



McGrathNicol

McGrathNicol Limited

Level 17, 34 Shortland Street
Auckland 1010, New Zealand

PO Box 106-733
Auckland 1143, New Zealand

T +64 9 366 4655

F +64 9 366 4656

mcgrathnicol.com

Best Pacific Institute of Education Limited (In Liquidation) ("the Company" and "BEST")

**LIQUIDATORS' REPORT (PURSUANT TO SECTION 255 OF THE COMPANIES ACT 1993)
FOR THE PERIOD 1 June to 30 November 2019**

COMPANY NUMBER: 646909

1. Appointment

Conor McElhinney and William Black were appointed jointly and severally as Liquidators of Best Pacific Institute of Education Limited (In Liquidation) on 1 December 2017 by special resolution of the shareholders. On 26 September 2019, William Black retired as liquidator of the Company and Kare Johnstone was appointed as replacement liquidator on the same day.

2. Disclaimer

The purpose of this report is to report to the creditors and shareholders in accordance with Section 255 of the Companies Act 1993.

This report has been prepared based on the information known to the Liquidators as at the date of this report. 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 the light of any information existing at the date of this report which becomes known to us after that date. We have not independently verified the accuracy of information provided to us, nor have we conducted an audit in respect of the Company. We express no opinion on the reliability, accuracy, or completeness of information provided to us and upon which we have relied.

The Liquidators do not accept responsibility or liability for any losses occasioned to any party as a result of the circulation, publication, reproduction, or use of this report.

3. Company information

Date of incorporation:	22 September 1994
Type of business:	Education Provider
Date trading ceased:	30 November 2017
Directors:	Anita Finnigan and Rachel Skudder

In association
with



Advisory
Forensic
Transactions
Restructuring
Insolvency



4. Report on the conduct of the liquidation

Due to the ongoing unresolved dispute between New Zealand Qualifications Authority (**NZQA**), the Trustee and the shareholders/directors of BEST in relation to BEST's and students' entitlements to funds held in trust and the amount of any claim against a bank bond there has been no material progress since the Liquidators' previous statutory report.

This process has been ongoing since appointment. Due to the ongoing disagreements between the stakeholders as to what their respective entitlements are, the Trustee has commenced legal proceedings. Consequently, the Liquidators do not expect to be able to progress the liquidation until this matter has been resolved.

5. Receipts and payments

Attached is a summary of receipts and payments for the period 1 June to 30 November 2019.

6. Proposals for completing the liquidation

In addition to the matter outlined in paragraph 4 above, the remaining known assets of BEST are the current accounts owing by Anita Finnigan and the Tinos Trust, which are reported as being \$2.5 million and \$163,116 respectively per the Statement of Affairs prepared by the Directors.

Repayment of the current accounts is linked to resolution of the student claim and surplus trust funds matters above. However, as this does not appear to be able to be resolved between the parties, the Liquidators now intend to pursue these current accounts separately and have taken initial steps.

7. Estimated date of completion of the liquidation

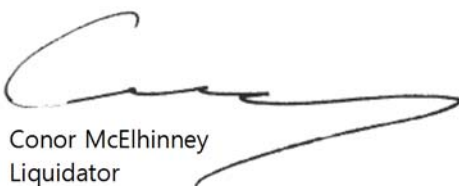
In our previous report, we estimated that the liquidation could be completed within the next 12 months. However, as the trust account matter, together with recovery of the current accounts are not yet resolved, the liquidation is now unlikely to be completed within this timeframe. As one matter is already before the court and the other at early stages of pursuing recovery, this may take a number of years.

8. Further information for creditors (including employees)

Given the financial position of the Company, the Liquidators continue to consider that it is highly unlikely there will be any funds available to pay employees or any other creditors their unsecured claims, even if the matters above are resolved in favour of the Company.

If you require any further information in relation to the liquidation, or if you have any information that will be of assistance to the Liquidators, please contact Leanne de Seymour on +64 9 926 5104 or ldeseymour@mcgrathnicol.co.nz.

Dated: 10 December 2019



Conor McElhinney
Liquidator



APPENDIX 1

Best Pacific Institute of Education Limited (In Liquidation)

Receipts and payments summary 1 June 2019 to 30 November 2019 \$

Funds on hand 1 June 2019 **18,923**

Receipts

Sale of assets 1,500

GST received 1,190

Interest received 6

Total receipts **2,696**

Payments

Legal fees 2,800

Liquidators' fees 1,686

GST paid 680

Liquidators' disbursements 51

Bank fees 24

Total payments **5,241**

Balance held as at 30 November 2019 **16,378**