

---

## FE Investments Limited (In Receivership and in Liquidation)

Company No. 1353487

8 December 2023 | 30666

### 1. Introduction

On 1 April 2020, licensed insolvency practitioners Neale Jackson and Brendon James Gibson of Calibre Partners were appointed Joint Receivers and Managers ('the Receivers') of all of the assets and undertaking of FE Investments Limited ('FEI' or 'the Company') pursuant to a Trust Deed dated 8 August 2003 (as amended from time to time) and a security interest registered in accordance with the Personal Property Securities Register Act 1999 on 9 October 2003, granted in favour of Trustees Executors Limited ('TEL').

This is the Receivers' eighth statutory report and covers the period 1 April 2023 to 30 September 2023 ('the Period').

### 2. Restrictions

This report has been prepared by us in accordance with and solely for the purposes of Section 24 of the Receiverships Act 1993.

In compiling this report, we have relied on the accuracy of all relevant information provided by the Company. We have not independently audited or verified that information and express no opinion on its accuracy, completeness or reliability.

We do not accept any liability whatsoever arising from this report.

All information contained in this report is for the confidential use of the parties to which it is provided in accordance with Sections 26 and 27 of the Receiverships Act 1993 and is not to be disseminated or passed to any other person without prior written authority or in accordance with law.

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

This report should be read in conjunction with the Receivers' previous reports which can be viewed on the New Zealand Companies Office website.

As advised previously, prior to the appointment of the Receivers, FEI had been working to recapitalise the Company. It was unable to recapitalise, and defaults occurred under the terms of the trust deed dated 8 August 2003 (as amended from time to time). As a result, TEL appointed the Receivers.

The amount owed to deposit holders as at the date of receivership totalled \$54.6 million. As a consequence of the receivership, all payments of principal and interest to deposit holders were suspended.



---

## 4. Asset position

### 4.1 Asset realisations

The asset position as at the date of the Receivers' appointment was summarised in an earlier report.

During the Period, the Receivers have realised the following:

	\$000
Finance lease income	107
Other loan income	38
Loan recoveries	1,039
<b>Total</b>	<b>1,185</b>

#### Finance leases

We have realised approximately \$107,000 from managing the finance lease book during the Period.

We will continue to manage the remaining loan book for the benefit of depositors.

#### Other loans

During the Period, we collected approximately \$38,000 from borrowers. As advised previously a significant number of these loans were in dispute at the date of the Receivers' appointment. Since appointment, we have resolved several of these loans and paid distributions to depositors when it was cost effective to do so.

### 4.2 Funds currently held on Trust

During the Period, we finalised the dispute with the third parties who claimed an interest in the Anzac Loan proceeds held in our trust account.

In April 2023, we distributed on a pro-rata basis \$0.43 million to the third parties and \$0.61 million to FEI. FEI's share of the proceeds was released to our 'general current account' and funded investor distributions paid during the period.

This resolves all disputes to funds held in the receivership.

## 5. Investigations into the affairs of FEI

Our previous reports detailed notifications we have made to regulators and action taken as a result. We have no further update in this regard.

The Liquidator of FEI continues with his own separate investigations into the Company. With the approval of the statutory supervisor, we have provided funding to the liquidator.

## 6. Depositors

At the date of receivership there were 1,234 individual deposits totalling \$54.6 million. Interest continues to accrue on this balance in accordance with each deposit certificate.

Since our appointment we have paid eight interim distributions to depositors, totalling \$15.33 million:

- 30 October 2020: \$2.53 million paid to depositors who had completed the depositor confirmation process before 27 October 2020. Depositors received a distribution of 4.5% of the value of their deposit as at 30 October 2020. This is the equivalent of 4.64% of the amount owed at the date of receivership.



