

**ProvencoCadmus Limited
(In Receivership) ('the Company')
Company No. 36824**

30460
30 September 2011

Introduction

Michael Peter Stiassny and Brendon James Gibson were appointed Joint and Several Receivers and Managers of the assets and undertakings of the Company on 3 August 2009, pursuant to a General Security Agreement granted by the Group in favour of ANZ National Bank Limited ('the Bank').

Restrictions

This report has been prepared by us in accordance with and for the purposes of Section 24 of the Receiverships Act 1993. It is prepared for the sole purpose of reporting on the state of affairs with respect to the property in receivership and the conduct of the receivership. In compiling this report we have relied on the accuracy of all relevant information provided by the Company. While all care and attention has been taken in compiling this report, 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 the law.

Commentary

- The Company acted as a holding company for a number of trading subsidiaries in the Group. The Group is the product of a merger between the Provenco Group and the Cadmus Group in May 2008.
- The Group provided a range of electronic payment solutions and Point of Sale Equipment in New Zealand and offshore.
- As discussed in our last report the Group's major trading businesses, 'Payments Business' and 'Retail Oil Business' were unconditionally sold. These businesses were owned by Provenco subsidiaries.
- As previously advised the Company had no assets except its shareholdings within the trading subsidiaries therefore no debtor collections have been attributed to the Company.
- As at the date of our appointment the Group was indebted to the Bank for \$23.8 million.
 - As at the date of this report, a distribution of \$8.85 million has been made to the Bank.
 - It is evident that there will be a significant shortfall to the Bank.

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- Employee preferential claims total \$1.6 million.
- The Inland Revenue Department have filed a claim for \$77k of which \$26k is preferential.
- As this Company has no stock or debtors available for realisation, no funds will be available for distribution to any preferential creditors.
- Based on the Company's records the amounts owing to other creditors total approximately \$2.4 million. As it is evident that there will be a shortfall to the Bank there will be no funds available for distribution to this class of creditors.
- Realisations of subsidiary owned assets are reflected as receipts from the various subsidiaries in the summary. A summary of the receipts and payments for the period 3 February 2011 to 2 August 2011 is attached to this report.

Should you have any queries regarding this report please do not hesitate to contact Pravin Bhana of this office.



B J GIBSON
Joint Receiver

ProvencoCadmus Limited
(In Receivership)
Statement of Receivers' Receipts & Payments
From 03 February 2011 to 02 August 2011

	\$
<u>Receipts</u>	
<u>Balance Brought Forward</u>	12,737,998
Interest Received	19,341
Sundry Receipts	960
Total Receipts	12,758,298
<u>Payments</u>	
<u>Balance Brought Forward</u>	10,787,815
Receivers	47,955
Legal Fees	42,093
Staff Preferential Claims	16,420
IT System & Software	1,400
Sundry Expenses	1,771
Total Payments	10,897,454
Net Cashflow	1,860,844