127.72
Bank Charges	737.79
Brokerage Fees	41,196.56
Sale Commission	26,850.48
Document Storage	13,514.49
Duress Payments	10,095.39
Employee Preferential Creditors	19,574.83
General Expenses	6,503.21
Insurance	3,956.04
IT Support	9,092.38
Legal Fees	772,173.22
Liquidation Committee Expenses	191.70
Liquidators' Fees	613,912.11
Liquidators' Disbursements	49,334.09
Employer Deductions	11,142.61
Petitioning Creditor Costs	1,302.80
Property Expenses	28,067.48



Property Expenses	28,067.48
Receivers' Fees	172,185.53
Receivers' Disbursements	12,098.48
Withholding Tax	12,658.35
Shares under Valid Proprietary Claim	292,307.50
Wages	11,104.29
GST Receivable	256,050.52
Total Payments	<hr/> 2,368,177.57
Cash at Bank	<hr/> 1,813,281.92 <hr/>



***Statement of Realisations and Distributions
For the period 17 December 2012 to 16 June 2015***

Bevis Marks Corporation Limited (In Liquidation)

Receipts	\$	\$
Dividends	12,079.18	
Interest	2,732.20	
Share Sales	86,033.47	
Transfer from Receivers	2,902.15	
GST Payable	0.00	
Total Receipts		<hr/> 103,747.00
Payments		
Bank Charges	90.78	
Brokerage Fees	2,696.17	
Distribution to David Ross' Receivers	88,072.51	
Document Charges	105.00	
Liquidators' Fees	8,149.28	
Liquidators' Disbursement	585.91	
Receivers' Fees	1,485.52	
Receivers' Disbursements	222.83	
Withholding Tax	746.01	
GST Receivable	1,582.28	
Total Payments		<hr/> 103,736.29
Cash at Bank		<hr/> 10.71 <hr/>



***Statement of Realisations and Distributions
For the period 17 December 2012 to 16 June 2015***

McIntosh Asset Management Limited (In Liquidation)

Receipts	\$	\$
Funds on Hand	495.60	
Interest	924.54	
Share Sales	28,236.14	
GST Payable	0.00	
Total Receipts		<hr/> 29,656.28
Payments		
Brokerage Fees	444.01	
Distribution to David Ross' Receivers	22,912.44	
Liquidators' Fees	4,919.35	
Liquidators' Disbursements	327.75	
Withholding Tax	251.34	
GST Receivable	787.06	
Total Payments		<hr/> 29,641.95
Cash at Bank		<hr/> 14.33 <hr/>



***Statement of Realisations and Distributions
For the period 17 December 2012 to 16 June 2015***

Mercury Asset Management Limited (In Liquidation)

Receipts	\$	\$
Dividends	573.13	
Funds on Hand	1,574.15	
Interest	1,347.08	
Share Sales	40,832.35	
GST Payable	0.00	
Total Receipts		<hr/> 44,326.71
Payments		
Bank Charges	15.00	
Brokerage Fees	1,316.20	
Distribution to David Ross' Receivers	35,728.37	
Liquidators' Fees	5,164.38	
Liquidators' Disbursements	329.40	
Withholding Tax	367.10	
GST Receivable	824.07	
Total Payments		<hr/> 43,744.52
Cash at Bank		<hr/> 582.19 <hr/>



***Statement of Realisations and Distributions
For the period 17 December 2012 to 16 June 2015***

Dagger Nominees Limited (In Liquidation)

Receipts	\$	\$
Dividends	39,433.58	
Funds on Hand	7,355.59	
Interest	38,666.54	
Management Fees	186.43	
Share Sales	1,139,796.99	
Transfer from Receivers	4,922.65	
GST Payable	27.96	
Total Receipts		1,230,389.74
Payments		
Bank Charges	519.33	
Brokerage Fees	13,954.06	
Document Charges	2,248.64	
Liquidators' Fees	17,472.09	
Liquidators' Disbursements	3,497.60	
Proprietary Claims	96,922.14	
Withholding Tax	11,148.07	
GST Receivable	3,371.20	
Total Payments		149,133.13
Cash at Bank		1,081,256.61



