



The Insolvency & Business Recovery Specialists

**RECEIVERS' SECOND REPORT ON THE STATE OF AFFAIRS OF
VIADUCT CAPITAL LIMITED (IN RECEIVERSHIP)
"The Company"**

1. INTRODUCTION

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 second report should be read in conjunction with the receivers first report. A statement of realisations and distributions is **attached**.

2. EVENTS LEADING TO APPOINTMENT

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.

3. PROPERTY DISPOSED OF TO DATE

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.

Debtors have been pursued, most are in liquidation, receivership or are claiming to have a dispute.

4. PROPOSALS FOR DISPOSAL OF RECEIVERSHIP PROPERTY

Future realisations depend almost entirely on the ability of prior chargeholders to realise their security at a price sufficient to not only repay themselves, but to also produce a surplus. We have commenced pursuing indemnifiers of several loans on which the company has suffered a shortfall on realisation.

Approximately 95% by value of the company's investors qualified for repayment under the Crown's Retail Deposit Guarantee Scheme. We understand that most of the qualifying investors have now been repaid.

We have maintained loans and advanced further funds to ensure that Viaduct recovery rights are maintained, in circumstances where we are confident of a recovery.

5. AMOUNTS OWING TO SECURED CREDITOR

The secured creditor is 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. The Trustee by the Trust Deed represents the interests of all of the depositors of the Company.

There are 110 secured depositors who have advanced funds secured totalling \$7,835,501.30 as follows:

Pre 20 April 2009	94	\$7,320,046
Post 20 April 2009	16	\$515,455
Total Secured		<u>\$7,835,501</u>

These amounts include any accrued capitalised interest.

Prior to 20 April 2009, the company had been included in the Crown Retail Deposit Guarantee Scheme ("Guarantee"). Under the Guarantee payment of all eligible deposits prior to 20 April 2009 are guaranteed. Treasury administers the payment to eligible depositors on behalf of the Crown. We have validated the depositor register and supplied Treasury with information regarding deposits made before 20 April 2009. The process of assisting Treasury with information to assist the claims process took considerable time.

The Post 20 April 2009 depositors will have funds repaid to them as realisations of loans occur, parri passu with the claims of the Crown under the Retail Deposit Guarantee Scheme.

6. PREFERENTIAL CREDITORS

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

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

As at the date of our appointment, the company had no employees, and had claimed a GST refund in its last filed GST return. We are corresponding with the IRD over issues surrounding the claimed GST refund.

7. UNSECURED CREDITORS

To date, we have received unsecured claims totalling \$52,824. We consider it highly unlikely that there will be any distribution to unsecured creditors.

Enquiries to: Iain McLennan
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 Website: www.mvp.co.nz



IAIN McLENNAN
 RECEIVER

DATED this 12th day of April 2012

THE RECEIVERSHIPS ACT 1993

NUMBER OF COMPANY : AK 1522758
NAME OF COMPANY : VIADUCT CAPITAL LIMITED (IN RECEIVERSHIP)
PRESENTED BY : McDonald Vague
Insolvency Specialists
Level 4, 143 Nelson Street
P O Box 6092
Wellesley Street PO, AUCKLAND 1

STATEMENT PURSUANT TO SECTION 24

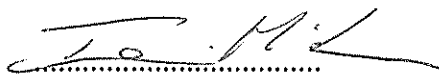
Statement of Receipts and Payments in the Receivership of the company from 13 May 2010 (being commencement of the Receivership) to 12 November 2010.

	As Per Statement of Affairs	Cash Received
CASH HAS BEEN RECEIVED AS FOLLOWS:	\$	\$
Bank Account	57,526	57,526
Debtors	30,000	3,593
GST	102,055	0
Prepayments	4,645	4,645
Security Realisations	2,380,000	20,276
TOTAL RECEIPTS		\$86,040
CASH HAS BEEN PAID AS FOLLOWS:		
Costs Charges & Expenses of Receiver		
Receivers Fees		52,076
Disbursements		344
Legal Fees		7,058
Bank Fees		20
Loan related payments		14,472
TOTAL PAYMENTS		\$73,970
TOTAL RECEIPTS		86,040
LESS TOTAL PAYMENTS		73,970
BALANCE HELD		\$12,070

Note: The above figures are GST exclusive.

REPRESENTED BY:

ASB Bank Limited – Cheque Account	4,122
GST Suspense Account	7,948
	\$12,070



IAIN McLENNAN
RECEIVER

Dated this *12th* day of April 2012