



McDonald
Vague

business recovery partners

Apple Rental Cars Limited (In Liquidation)

Liquidators' First Report

McDonald Vague Limited

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1 INTRODUCTION AND APPOINTMENT

Apple Rental Cars Limited ("the company") was placed into liquidation by the High Court at Auckland pursuant to Section 241(2)(c) of the Companies Act 1993 ("the Act") on 20 October 2017 at 10:32 a.m. on the application of BMW Financial Services New Zealand Limited. Iain McLennan and Peri Micaela Finnigan, CAANZ Accredited Insolvency Practitioners, of Auckland, were appointed as joint and several liquidators of the company.

2 RESTRICTIONS

In preparing this report and its appendices, we have relied upon information provided to us. We have not independently verified or audited that information. Whilst all care and attention has been taken in compiling this report, we do not accept any liability whatsoever to any party as a result of the circulation, publication, reproduction, or use of this report.

We reserve the right (but are under no obligation) to review and, if we consider necessary, amend this report to take into account any information existing at the date of this report that becomes known to us after this report is published.

3 ATTACHMENTS

The following documents are attached to this report:

- Appendix 1: Statement of Affairs setting out the company's estimated financial position
- Appendix 2: Schedule of company creditors' names and addresses
- Appendix 3: Notice of Liquidators' decision to dispense with meeting of creditors
- Appendix 4: Notice to creditors to prove debts or claims
- Appendix 5: Creditors claim form

4 COMPANY STRUCTURE AND BACKGROUND

Date of incorporation:	15 October 2012
Company number:	4054558
Nature of business:	Car Rental
Trading address:	219 Dairy Flat Highway, Albany, Auckland

Share capital:	1 Share
Shareholder:	David Emmett Murphy
Director:	David Emmett Murphy
Related companies:	Apple Cars Limited (In Liquidation) Apple Car Holdings Limited

The director advised that a related company, Apple Cars Limited, suffered a decline in trade approximately three years ago, after BMW cancelled its floor plan with the company. The director hoped to fill the gap in sales by taking on an agency for two brands, Mahindra and Iveco. These ventures turned out to be unsuccessful, and left the company in debt, which the shareholder then tried to reduce by selling his matrimonial home. The director advised that the sale of the home led to a financially crippling divorce, which impacted on the company and its related entities, Apple Cars Limited (in liquidation) ("Apple Cars") and Apple Car Holdings Limited.

The director also stated that final straw for him came when poor summers in 2016/2017 meant he did not have sufficient revenue to carry the company through the off season.

A secured creditor, BMW Financial Services New Zealand Limited, whose secured vehicles the company sold without paying over the proceeds, applied to place the company in liquidation.

5 STATEMENT OF AFFAIRS

A Statement of Affairs showing the company's estimated financial position as at the date of our appointment is provided at Appendix 1.

6 ASSETS AND PROPOSALS FOR CONDUCTING THE LIQUIDATION

We will realise all available assets. The company holds a small number of unencumbered vehicles, which are in poor condition and require repairs. We are also in the process of recovering a vehicle reported to be held at Auckland Airport.

The most recent company financial statements (2014) reflect equipment which the director claims was sold to a related entity, Apple Car Holdings Limited. Despite requests, the director has not provided evidence that the company has indeed sold its equipment, and unless such evidence is forthcoming, we intend to realise this equipment for the benefit of creditors.

We have commenced our investigation into the trading affairs of the company prior to liquidation. Our investigations have been hampered by a lack of information from the director, and we have relied to a great extent on records and information provided by creditors and third parties.

We will complete a thorough review of the company's books, records and affairs to:

- ensure that all assets have been properly accounted for,
- determine if there are any other avenues of recovery for creditors,
- determine if the company's officers have properly carried out their duties, and take appropriate steps where necessary.
-

If there are funds available for distribution to creditors, we will verify creditors' claims and make a distribution. We will then complete the liquidation and request that the Registrar of Companies remove the company from the register.

7 LIABILITIES AND CREDITOR CLAIMS

A schedule of known creditors and their addresses is provided at Appendix 2, as required by Section 255(2)(c) of the Act.

A notice to creditors to prove debts or claims is provided at Appendix 4. Also provided is a creditor's claim form at Appendix 5 for completion and return to this office by Friday, 1 December 2017. Creditors that have not made a claim by the date on the notice may be excluded from any distribution made. If you believe that you are a secured creditor, please contact us and the appropriate form will be sent to you.

7.1 Secured Creditors

As at the date of liquidation four secured parties had registered security interests against the company on the Personal Property Securities Register.

