

**Question No: 41**

**Question: Receipts from Hengyang Company**

**Date: 13/08/91**

**Member: Mr BAILEY**

**To: MINISTER for INDUSTRIES and DEVELOPMENT**

1. What were the gross receipts from the 30 April 1991 auction of material previously owned by the Hengyang Company which had operated in the Trade Development Zone.
2. What use have these receipts been put to.
3. What proportion of the auction receipts was put towards payment of wages owed to former Hengyang employees.

**ANSWER**

1. The auction of material previously owned by the Hengyang Companies which had operated in the Trade Development Zone was conducted by the liquidator of those companies and not by the NT government or its agencies. The liquidator has advised that the amount of the gross receipts of the auction will be included in his report of Receipts and Payments of the Administration of the companies. These reports will be lodged with the Australian Securities Commission in October 1991.
2. The liquidator advises that as legally required, moneys he receives are applied to meet the cost of administration first. The balance of these moneys is then 'pooled' to pay preferential creditors, including preferential employee entitlements. After all preferential creditors are paid in full, any remaining funds would be used to pay other creditors. Should there still be a surplus, this would be returned to members (shareholders).
3. See answers to 1 and 2. The liquidator's report to the ASC will provide an answer to this question.