



McDonald
Vague

business recovery partners

T1 Holdings Limited (In Liquidation)

Liquidators' Fourth Report For the period from 9 July 2019 to 8 January 2020

McDonald Vague Limited

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1 INTRODUCTION AND APPOINTMENT

Iain McLennan and Colin Sanderson, Insolvency Practitioners of Auckland, were appointed jointly and severally as liquidators of T1 Holdings Limited ("the company") on 9 July 2018, by the High Court in Hamilton.

Pursuant to Section 255(2)(d) of the Companies Act 1993 ("the Act"), the liquidators herewith report on the progress of the liquidation. This fourth report should be read in conjunction with the liquidators' previous reports. This report is being sent to all shareholders and all creditors who have filed a claim in the liquidation.

Statements of Realisations and Distributions, in relation to each of the currencies held, are **attached**.

2 RESTRICTIONS

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 LIQUIDATION DURING THE PRECEDING SIX MONTHS

The course of events that eventuated in our appointment as liquidators by the High Court was set out in detail in the first report.

Total funds recovered, in all currencies, to 8 January 2020 are as follows –

<u>Currency</u>	
USD	1,188,381
EUR	500,876
GBP	100,500
CAD	11,203
NZD	565,157
SGD	373,193

As advised in the previous report, the company had filed a claim in the liquidation of T1 Ops Pte Limited, Singapore and we have received a distribution of SGD32,330.13. By agreement with Worldclear Limited, who also filed a claim, the amount to be distributed to Worldclear Limited pursuant to their claim was also paid to the company.

Included in the unauthorised transactions on 18 May 2018, were payments of EUR50,000 and EUR200,000 from T1 Holdings' account at OCBC, Singapore, to WB21 UAB (Lithuania).

Prior to the 18 May transaction, Police in Lithuania had commenced an investigation into WB21 and had placed freezing orders on the accounts, stopping any withdrawals but allowing for deposits to be made. The transactions made by Mr Whitham were deposited to the WB21 accounts and were caught by the freezing orders. The Police in Lithuania are yet to decide whether those funds are relevant to their investigation or if they can be released.

We initiated legal action in Lithuania to freeze the funds so that they cannot be dissipated and then to recover funds for the benefit of the creditor. Those proceedings are on-going.

4 INVESTIGATIONS

The liquidators are continuing their investigations into the books, records and affairs of the company.

5 CREDITORS' CLAIMS

5.1 *Secured Creditors*

There have been no secured claims received.

5.2 *Preferential Creditors*

There have been no preferential claims received.

5.3 *Unsecured Creditors*

As at the date of preparing this report one unsecured creditor claim form has been received from Worldclear Limited for the sum of \$4,541,858 being the amount ordered in a Judgement obtained by Worldclear against the company.

As recorded in the attached Statements of Realisations and Distributions, dividends have been paid to the unsecured creditor as follows:-

- New Zealand Dollars NZ \$111,325
- US Dollars USD \$1,215,315
- Canadian dollars CAD \$11,203
- Euros EUR €222,654
- Pound Sterling GBP £100,500

6 LIQUIDATORS' FEES

Liquidators' fees accrued to the date of this report are \$128,832 including GST (\$112,029 excluding GST). The fees are based on 438.32 hours of work undertaken as follows:

Work Category	Hours	\$
Appointment functions	39.05	8,519
Asset realisations	72.57	24,634
Creditors' claims, enquiries and reports	25.98	6,695
Management & Taxation	178.44	43,457
Investigations	122.18	28,723
Total	<u>438.22</u>	<u>112,029</u>

Liquidators' fees in a Court ordered liquidation are to be approved by the Court and if required a retrospective application for fee approval will be made by the liquidators.

Section 284 (1) of the Act provides that an application (with the leave of the Court) may be made by a creditor, shareholder or director of a company in liquidation to review or fix the remuneration of the liquidators. In circumstances where no application has been made to review or fix the liquidators' remuneration the Court will be less inclined to rigorously examine the fees submitted by the liquidators for subsequent approval.

7 FUNDS / LIKELY OUTCOME

It is expected that there will be further distributions to the unsecured creditor.

8 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Completion of legal proceedings and funds recovery in Lithuania
- Completion of enquiries

9 ESTIMATED DATE OF COMPLETION

Based on the information contained in this report the liquidators are unable to estimate when the liquidation will be completed.

10 CONTACT DETAILS

Enquiries should be directed to Colin Sanderson on DDI (07) 838 0908 or by email to CSanderson@mvp.co.nz.