1. Date Registered: 4-Nov-2013 and 28-Oct-2014
Organisation Name: Flexirent Capital (New Zealand) Limited
Collateral Description: Goods - Eftpos Equipment
2. Date Registered: 7-Apr-2014
Organisation Name: BMW Financial Services New Zealand Limited
Collateral Description: Goods - Motor Vehicles
3. Date Registered: 20-Mar-2016
Organisation Name: Interface Management NZ Limited T/A The Interface Financial Group
Collateral Description: Goods - Motor Vehicles
4. Date Registered: 1-Nov-2016
Organisation Name: Balmar Marine Limited
Collateral Description: All Present And After Acquired Personal Property

Personal Property Securities Act / Reservation of Title

If any creditor believes that they hold a Purchase Money Security Interest entitling them to any goods or proceeds from realisation of goods, they should contact us immediately.

If any creditor believes that they have a Reservation of Title over goods and they have not perfected their interest, they should also contact us immediately.

7.2 Preferential Creditors

The applicant creditor's claim amounts to \$3,859.

The director has advised that there are no unpaid wages, holiday pay or redundancy pay owing to former employees.

The Inland Revenue Department has not yet provided us with a creditor's claim form but we understand that there are amounts due in respect of GST, PAYE and other payroll deductions, estimated to be \$25,000.

7.3 Unsecured Creditors

From our review of the company's accounting records and other information we estimate that the amount due to unsecured creditors is approximately \$779,522, including amounts for which the company is jointly liable along with other related entities.

8 CREDITORS' MEETING / LIQUIDATION COMMITTEE

A notice of the Liquidators' decision to dispense with the meeting of creditors is provided at Appendix 3.

Any creditor or shareholder may at any time in the course of the liquidation request that the liquidators call a meeting pursuant to Section 314 of the Companies Act 1993, for the purpose of appointing a liquidation committee. Any request for a meeting must be submitted to the liquidators in writing.

9 FURTHER INFORMATION

If you are aware of any information that would assist the Liquidators, please set the details out in writing, attach any supporting evidence, and send it to us. Please note that it can be difficult for liquidators to act in reliance on information that is not provided in writing.

If any creditor wishes to receive the six monthly reports by email as and when they are published, please ensure that an email address is provided on your creditors' claim form.

This report and all subsequent reports will be available on the Liquidators' website at www.mvp.co.nz

10 ESTIMATED DATE OF COMPLETION

It is currently too early to estimate a date of completion for the liquidation.

11 CONTACT DETAILS

Enquiries should be directed to Dalwyn Whisken on DDI (09) 969 5336 or by email to dwhisken@mvp.co.nz.

The Liquidators can be contacted at:

McDonald Vague Limited
Level 10, 52 Swanson Street
Auckland 1010

P O Box 6092
Wellesley Street
Auckland 1141


PERI MICAELA FINNIGAN
LIQUIDATOR

DATED this 23rd day of November 2017

Appendix 1

Apple Rental Cars Limited (In Liquidation) Statement of Affairs

Statement of Affairs for the above named company as at 20 October 2017 (being the date of liquidation) showing assets at estimated realisable values and liabilities expected to rank.

ASSETS SPECIFICALLY PLEDGED	<i>Estimated to Realise</i> \$	<i>Due to Secured Creditor</i> \$	<i>Deficiency Ranking as Unsecured</i> \$	<i>Surplus</i> \$
Eftpos - Flexirent Capital (New Zealand) Ltd	-	-	-	-
Vehicles - BMW Financial Services New Zealand Ltd	-	69,916	(69,916)	-
Vehicles - Interface Management NZ Limited	14,435	14,435	-	-
<i>Estimated surplus / (deficiency) as regards specifically pledged assets</i>	<u>\$14,435</u>	<u>\$84,351</u>	<u>(\$69,916)</u>	<u>\$ -</u>

ASSETS AVAILABLE FOR PREFERENTIAL CREDITORS	<i>Book Value</i>	<i>Estimated to Realise</i>
Nil	-	-
Total	<u>\$ -</u>	<u>\$ -</u>
<i>Less preferential creditors</i>		
Applicant creditor		3,859
Inland Revenue Department		25,000
Total		<u>\$28,859</u>
<i>Estimated deficiency as regards preferential creditors</i>		<u>(\$28,859)</u>

ASSETS AVAILABLE FOR GENERAL SECURITY AGREEMENT HOLDER/S	<i>Book Value</i>	<i>Estimated to Realise</i>
Estimated surplus from assets specifically pledged		-
Plant & Equipment (book value in 2014)	75,129	unknown
Vehicles	unknown	3,000
Total	<u>\$75,129</u>	<u>\$3,000</u>

LESS GENERAL SECURITY AGREEMENT HOLDER		
Balmar Marine Limited		260,000
Total		<u>\$260,000</u>
<i>Estimated deficiency as regards General Security Agreement holders</i>		<u>(\$257,000)</u>
Less deficiency as regards preferential creditors		28,859
Deficiency ranking as unsecured		<u>(\$285,859)</u>

LESS UNSECURED CREDITORS		
Estimated deficiency as regards Secured Creditors		69,916
Estimated deficiency as regards General Security Agreement holders		257,000
Estimated deficiency as regards preferential creditors		28,859
Trade creditors		3,921
Other- due by cross guarantee		705,765
<i>Estimated (deficiency) as regards unsecured creditors</i>		<u>(\$1,065,461)</u>

Notes:

- The above estimates are subject to the costs of the liquidation.
- Assets held may be subject to Purchase Money Security Interest ("PMSI") or Reservation of Title claims.
- The General Security Agreement holder's claim will continue to accrue interest until fully paid. [leave in if applicable]

Disclaimer of Liability:

The information contained in the Statement of Affairs has been supplied by the company. We have not verified the information supplied. The Statement of Affairs has been prepared for the purpose of the liquidation and we do not accept any responsibility on any grounds whatsoever, including liability in negligence, to any party.

