



The Insolvency & Business Recovery Specialists

**EWP ACCOUNTING LIMITED
(IN LIQUIDATION)**

LIQUIDATORS' FOURTH REPORT

Pursuant to Section 255(2)(d)
of the Companies Act 1993

**For the Period from 10 December 2010
to 9 June 2011**

1. PROGRESS OF THE ADMINISTRATION OF THE LIQUIDATION

The liquidators report herewith on the progress made in the liquidation of EWP Accounting Limited. Included in this report is the liquidators' Statement of Realisations and Distributions to 9 June 2011.

This fourth report to creditors follows all previous reports and should be read in conjunction with all previous reports. This report is being sent to all shareholders and to all creditors who have filed a claim in the liquidation.

2. REALISATION OF COMPANY ASSETS

Since the liquidators' last report, there have been further realisations of \$1,174, this relating to trade debtors. Further trade debtor balances are considered unrealisable and have been written off. Issues affecting recovery have concerned the theft of client funds and the quality of certain work completed. No further information is provided on the basis that such disclosure could be prejudicial.

3. CREDITORS' CLAIMS

3.1 Secured Creditors

A secured claim has been received from Equipment Finance Limited in respect of a specific security over office furniture for the amount owing of \$1,639. No dividend has been paid at the date of this report.

3.2 Preferential Creditors

The Inland Revenue Department has advised that it has a preferential claim for \$27,566 in respect of PAYE, GST and Kiwi Saver. No dividend has been paid at the date of this report.

3.3 Unsecured Creditors

As at the date of preparing this report forty one unsecured creditors' claims have been received which total \$4,171,654 in value. The majority of the claims by value relate to former clients of the company. Certain clients have been unable to confirm the total value of their claims. 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 they are in a position to pay a distribution.

4. TRUST ACCOUNT

EWP operated a trust account with ASB Bank Limited to hold funds for the benefit of clients. \$44,931 has been recovered by the liquidators from the account. This excludes funds received after 10 December 2009, which have been paid across to the entitled parties. Claims on the trust account far exceed the balance held, in part due to the misappropriation of trust funds and also due to the use of the trust account as a trading account after 10 August 2010 where funds were received and withdrawn from the account irrespective of the sum held in the account on behalf of clients. Subsequent to the receipt of legal advice and the reconciliation of the account for the period from 10 August 2009, the liquidators have commenced distributing the funds to entitled parties. It is likely that there will be a small balance remaining in trust, for which direction from the Court may be required.

5. CLIENT FILES

The liquidators have received a quantity of records that belong to a number of clients, and have contacted relevant parties over their return by way of letter and public notice. This process has been completed.

6. INVESTIGATIONS

The liquidators' investigations into the books, records and affairs of the company have been completed. The liquidators have submitted a claim in the bankruptcy estate of Edward Parker. The liquidators are currently in ongoing correspondence with relevant parties including former clients of the company and deem it prudent to not disclose any further information on the basis that such disclosure could be prejudicial.

7. FUNDS / LIKELY OUTCOME

At this stage the liquidator does not anticipate paying a distribution to unsecured creditors.

8. MATTERS DELAYING COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Distribution of trust funds;
- Claim in bankruptcy estate of Edward Parker.

9. CONCLUSION

Based on the above the liquidators presently propose to complete all outstanding matters with a view to retiring as liquidators within the next six months.

Any queries can be directed to Jared Booth of these offices on DDI 0-9-306 3340 or by visiting our website at www.mvp.co.nz.

Yours faithfully
for EWP ACCOUNTING LIMITED
(IN LIQUIDATION)

PERI M FINNIGAN
LIQUIDATOR

DATED this day of July 2010

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EWP\02 Creditors\Reports\Fourth Report\

Number of Company: 1203063
 Name of Company: EWP ACCOUNTING LIMITED (IN LIQUIDATION)
 Subject: LIQUIDATORS' STATEMENT OF REALISATIONS AND
 DISTRIBUTIONS FOR THE PERIOD 10 DECEMBER 2009
 TO 9 JUNE 2011

| | Cash Received |
|---|--------------------------|
| CASH HAS BEEN RECEIVED AS FOLLOWS: | \$ |
| ASB Bank Limited | 2,902 |
| Fortune Manning: Trust Account | 4,890 |
| Trade Debtors | 34,598 |
| Fixed Assets | 640 |
| Records/Photocopying Fees | 1,266 |
| GST Refund | 3,897 |
| TOTAL REALISATIONS | \$48,193 |

| | |
|--|-----------------|
| CASH HAS BEEN PAID AS FOLLOWS: | |
| Costs Charges & Expenses of Liquidation | |
| Liquidators' Fees | 36,624 |
| Disbursements | 3,837 |
| Auctioneer Costs | 243 |
| Debt Collection Costs | 1,341 |
| Crown Records Fees | 746 |
| Bank Fees | 90 |
| Salvage Payments | 5,000 |
| TOTAL DISTRIBUTIONS | \$47,881 |

| | |
|---------------------------------|--------------|
| TOTAL REALISATIONS | 48,193 |
| LESS TOTAL DISTRIBUTIONS | 47,881 |
| BALANCE HELD | \$312 |

| | |
|------------------------------------|--------------|
| BALANCE REPRESENTED BY: | |
| ASB Bank Limited – Current Account | 5 |
| GST Suspense Account | 307 |
| TOTAL | \$312 |

Note: The above figures are GST exclusive

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 PERI M FINNIGAN
 LIQUIDATOR

Dated this day of July 2011