The Liquidators can be contacted at:

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IAIN MCLENNAN
LIQUIDATOR

DATED this ^{28th} day of January 2020

Realisations and Distributions

T1 Holdings Limited (In Liquidation) - NZ Dollar Account 9 July 2018 to 8 January 2020

	Cash Received \$
Realisations	
T1 Operations liquidator funding returned	10,502
Bank account closure	165,948
From N Bartrum - Retail Guru	10,000
Transfer from T1 Holdings OCBC account	30,849
Transfer from T1 Holdings EUR account	113,157
Transfer from T1 Holdings USD account	119,140
Interest	1,146
Distribution - Retail Guru	358,360
Total Realisations	\$809,102
Payments	
Liquidators Fees	
Liquidators fees	128,781
Disbursements	3,031
Total Liquidators Fees	\$131,812
Other Costs of Liquidation and Trading On	
Legal fees	500,342
Legal fees - Lithuania	17,757
Legal fees - Singapore	32,250
Travel expenses	7,119
Resident Withholding tax on interest	321
Bank fees	501
Total Costs of Liquidation and Trading On	\$558,290
Distributions	
Dividend to unsecured Creditor	111,325
Total Distributions to Unsecured Creditors	\$111,325
Total Payments	\$801,427
BALANCE HELD	\$7,675

Note: the above figures are GST inclusive

Realisations and Distributions

T1 Holdings Limited (In Liquidation) - USD Account 9 July 2018 to 8 July 2019

Realisations	Cash Received \$
Bank account closure - New Zealand	225,548
Bank account closure - Lithuania	249,984
Transfer from T1 Holdings EUR account	231,720
From T1 Holdings OCBC account	712,849
From T1 Holdings SGD account	270,822
Interest	377
Total Realisations	\$1,691,300
Payments	
Costs of Liquidation and Trading On	
Funds to solicitor's trust account for Preservation Orders	252,086
Transfer to NZD account	80,255
Legal costs - Singapore	24,854
Legal Costs - Lithuania	24,586
Legal Stamp Duty - Lithuania	3,507
Retain to Liquidators of T1 Operations Pte Ltd Singapore	7,253
Bank fees	630
Withholding Tax	106
Total Costs of Liquidation and Trading On	\$393,277
Distributions	
Dividend to Unsecured Creditor	1,215,315
Total Distributions to Creditors	\$1,215,315
Total Payments	\$1,608,592
BALANCE HELD	\$82,708

Note: the above figures are GST inclusive

Realisations and Distributions

T1 Holdings Limited (In Liquidation) - Canadian Dollar Account 9 July 2018 to 8 January 2020

Realisations	Cash Received \$
Bank account closures New Zealand and Belgium	11,203
Total Realisations	\$11,203
Payments	
Distributions	
Dividend to unsecured creditor	11,203
Total Distributions to Creditor	\$11,203
Total Payments	\$11,203
BALANCE HELD	\$Nil

Note: the above figures are GST inclusive

Realisations and Distributions

T1 Holdings Limited (In Liquidation) - EUR Account 9 July 2018 to 8 January 2020

Realisations	Cash Received \$
Bank account closures New Zealand and Lithuania	500,876
Total Realisations	\$500,876
Payments	
Costs of Liquidation	
Legal costs - South Africa	12,104
Bank fees	118
Total Costs of Liquidation and Trading On	\$12,222
Distributions	
Transfers to T1 Holdings - NZD account	66,000
Transfers to T1 Holdings - USD account	200,000
Dividend to Unsecured Creditor	222,654
Total Distributions to Creditors	\$488,654
Total Payments	\$500,876
BALANCE HELD	\$Nil

Note: the above figures are GST inclusive

Realisations and Distributions

T1 Holdings Limited (In Liquidation) - GBP Account 9 July 2018 to 8 January 2020

Realisations	Cash Received \$
Bank account closure - New Zealand	100,500
Total Realisations	\$100,500
Payments	
Distributions	
Dividend to unsecured creditor	100,500
Total Distributions to Creditors	\$100,500
Total Payments	\$100,500
BALANCE HELD	\$Nil

Note: the above figures are GST inclusive

Realisations and Distributions

T1 Holdings Limited (In Liquidation) - Singapore Dollar Account 9 July 2018 to 8 January 2020

	Cash Received \$
Realisations	
Distribution T1 Ops liquidation for Worldclear Limited	340,862
Distribution - T1 Ops liquidation for T1 Holdings Limited	32,330
Total Realisations	\$373,192
Payments	
To USD Account	373,192
Total Payments	\$373,192
BALANCE HELD	\$Nil

Note: the above figures are GST inclusive