

**TREE FERNS (NEW ZEALAND) LIMITED
(IN LIQUIDATION)**

LIQUIDATORS' SECOND REPORT

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

**For the Period from 9 November 2012
to 8 May 2013**

1. PROGRESS OF THE ADMINISTRATION OF THE LIQUIDATION

The liquidators report herewith on the progress made in the liquidation of Tree Ferns (New Zealand) Limited. Included in this report is the liquidators' Statement of Realisations and Distributions to 8 May 2013.

This second report to creditors follows the first report and should be read in conjunction with the first report. 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

2.1 Debtors

Statement of Affairs \$Unknown

At the date of liquidation the company had two debtors with a book value of 24,790. Demand letters were sent to both debtors. Each debt was disputed and having regard to the disputes raised both debts had to be written off.

2.2 Stock

Statement of Affairs \$Unknown

The company was holding a quantity of pre-packaged and unfinished stock at the commencement of the liquidation. The stock was offered to the existing clients of the business, but as they are based overseas, the quantity of stock available did not justify the shipping costs. No local market for the stock could be identified and the inability to negotiate a favourable rent agreement meant the best course of action was to disclaim the stock.

2.3 Fixed Assets

Statement of Affairs \$5,000

The fixed assets of the company were secured by way of a General Security Agreement. After viewing the assets and having regard to their location, it was established that the cost of transport and realisation expenses would likely exceed any recovery and the assets were subsequently disclaimed in favour of the General Security Agreement holder.

2.4 Motor Vehicles

Statement of Affairs Nil

As anticipated, there was no equity available for creditors in the vehicle. Therefore, it was returned to the secured party who eventually sold the vehicle at a loss and they have since filed a claim in the liquidation

3. CREDITORS' CLAIMS

3.1 Secured Creditors

A General Security Agreement holder has advised that they have a claim in the liquidation for \$53,230. Interest continues to accrue on this amount.

3.2 Preferential Creditors

No preferential claims for wages, salary, holiday pay, or redundancy have been received.

The liquidators received a claim in respect to the applicant creditors' Court awarded costs in the amount of \$4,030.

The Inland Revenue Department has advised that it has a preferential claim for \$46,515 in respect of PAYE and GST. To date no payment has been made in respect of this claim.

3.3 Unsecured Creditors

As at the date of preparing this report eleven unsecured creditors' claims have been received which total \$83,837. 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. INVESTIGATIONS

The liquidators have completed their investigations into the books, records and affairs of the company, examining areas including but not limited to, share capital, voidable transactions, the extent of creditors and alternative avenues for asset realisations. It has been established that the director has an overdrawn current and the liquidators are now seeking recovery of the amount due.

5. LIQUIDATORS' FEES

Unbilled liquidators' fees to the date of this report are \$11,815 including GST (\$10,274 excluding GST). The fees are based on 70.5 hours of work undertaken as follows:-

Work Category	Hours	\$
• Appointment functions	22.3	2,750
• Asset Realisations	10.2	1,447
• Creditors' claims, enquiries and reports	10.4	1,198
• Taxation	1.0	120
• Investigations	8.4	855
• Management Functions	18.2	3,175
• Disbursements	-	729
Totals	70.5	\$10,274

Liquidators' fees in a Court ordered winding up 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 Companies Act 1993 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.

6. MATTERS DELAYING COMPLETION OF THE LIQUIDATION

The following matter is outstanding:

- Collection of the shareholders overdrawn current account

7. 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 Murray Matthews of these offices on DDI (09) 969 5341 or by visiting our website at www.mvp.co.nz.

Yours faithfully
for TREE FERNS (NEW ZEALAND) LIMITED
(IN LIQUIDATION)



BORIS VAN DELDEN
LIQUIDATOR

DATED this 28th day of May 2013

Number of Company: 1472202

Name of Company: TREE FERNS (NEW ZEALAND) LIMITED
(IN LIQUIDATION)

Subject: LIQUIDATOR'S STATEMENT OF REALISATIONS AND
DISTRIBUTIONS FOR THE PERIOD 9 NOVEMBER 2012
TO 8 MAY 2013

	As per Statement of Affairs	Cash Received
CASH HAS BEEN RECEIVED AS FOLLOWS:	\$	\$
Trade Debtors	Unknown	Nil
Stock	Unknown	Nil
Fixed Assets	5,000	Nil
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TOTAL REALISATIONS	\$5,000	\$Nil
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CASH HAS BEEN PAID AS FOLLOWS:

Costs Charges & Expenses of Liquidation
Liquidators Fees

TOTAL DISTRIBUTIONS

Nil

\$Nil

**TOTAL REALISATIONS
LESS TOTAL DISTRIBUTIONS**

Nil

Nil

BALANCE HELD

\$Nil


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BORIS VAN DELDEN
LIQUIDATOR

Dated this 28th day of May 2013