

Wynyard (NZ) Limited (In Liquidation) ('the Company')

Company No. 4370298

7 March 2018 | 10306

1 Introduction

We advise that Neale Jackson and Grant Robert Graham were appointed Joint and Several Liquidators of the abovenamed Company by a resolution of creditors on 8 February 2017 under Section 241(2)(d) of the Companies Act 1993 ('the Act').

This report covers the six monthly period, 9 August 2017 to 7 February 2018, and should be read in conjunction with all other liquidator and administrator reports issued on the Company.

2 Restrictions

This report is not intended for general circulation, nor is it to be reproduced or used for any purpose other than that outlined above without our written permission in each specific instance. We do not assume any responsibility or liability for any losses occasioned to any party as a result of the circulation, publication, reproduction or use of this report contrary to the provisions of this paragraph.

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

3 Background

The Company was placed into voluntary administration on 25 October 2016. At the creditors' watershed meeting held on 8 February 2017, the creditors voted to place the Company in liquidation. A background to the Company and the voluntary administration can be found in the Administrators' Report to Creditors for the purposes of the joint Watershed Meeting available on our website (www.kordamentha.com).

This report addresses WNZL, the New Zealand trading entity for the Group.

The holding company was Wynyard Group Limited which is also in liquidation. The wider (consolidated) business incorporated subsidiary companies in Australia, Canada, the United Kingdom and the United States. These subsidiaries are in insolvency administrations in their respective jurisdictions. We are not the administrators/liquidators of those entities.

The Company operated from offices in Auckland, Christchurch and Dubai. All matters dealing with operations in these locations have now been resolved.

4 Conduct of the Liquidation

The key focus since our appointment has been to realise the remainder of the Company's assets, including:

- The sale of the Advanced Crime Analytics product (ACA) in March 2017
- The sale of the ERA trademark in May 2017
- Refund of prepaid Insurance premiums of \$51,915
- Collection of debtor receipts totalling \$124,477. A number of client accounts were unrecoverable due to breach of contractual obligations; some of these clients have filed unsecured creditor claims with the Company.
- A small number of assets (computer equipment and furniture) that have been sold down concurrently.



The last asset remaining to be realised is receivables from subsidiaries of \$5.9 million. We have filed an unsecured creditor claim in the liquidations of Wynyard (UK) Limited and Wynyard (Australia) Pty Limited (both in Liquidation). Neither of the unsecured creditor claims has been admitted to date. We have no reason to expect they will be rejected. The outcome of these claims will be determined once the liquidators in other jurisdictions have finalised all outstanding matters. We are in regular contact with the offshore liquidators but they have not confirmed their timing.

WGL has lodged a creditor's claim in WNZL's liquidation for \$171 million, which has yet to be admitted by WNZL. The return to creditors will depend materially on whether the WGL claim is admitted by WNZL, and for what value (if any). Given the impact WGL's claim will have on WNZL's other creditors, the Liquidators are seeking directions from the court in regard to this issue. By the date of our next report, we expect to be in a position to advise the outcome of this process.

The Liquidators have investigated the trading and financial affairs of the Company, including potential voidable transactions. To date we are not aware of any insolvent transactions and/or breaches of legislation occurring. Should any creditors have any information or any matter that they feel warrants investigation, please advise the Liquidators in writing.

5 Creditor claims

We have received \$180 million of creditor claims as shown in the table below.

Creditor type	\$'000
Preferential claims (paid in full)	2,114
Unsecured creditor claims (admitted claims)	6,962
WGL unsecured claim (not admitted to date)	171,010
Total creditors' claims received	180,086

We are unable to estimate the amount of funds that may be available to unsecured creditors at this stage. We also confirm:

- Preferential claims were paid in full totalling \$2,113,691.45.
- No distributions have been made to unsecured creditors to date.
- We have asked the court to determine if WGL's unsecured claim for \$171 million should be admitted, and if so for what amount.
- We received a number of creditor claims that were not valid and were not admitted in the liquidation. The relevant parties have been notified of this.
- The closing date for creditor claims to be submitted was 3 March 2017. We do not anticipate receiving any further claims.

6 Statement of Receipts and Payments

A statement of receipts and payments for the period 9 August 2017 to 7 February 2018 is attached to this report.

7 Summary and estimated date of completion of liquidation

It is not practicable to provide an estimated date for the completion of the liquidation at this stage.

Should you have any queries regarding the liquidation of the company, please do not hesitate to contact Larissa Logan of this office.

Yours faithfully



Neale Jackson
Joint and Several Liquidator



Wynyard (NZ) Limited (In Liquidation)

Statement of Liquidators' receipts and payments from 9 August 2017 to 7 February 2018

	\$
Opening bank balance	1,080,800
Receipts	
Interest received	13,878
Sales of assets	6,883
Total receipts	20,760
Payments	
Administration charges	1,749
Bank charges	212
Commission	1,583
GST Funds paid to WNZL	3,767
Inter-company funding	34,707
Legal costs	31,787
Liquidators remuneration	58,306
Payroll services	4,650
Postage	222
Storage	306
Telephone	8
Total payments	137,296
Net cash flow	(116,536)
Closing bank balance	964,264

