



McGrathNicol

McGrathNicol Limited

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**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 December 2019 to 31 May 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.

**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**

The Liquidators, NZQA, the Trustee and the shareholders/directors of BEST continue to work to determine BEST's and students' entitlements to funds held in trust and the amount of any claim against a bank bond (provided to cover further refunds due to students from the closure of BEST and/or to transfer course fees to the new PTE if a student transferred).

This process has been ongoing since appointment, due to disagreements between the stakeholders as to what their respective entitlements are. We understand that the position may be close to resolution, which will enable the Liquidators to make decisions regarding the next steps in the liquidation. The Liquidators hope that this matter will be resolved within the next reporting period.

#### **5. Receipts and payments**

Attached is a summary of receipts and payments for the period 1 December 2018 to 31 May 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 were reported as \$2.5 million and \$163,116 respectively in 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.

#### **7. Estimated date of completion of the liquidation**

It is estimated that the liquidation will be completed within the next 12 months. However, should the trust account matter not be resolved, then the liquidation may extend if the matters instead need to be resolved by the Courts.

#### **8. Further information for creditors (including employees)**

At the date of the appointment of Liquidators the Company owed substantial monies to creditors, including to employees for their preferential claim, the Bank of New Zealand (as the secured lender), the IRD, landlords holding rental bonds and StudyLink. The directors advanced funds to enable the employees' preferential claims to be paid soon after liquidators were appointed. The realisations from the liquidation have not been sufficient to enable repayments to be made to other priority creditors, who remain unpaid.

Employees have received all of their preferential entitlements that were due to be paid directly to them. An additional component of employees' preferential claims comprising child support, student loan and Kiwisaver employer deductions are yet to be paid to the IRD. Any remaining employee claims against the Company, for example for unpaid notice periods, are unsecured claims. Unfortunately, the Liquidators believe it is highly unlikely that there will be any monies available to pay employees or any other creditors their unsecured claims, even if the matters above are resolved.

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](mailto:ldeseymour@mcgrathnicol.co.nz).

Conor McElhinney  
Liquidator



## APPENDIX 1

### Best Pacific Institute of Education Limited (In Liquidation)

<b>Receipts and payments summary 1 December 2018 to 31 May 2019</b>		<b>\$</b>
<b>Funds on hand 1 December 2018</b>		<b>35,247</b>
<b>Receipts</b>		
Interest received		9
<b>Total receipts</b>		<b>9</b>
<b>Payments</b>		
Bank charges		30
GST paid		728
Legal disbursements		56
Legal fees		15,520
<b>Total payments</b>		<b>16,334</b>
<b>Balance held as at 31 May 2019</b>		<b>18,923</b>