

IEP New Zealand Limited (In Liquidation)

Liquidators' six-monthly report and notices to creditors and shareholders

As at 28 March 2022

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On 28 September 2020, Colin Owens and David Webb were appointed liquidators of IEP New Zealand Limited (In Liquidation) (“Company”).

Liquidators of insolvent companies are required to be licensed insolvency practitioners. More information about the regulation of insolvency practitioners is available from the Registrar of the Companies. As Licensed Insolvency Practitioners, we are bound by the RITANZ Code of Professional Conduct when carrying out all professional work relating to our appointment as Liquidators.

This is our six-monthly report required by section 255 (2)(d) of the Companies Act 1993.

Restrictions

This document is a report to creditors and shareholders, and notices to creditors in terms of the Companies Act 1993.

This report is confidential to creditors and shareholders and is not to be reproduced or used for any other purpose without our prior written consent in each case.

We do not accept any liability whatsoever to any party from any use of, or reliance on, this report and take no responsibility for any incorrect information contained in this report that has been supplied by the Company, its officers or other persons.

Summary of actions the Liquidators have taken in the liquidation

Actions taken since commencement of the liquidation

The Liquidators completed an investigation into the financial affairs of the Company to ascertain any recoveries for the benefit of creditors. This included ascertaining whether the debtors identified at the date of liquidation were collectable.

As stated in our previous report it was concluded that the remaining debtors at the date of liquidation (apart from the amount owed from the related company, NNS New Zealand Limited (In Liquidation)) were in dispute given the Company could not fulfil its obligation under the contracts due to the liquidation. As a result, no recoveries were made.

A claim was lodged in the liquidation of NNS New Zealand Limited (In Liquidation) and a distribution was received from that liquidation.

Actions taken since the Liquidators’ previous report

The Liquidators contacted notified known creditors who had not filed a claim to confirm if any claims will be filed in contemplation of a distribution, and followed up with creditors where bank account details had not been supplied.

The Liquidators have continued to attend to creditor queries.

The Liquidators have undertaken their statutory duties including maintaining records of the liquidation, preparing accounts of the liquidation, preparing and filing GST returns and reporting to creditors. The Liquidators have also undertaken their duties under the RITANZ Code of Professional Conduct, including preparing a Declaration of Independence, Relevant Relationships and Indemnities (DIRRI) and Remuneration Report.

Summary of further proposed actions in the liquidation

The liquidators will now look to finalise their review of creditor claims filed in the liquidation and make a distribution within the next two months.

Estimated completion date

We expect the liquidation to be finalised within the next six months.

Statement of affairs for company

The statement of affairs as at the date of the Liquidators' first report and an updated statement of affairs for the Company is detailed in **Appendix A**.

An updated list all known creditors of the Company is attached as **Appendix A.1**.

The reasons for any material differences between the information included in the updated statement and the information included in the previous statement is set out in the notes to the updated statement.

Realisations and distributions

A statement of the realisations and distributions for the Company since the commencement of the liquidation, the Liquidators' first report and Liquidators' previous reports are detailed in **Appendix B**.

Summary of fees paid

A summary of the fees, allowances, reimbursements and other benefits paid since the commencement of the liquidation is incorporated into the remuneration report that is required to be provided to the Company's creditors under the RITANZ Code of Professional Conduct, which is attached as **Appendix C**.

Updated interests statement

The Liquidators included an Interests Statement in their initial Liquidators' report, and this was made available to all creditors of the Company. No further information has come light that requires the liquidators to update the original Interests Statement filed in the Liquidators' initial report.

Notice to secured creditors

Creditors holding a security interest over the Company's assets or having a retention of title or other claim over assets owned by or in the control of the Company who have not yet advised the Liquidators of their interest, or who have not received a letter from the Liquidators concerning their interest, should contact the Liquidators immediately.

Notice to creditors/shareholders/director or other entitled person

Section 284(1)(e) of the Companies Act 1993 details the right of a creditor, shareholder, director or other entitled person to seek the leave of the Court to, in respect of any period, review or fix the remuneration of the Liquidator at a level which is reasonable in the circumstances.

Information for creditors and shareholders

The Companies Act 1993 allows a creditor in many circumstances (but not a shareholder) a higher priority for distributions in the liquidation if such creditor takes action, or provides funding to the liquidation, for the benefit of the Company's creditors. Creditors and shareholders may have their own remedies, independent of the Liquidators, for seeking to recover any losses, including under section 301 of the Companies Act 1993.

Creditors or shareholders that wish the liquidators to undertake recovery actions and are willing to provide funding or other assistance, or who have information that would assist the Liquidators in recovering funds for the benefit of creditors and shareholders, should contact the Liquidators as soon as possible, as delay may cause legal recovery action to become impossible or unproductive. Information in writing and copies of relevant correspondence or documents would be helpful to the Liquidators in undertaking recovery actions.

