



The Insolvency & Business Recovery Specialists

## Viaduct Capital Limited (In Receivership)

### Receivers' Twelfth Report

#### 1 INTRODUCTION AND APPOINTMENT

Boris van Delden and Iain McLennan, Insolvency Practitioners, of Auckland, were appointed jointly and severally as receivers and managers of all the assets, property and undertakings of the company on 13 May 2010 by Prince & Partners Trustee Company Limited.

Pursuant to section 24 of the Receiverships Act 1993, the receivers report herewith on the progress of the receivership. This twelfth report should be read in conjunction with the receivers prior reports.

A statement of realisations and distributions is **attached**.

#### 2 RESTRICTIONS

This report has been prepared in accordance with Section 24 of the Act. Whilst all care and attention has been taken in compiling this report, we do not accept any liability whatsoever to any party as a result of the circulation, publication, reproduction or use of this report.

We reserve the right (but are under no obligation) to review and, if we consider necessary, revise this report in respect of any information existing at the date of this report which becomes known to us after that date.

#### 3 CONDUCT OF THE RECEIVERSHIP DURING THE PRECEDING SIX MONTHS

The appointment arose following a request from the directors to the Trustee to have the company placed into receivership. The directors had assessed that a default under the Trust Deed was about to occur.

##### ***Asset Realisations***

Where possible, we have acted to be more directly involved with the secured assets. We have realised funds from two small securities, however, as most of the loans are likely to rank behind other lenders, we assess that on many of those loans there will be little or no direct recovery given the state of the secured assets and economic conditions.

We have sold a minority shareholding that was owned in conjunction with Crown Asset Management Limited. We received the remaining funds that were due to be paid in late May 2015.

#### McDONALD VAGUE LIMITED

Level 10, 52 Swanson Street, Auckland CBD

PO Box 6092, Wellesley St, Auckland 1141, New Zealand.

Telephone 09 303 0506, Facsimile 09 303 0508, [insol@mvp.co.nz](mailto:insol@mvp.co.nz), [www.mvp.co.nz](http://www.mvp.co.nz)

Member of Insol International. Consultants to the Accounting and Legal Professions.

We await finalisation of a proposal we put to the receivers of Mutual Finance Limited and Treasury concerning the split of realisations on properties involving security sharing deeds. We understand the proposal is being considered by Treasury.

#### 4 PROPOSALS FOR DISPOSAL OF RECEIVERSHIP PROPERTY

We also continue to pursue lines of recovery to proceeds from security sharing deeds which we say were not valid. A proposal has been made to settle this matter.

#### 5 CREDITORS' CLAIMS

##### 5.1 Secured Creditor

The secured creditor was Prince & Partners Trustee Company Limited, Level 9, 50 Anzac Ave, Auckland, secured by way of a Trust Deed dated 6 October 2006 and a GSA dated 15 August 2005, which GSA was held in trust for all depositors. The Trustee has submitted a claim in the receivership for \$13,670 in respect of unpaid fees.

The Trustee however has not been granted a licence by the FMA to act as Trustee. A new Trustee has not been appointed. Until that happens, despite not being licensed, the former Trustee remains in place.

There are 17 secured depositors who have advanced funds totalling \$7,835,501 as follows:

Pre 20 April 2009	1	\$7,320,046
Post 20 April 2009	16	<u>\$515,455</u>
Total Secured		\$7,835,501

These amounts include any accrued capitalised interest as at the date of receivership.

The receivers paid a first distribution of 7 cents in the dollar in June 2015. We continue to estimate that depositors could receive approximately 10 to 15 cents in the dollar.

##### 5.2 Preferential Creditors

As at the date of receivership there were preferential creditors for the following:

Resident Withholding Tax (RWT)	\$1,280
Non Resident Withholding Tax (NRWT)	\$50
Employee Deductions	<u>\$184</u>
Total Preferential Creditors	\$1,514

At this time no payments have been made to preferential creditors.

##### 5.3 Unsecured Creditors

To date, we have received unsecured claims totalling \$52,824. It appears unlikely that there will be surplus funds available for unsecured creditors.

## 6 MATTERS DELAYING THE COMPLETION OF THE RECEIVERSHIP

The following matters are outstanding:

- Litigation attendances
- Final asset realisation; and
- Distribution to secured creditors.

## 7 ESTIMATED DATE OF COMPLETION

It is currently too early to estimate a date of completion for the receivership.

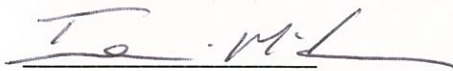
## 8 CONTACT DETAILS

Enquiries should be directed to the writer on (09) 303 9512 or by email to [imclennan@mvp.co.nz](mailto:imclennan@mvp.co.nz).

The Receivers can be contacted at:

McDonald Vague Limited  
Level 10, 52 Swanson Street  
Auckland 1010

P O Box 6092  
Wellesley Street  
Auckland 1141



IAIN McLENNAN  
RECEIVER

DATED this 3<sup>rd</sup> day of December 2015



# Realisations and Distributions

## Viaduct Capital Limited (In Receivership) 13 May 2010 to 12 November 2015

Realisations	As per Statement Of Affairs \$	Cash Received \$
Bank Account	57,526	57,526
Cost Recoveries	-	350
Debtors	30,000	3,593
Prepayments	4,645	4,932
Security Realisations	2,380,000	818,103
Recovery of Loan Costs Paid	-	22,939
Interest	-	2,635
Income Tax Refund	-	12,795
RWT Refund	-	14,321
GST	102,055	94,737
<b>Total Realisations</b>	<b>\$2,574,226</b>	<b>\$1,031,930</b>
<b>Payments</b>		
<b>Receivers Fees</b>		
Receivers Fees		297,060
Disbursements		3,358
<b>Total Receivers Fees</b>		<b>\$300,418</b>
<b>Other Costs of Receivership and Trading On</b>		
Legal Fees		70,134
Bank Fees		297
Loan Related Payments		24,955
GST not recoverable		6,722
RWT		528
<b>Total Costs of Receivership and Trading On</b>		<b>\$102,636</b>
Distributions		<b>\$563,389</b>
<b>Total Payments</b>		<b>\$966,443</b>
<b>BALANCE HELD</b>		<b>\$65,487</b>

Note: the above figures are GST exclusive

*TRH*  
3/12/15