- 
- 23 December 2020: \$2 million paid to depositors who had completed the depositor confirmation process before 3 December 2020. Depositors received 3.7% of the value of their deposit as at 23 December 2020. This is the equivalent of 3.66% of the amount owed at the date of receivership.
  - 31 March 2021: \$3 million paid to depositors who had completed the confirmation process. Depositors received 5.67% of the value of their deposit as at 31 March 2021. This is the equivalent of 5.49% of the amount owed at the date of receivership.
  - 30 July 2021: \$2.5 million paid to depositors who had completed the confirmation process. Depositors received 4.92% of the value of their deposit as at 30 July 2021. This is the equivalent of 4.58% of the amount owed at the date of receivership.
  - 11 February 2022: \$2.5 million paid to depositors who had completed the confirmation process. Depositors received 5.03% of the value of their deposit as at 11 February 2022. This is the equivalent of 4.58% of the amount owed at the date of receivership.
  - 27 July 2022: \$1.25 million paid to depositors who had completed the confirmation process. Depositors received 2.58% of the value of their deposit as at 27 July 2022. This is the equivalent of 2.29% of the amount owed at the date of receivership.
  - 23 December 2022: \$0.8 million paid to depositors who had completed the confirmation process. Depositors received 1.66% of their deposit as at 23 December 2022. This is the equivalent of 1.47% of the amount owed at the date of receivership.
  - 1 September 2023: \$0.75 million paid to depositors who had completed the confirmation process. Depositors received 1.52% of their deposit as at 1 September 2023. This is the equivalent of 1.37% of the amount owed at the date of receivership.

To date depositors have received total distributions of approximately 28.08% of the amount due at the date of receivership.

Catchup distributions will be paid at the end of each month to those depositors that complete the depositor confirmation process.

The Receivers will notify depositors prior to the payment of any further distributions.

## 7. Creditors

### 7.1 Preferential creditors

Employees have received their full preferential claim amounts and no preferential amounts remain owing to them.

The IRD's claim in the receivership was \$316,442. This amount has been paid in full.

### 7.2 PMSI Creditors

Our search of the Personal Property Securities Register shows several parties had registered financing statements against the Company. The registrations were summarised in the schedule attached to the Receivers' first report. We have assessed secured interests and confirmed those with a perfected security interest.

### 7.3 Unsecured Creditors

To date, we have received \$96,297 in unsecured creditor claims.

On 24 July 2020, FEI was put into liquidation by special resolution of the shareholders pursuant to section 241(2)(a) of the Companies Act 1993. Rhys Cain of the firm EY is the liquidator of FEI. Unsecured creditors should contact the liquidator with any claims or queries.



---

Should you have any queries regarding this report, please do not hesitate to email  
[fei@calibrepartners.co.nz](mailto:fei@calibrepartners.co.nz).

Yours faithfully



Neale Jackson  
Joint Receiver



## FE Investments Limited (In Receivership and in Liquidation)

Statement of Receivers' receipts and payments for the period 1 April 2023 to 30 September 2023

\$

Opening balance	1,125,628
Add: Accumulated tax adjustment	126,071
<b>Adjusted opening balance</b>	<b>1,251,699</b>
<b>Receipts</b>	
Loan recoveries	1,039,463
Finance lease income	107,325
Interest received	8,930
Other loan income	38,179
Sundry receipts	233
<b>Total receipts</b>	<b>1,194,129</b>
<b>Payments</b>	
Administration charges	2,582
Co-Investor Distributions	431,808
Investors Distributions	746,243
Loan related costs - legal fees	
Property loans	82,284
Other loans	9,396
Receivers' remuneration	
Asset Realisation	35,518
Depositor	5,764
General administration	10,202
Operations: Employee, trading, banking and accounting	26,709
Statutory and reporting	4,415
Property costs	4,633
Staff wages	14,798
Software/ IT related costs	40,745
Sundry payments	3,683
Trustee fees	15,000
<b>Total payments</b>	<b>1,433,781</b>
<b>Net cashflow</b>	<b>(239,651)</b>
<b>Closing balance</b>	<b>1,012,047</b>
<b>Comprises of:</b>	
Bank balance	1,004,745
GST receivable / (payable)	7,302
<b>Closing balance</b>	<b>1,012,047</b>