If you require any further information, please do not hesitate to contact Lily Choun.

Dated: 26th April 2022



Colin Owens
Liquidator

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Statement of the Company's affairs and updates

All figures exclude GST.

	as at:	Initial Report	Est	Est	Est
	Note	(GST excl)	to 28 March	to 28 Sept	to 28 March
		\$'000s	2021	2021	2022
			(GST excl)	(GST excl)	(GST excl)
			\$'000s	\$'000s	\$'000s
Assets at book or advised values*					
Cash at bank	1	208	210	210	210
Trade & other receivables	2	29	19	19	19
Property, plant & equipment	3	1	1	1	1
Total assets		<u>238</u>	<u>230</u>	<u>230</u>	<u>230</u>
Liabilities*					
Unsecured preferential creditors	4	(2)	(2)	(2)	(0)
Total secured and preferential creditors		<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(0)</u>
Estimated net before unsecured creditors		236	228	228	230
Unsecured creditors	5	(693)	(705)	(650)	(726)
Total unsecured creditors		<u>(693)</u>	<u>(705)</u>	<u>(650)</u>	<u>(726)</u>
Calculated net balance (shortfall) to creditors prior to costs of the administration and liquidation		<u><u>(457)</u></u>	<u><u>(477)</u></u>	<u><u>(422)</u></u>	<u><u>(496)</u></u>

Notes

- 1 No change - actual funds transferred from the Administrators control were \$210k.
- 2 No change to estimate at 28 March 2021
- 3 No change to estimate at 28 March 2021
- 4 No preferential claims filed.
- 5 This figure has been adjusted for charge backs that some creditors have received since the date of liquidation and further claims received

***No provision has been made for costs of the administration or the liquidation**

***Values as advised to us by a number of parties dealing with the Company. We do not currently have sufficient information to reliably assess an estimated realisation value for any of the items listed. Liabilities are subject to change with claims submitted. No provision has been made for costs of liquidation or realisation.**

Updated list of every known creditor

Below is a list of creditors who have previously filed a claim in the Administration and liquidation of the Company.

Due to the large volume of creditors and for privacy reasons, we will not be disclosing their contact details for each and every creditor.

Abiella McDonald	Elizabeth Szymczak
Aleisha Hutton	Emelye Rooney
Alyson Bouffard	Emily Hillier
Amanda Jane Robinson	Emily Steven
Angelin Mwandla	Emma Kennedy
Anna Hamilton	Emma Mitchell
Anna Olivia Elisabeth Sjoeborg	Emmet Lacey
Annabel Mulligan	Empire Trust Company Limited as trustee of the
Arthur Maclean	Empire Trust
ASB Bank Limited	Eva Lockhart
Ashlee Quested	Evelyn Frick
Ashling Dowling	Expedite Limited
Auckland University Students Association	Faith Hardy
BDO Auckland	Franziska Wehmann
Becky Tucker	George McGregor
Ben McGuinness	Greg Wise
Benjamin Black	Gregory Holt
Bianca Lim-Yip	Hamish Dewar
Brea Rolton	Hannah Alderton
Brenmari De Beer	Hannah Ploeger
Brittany Davies	Hannah Ross
Bronya Colagiovanni	Helen Platten
Bruno Tourelle	Iunisi Bayley Johansson
Caja Dethufs	Jacob Barlow
Campbell Wray	Jaimee Searle
Carmel Deeley	Jamie Lewis
Carrel Business Services	Jana Roehle
Caspar Anthonius van Lier	Jenny Gallimore
Cathal Sexton	Joana Fernandes
Catherine Hedgebeth	John Gordon
Catherine Scheib	John Tran
Charlotte Allen	Josh Wainwright
Cherrie Mae Japitana Mendez	Joshua Williams
Chevaun Botica	Karl Kalina
Christine Dixon	Kate Mulligan
Christopher Mercy	Kathi Spiegelhalter
Collin Dore	Katie O'Shea
Courtney Abbot	Katrin Gernert
Damon Barfoot	Kayleigh Kendric
Dania Hilt	Kelsey Findlay
Daniel Lee	Kerry Morris
Danielle Teno	Kimberley Watts
David Samuels	Laura Brookes
Digital Stream Limited	Laura McQuaid