***Statement of Realisations and Distributions
For the period 17 December 2012 to 16 June 2015***

United Asset Management Limited (In Liquidation)

Receipts	\$	\$
Funds on Hand	17,574.66	
Interest	4,333.28	
Share Sales	132,725.13	
Transfer from Receivers	881.45	
GST Payable	0.00	
Total Receipts		<hr/> 155,514.52
Payments		
Bank Charges	34.20	
Brokerage Fees	2,629.81	
Distribution to David Ross' Receivers	114,024.77	
Document Charges	54.00	
Liquidators' Fees	8,100.51	
Liquidators' Disbursements	569.71	
Withholding Tax	1,174.63	
Unsecured Creditor Distribution	27,615.70	
GST Receivable	1,300.53	
Total Payments		<hr/> 155,503.86
Cash at Bank		<hr/> 10.66 <hr/>



***Statement of Realisations and Distributions
For the period 17 December 2012 to 16 June 2015***

Ross Investment Management Limited (In Liquidation)

Receipts	\$	\$
Interest	188.11	
Share Sales	7,923.35	
GST Payable	0.00	
Total Receipts		<hr/> 8,111.46
Payments		
Brokerage Fees	115.71	
Distribution to David Ross' Receivers	4,976.91	
Liquidators' Fees	2,369.35	
Liquidators' Disbursements	207.45	
Withholding Tax	52.32	
GST Receivable	386.52	
Total Payments		<hr/> 8,108.26
Cash at Bank		<hr/> 3.20 <hr/>



***Statement of Realisations and Distributions
For the period 17 December 2012 to 16 June 2015***

Ross Unit Trusts Management Limited (In Liquidation)

Receipts	\$	\$
Interest	206.67	
Share Sales	8,308.30	
GST Payable	0.00	
Total Receipts		<hr/> 8,514.97
Payments		
Bank Charges	34.00	
Brokerage Fees	255.09	
Distribution to David Ross' Receivers	6,174.75	
Liquidators' Fees	1,624.84	
Liquidators' Disbursements	165.50	
Withholding Tax	57.52	
GST Receivable	196.16	
Total Payments		<hr/> 8,508.86
Cash at Bank		<hr/> 6.11 <hr/>



Appendix C

Ross Group Companies (In Liquidation)

Share Realisation Summary At 16 June 2015

Ross Group Companies (In Liquidation)

Share Realisation Summary at

16/06/2015

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	-\$5,418.36	\$1,314,943.73
Australian Holdings	\$2,910,535.30	-\$517,780.92	\$2,392,754.38
USA Holdings	\$698,398.26	-\$470,719.92	\$227,678.34
Other Country Holdings	\$1,220,442.72	-\$9,298.35	\$1,211,144.37
Totals	\$6,149,738.37	-\$1,003,217.55	\$5,146,520.82

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	\$147,428.46	-\$55,559.88	-\$133,447.64	\$1,142,659.44
Australian Holdings	\$1,690,406.31	\$155,521.39	-\$36,569.06	-\$127,491.01	\$1,681,867.64
USA Holdings	\$185,316.41	\$0.00	\$0.00	-\$158,945.90	\$26,370.51
Other Country Holdings	\$485,775.66	\$732,552.54	-\$260,137.26	\$0.00	\$958,190.94
Totals	\$3,545,736.89	\$1,035,502.38	-\$352,266.20	-\$419,884.55	\$3,809,088.53

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	\$1,184,238.11	\$0.39	-\$8,391.48	\$1,184,238.50
Australian Holdings	\$1,726,859.21	\$1,681,109.72	\$9,296.59	-\$36,452.89	\$1,690,406.31
USA Holdings	\$195,238.76	\$185,316.42	-\$0.01	-\$9,922.35	\$185,316.41
Other Country Holdings	\$491,635.32	\$485,775.67	-\$0.01	-\$5,859.66	\$485,775.66
Totals	\$3,606,363.27	\$3,536,439.92	\$9,296.97	-\$60,626.38	\$3,545,736.89

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	-\$2,914,798.85	-\$2,715,140.15

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.