Lauren Hope
Lauren Mercer
Lea Weiss
Lewis Hodgson
Liam Arthur Dev Sharma
Liam Sharma
Linda Hanchard
Lion Boehm
Lisa Whelan
Louise Snow
Lucy Bateman
M Khumalu
M Visconti
Mark Osborne
Matt Buczek
Matthew William Vernal
McLean James Horne
Megan Clark
Michael Richardson
Mindy Simmons
Mitchell Patrick
Molly Davies
Murendeni Abgail Phale
Nathalie Borgmann
Nathan Stratford
Next Telecom (NZ) Limited
Nicola Todd
Nicole Jade Russek
Nora Repser
Nqobile Nonhle Mkhize
NZ Post
Oliver Manton
Olivia Dalzell
Olivia O'Neil Cockburn
Otago University Student Assoc
Phathutshedzo Malodious Mudau
Philip Lawrence
Phillip Lawrence
Phyllis Buckley
Priya Ranu
Rachel Mahon
Rafaela Diaz-Byers
Rekha Fernandez
Ryan Stamp
Samu Schuster
Samuel Marchant
Seipati Moleleki
Sheree Savage
Sophia Anastasia Stock
Sophia Stevens
Steven Guthrie
Sydney Wachs
Taane Toa Maui Beach
Thea Johnsen
Thomas Becker
Thomas Crawford

Thomas Hutton
Thomas Yarnton
Tia Gow
Tim Stewart
Victoria June Brownlee
Vita Jex Blake
Windcave Limited
Zeald Limited

Statement of realisation and distributions

	1st six-monthly Report \$ (GST excl) 28/09/2020 - 28/03/2021	2nd six-monthly Report \$ (GST excl) 29/03/2021- 28/09/2021	3rd six-monthly Report \$ (GST excl) 29/09/2021- 28/03/2022	TOTAL \$ (GST excl)
Opening Bank Balance (28 September 2020)	0	60,923	40,601	0
Realisations				
Interest Net	83	72	55	210
Funds Transferred from Administration	210,426			210,426
Distribution – Related Entity			19,660	19,660
GST Net			364	364
Total Receipts	210,509	72	20,079	230,660
Distributions				
Legal Costs (Liquidation)	3,766			3,766
Legal Costs (Administration)	15,718	9,366		25,084
Liquidators' Fees	19,296	10,842	7,641	37,778
Liquidators' Disbursements	303			303
Administrators' Fees	106,598			106,598
Administrators' Disbursements	3,299			3,299
GST Net	605	186		791
Total Payments	149,586	20,394	7,641	177,620
Closing Bank Balance (28 March 2022)	60,923	40,601	53,040	53,040

Remuneration report and summary of liquidation fees paid

This report incorporates the requirements of the RITANZ Code of Professional Conduct and the Companies (Reporting by Insolvency Practitioners) Regulations 2020.

Licensed Insolvency Practitioners

We, Colin Owens and David Webb, Licensed Insolvency Practitioners, are bound by the RITANZ Code of Professional Conduct when carrying out all professional work relating to our appointment as Liquidators.

Remuneration

The work undertaken during the period 28 September 2020 (date of liquidation) to 28 March 2022 is set out below:

Statutory, creditor & professional duties

The Liquidators have:

- Maintained the records of the liquidation;
- Prepared accounts of the liquidation;
- Prepared and filed GST returns;
- Dealt with creditor enquiries and the associated third party organisations;
- Reported to creditors;
- Obtained information in relation to the charge backs received by creditors;
- Reviewed creditor claims filed in the liquidation;
- Prepared a Declaration of Independence Relevant Relationships and Indemnities as required by the RITANZ Code of Professional Conduct; and
- Prepared a Remuneration Report as required by the RITANZ Code of Professional Conduct.

Protecting & realising assets

The Liquidators have:

- Organised for the cash held in the Company's bank account to be transferred to the liquidators' trust account;
- Written to debtors;
- Reviewed the responses received;
- Requested and reviewed information in relation to the Company's pre-liquidation insurance policies;
- Reviewed the Company's insurance requirements; and
- Liaised with third party suppliers to collect refunds.

Investigation & enforcement

The Liquidators have:

- Interviewed the director;
- Obtained and reviewed the Company's bank statements;



- Obtained and reviewed the Company’s financial statements;
- Obtained access to and reviewed the Company’s records; and
- Completing an investigation into the financial affairs of the Company.

We have received remuneration of \$7,641 (net of GST) in part payment for the work performed in the six-month period ended 28 March 2022 and prior periods.

The total remuneration we have received in the liquidation is \$37,778 (net of GST). The classification of staff engaged on each category of work, broken down into hourly rate, hours and costs is attached as **Appendix C.1**.

The Liquidators have also paid Administrators’ remuneration of \$106,598 (net of GST) in full payment of the work performed during their appointment from the funds transferred from the Administrators at the conclusion of the Administration. As this remuneration was not reported or paid in the Administration, the Liquidators are choosing to report the break down on this remuneration in this report. The classification of staff engaged on each category of work, broken down into hourly rate, hours and costs is also attached as **Appendix C.2**.

Disbursements

Classes of disbursements

Disbursements are costs paid by the company in liquidation, either:

- Initially from the Liquidators’ resources and then claimed back from the company in liquidation; or
- Directly by the company in liquidation.

Disbursements fall into three categories:

- Externally provided professional services (e.g. legal fees)
- Externally provided non-professional costs (e.g. insurance, travel, advertising)
- Internal disbursements (e.g. photocopying, printing, postage)

These are all recovered at cost.

Disbursements for the period

The following disbursements were paid during the period 28 September 2020 (date of liquidation) to 28 March 2022:

Disbursement	\$ (excl GST)
Administrators’ Legal costs (e.g. legal fees, expert witness costs, Court filing fees, digital transcription): Used to protect the company/liquidators and litigate	3,766
	3,766

The incurrance of these disbursements was necessary and proper.

Disbursements paid to the Liquidators' firm

The total disbursements paid by the Company to the Liquidators' firm (either directly or in reimbursement of a payment to a third party) during the period 28 September 2020 (date of liquidation) to 28 March 2022 was as follows:

Recipients	Purpose	\$ (excl GST)
Allied Press Limited	Advertising	42
Department of Internal Affairs	Advertising	35
NZME Publishing Limited	Advertising	108
Stuff Limited	Advertising	119
		303

No disbursements were paid by the Company to the Liquidators' firm (either directly or in reimbursement of a payment to a third party) in the six month period ended 28 March 2022.

Disbursements paid to the Administrators' firm

The total disbursements paid by the Company to the Administrators' firm (either directly or in reimbursement of a payment to a third party) during the period 28 September 2020 (date of liquidation) to 28 March 2022 was \$3,299 as follows:

Recipients	Purpose	Amount paid (excl GST) \$
Allied Press Limited	Advertising	573
Department of Internal Affairs	Advertising	181
NZME Publishing Limited	Advertising	1,151
Stuff Limited	Advertising	1,353
Iron Mountain New Zealand Limited	Offsite storage	23
Taxi	Transport	18
		3,299

This amount was paid by the Liquidators during the six month period ended 28 March 2021.

Changes to the basis for charging internal disbursements in the future

There has been no change in the basis of charging internal disbursements that will be charged to the liquidation in the future.

Matters that have contributed to the level of remuneration

The work undertaken is summarised above.



If you require any further information, please contact us.

A handwritten signature in blue ink, appearing to read "Colin Owens".

Colin Owens

26th April 2022

Date

The total remuneration received in the liquidation (net of GST) between 28 September 2020 and 28 March 2022 was:

Level	Hourly rates \$	Description	Hours	Cost \$
Office Administrator	95 - 140	Statutory, Creditor & Professional Duties	9.5	1,156
			9.5	1,156
Analyst	215	Statutory, Creditor & Professional Duties	11.5	2,486
			11.5	2,486
Senior Analyst	260	Protecting & Realising Assets	4.0	1,041
		Statutory, Creditor & Professional Duties	23.0	5,984
		27.0	7,025	
Manager	325	Statutory, Creditor & Professional Duties	0.1	25
			0.1	25
Associate Director	400	Statutory, Creditor & Professional Duties	18.6	7,538
			18.6	7,538
Director	500	Protecting & Realising Assets	1.3	660
		Statutory, Creditor & Professional Duties	3.4	1,693
		4.7	2,354	
Liquidator	500-620	Protecting & Realising Assets	3.5	1,726
		Statutory, Creditor & Professional Duties	30.6	15,468
		34.0	17,195	
Total Remuneration			105.4	37,778

The total Administrators' remuneration (net of GST) paid during the liquidation between 28 September 2020 and 28 March 2022 was:

Level	Hourly rates \$	Description	Hours	Cost \$
Office Administrator	95	Investigation & Enforcement	1.1	136
		Statutory, Creditor & Professional Duties	25.1	2,624
			26.2	2,760
Analyst	215	Investigation & Enforcement	9.2	1,749
		Protecting & Realising Assets	0.3	64
		Statutory, Creditor & Professional Duties	3.1	661
		12.6	2,474	
Senior Analyst	260	Investigation & Enforcement	15.4	3,996
		Protecting & Realising Assets	3.5	902
		Statutory, Creditor & Professional Duties	21.5	5,528
		40.4	10,426	
Manager	325	Investigation & Enforcement	10.9	4,635
		Protecting & Realising Assets	1.0	421
		11.9	5,056	
Associate Director	400	Investigation & Enforcement	3.6	1,428
		Statutory, Creditor & Professional Duties	39.7	15,962
		43.2	17,390	
Director	500	Investigation & Enforcement	13.0	6,494
		Protecting & Realising Assets	2.1	1,041
		Statutory, Creditor & Professional Duties	38.3	19,130
		53.3	26,665	
Administrator	500 - 620	Investigation & Enforcement	12.1	6,833
		Protecting & Realising Assets	2.0	1,134
		Statutory, Creditor & Professional Duties	63.1	33,859
		77.1	41,826	
Total Remuneration			265	106,598

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