Appendix 2

**Apple Rental Cars Limited (In Liquidation)
Schedule of Creditors' Names and Addresses**

Pursuant to Section 255(2)(c) of the Companies Act 1993

Creditor Names	Address 1	Address 2	Address 3
ANZ Bank New Zealand Limited	P O Box 407	WELLINGTON 6140	
Balmar Marine Limited	C/- Lockhart Legal, P O Box 74 295	Greenlane	AUCKLAND
BMW Financial Services New Zealand Limited	7 Pacific Rise Business Centre	Mt Wellington	AUCKLAND
Inland Revenue Department	P O Box 39 010	Wellington Mail Centre	LOWER HUTT 5045
N.Z. Commercials Limited	C/- Snedden Law	P O Box 105 195	AUCKLAND 1143
Scratch Busters Limited	P O Box 31 859	Milford	AUCKLAND 0741
Vodafone New Zealand Limited	P O Box 90 112	Victoria Street West	AUCKLAND 1142

Notice of Liquidators' Decision to Dispense with Meeting of Creditors

After having regard to the assets and liabilities of Apple Rental Cars Limited (In Liquidation) and the likely result of the liquidation, the liquidators propose to dispense with a meeting of creditors pursuant to Section 245 of the Companies Act 1993.

The liquidators do not, however, wish to preclude creditors from expressing their views. Please contact Dalwyn Whisken of this office on DDI (09) 969 5336 if you have any specific enquiries.

If you wish to request that a creditor's meeting be called, notice in writing is required within 10 working days of receiving this notice. Your notice you must also state the reason you require a meeting so that an agenda can be prepared and circulated to creditors and creditors can be given the opportunity to vote on any proposed resolutions by voting letter.


PERI MICAELA FINNIGAN
LIQUIDATOR

DATED this 23rd day of November 2017

Appendix 4

IN THE MATTER of The Companies Act 1993

and

IN THE MATTER of Apple Rental Cars Limited (In Liquidation)

Notice to Creditors to Prove Debts or Claims

Notice is given that the liquidator of Apple Rental Cars Limited (In Liquidation) ("the company"), fix Friday, the 1st day of December 2017, as the day on or before which the company's creditors are to make their claims and establish any priority their claims may have under Section 312 of the Companies Act 1993. Creditors not having made a claim by this date may be excluded from any distribution made.


PERI MICAELA FINNIGAN
LIQUIDATOR

DATED this 23rd day of November 2017

ADDRESS OF LIQUIDATOR

McDonald Vague Limited
Level 10, 52 Swanson Street
AUCKLAND 1010

PO Box 6092
Wellesley Street
AUCKLAND 1141

Telephone: (09) 303 0506
Facsimile: (09) 303 0508
Website: www.mvp.co.nz

DATE OF LIQUIDATION: 20 October 2017



The Insolvency & Business Recovery Specialists

McDONALD VAGUE LIMITED

PO Box 6092, Wellesley St, Auckland 1141, New Zealand.
Telephone 0-9-303 0506, Facsimile 0-9-303 0508

Unsecured Creditor's Claim

(Also for use by Preferential Creditors)

SECTION 304(1) COMPANIES ACT 1993
(For help see www.mvp.co.nz or email
claims@mvp.co.nz)

NAME AND POSTAL ADDRESS OF CREDITOR IN FULL

* Any personal information collected is for the purpose of administering the liquidation in accordance with the Companies Act 1993.

The information will be used and retained by the liquidators and McDonald Vague and will be released to other parties only with your authorisation or in compliance with the Privacy Act 1993.

Under Section 304(1) of the Companies Act 1993 any claim by an unsecured creditor against a company in liquidation must be in this prescribed form and must –
(a) Contain full particulars of the claim; and
(b) Identify any documents that evidence or substantiate the claim.

You may have access to and request correction of any personal information.

(*Not applicable, if creditor is not an individual within the meaning of the Privacy Act 1993.)

Telephone Numbers: ()

()

E-Mail

My Reference is:
(if applicable)

NAME OF COMPANY IN LIQUIDATION:

(IN LIQUIDATION)

(If claim is made on behalf of creditor, specify relationship to creditor and authority)

claim that the company was at the date it was put into liquidation indebted to the abovenamed creditor for the sum of (Amount in words):

STATUS OF CLAIM:

1. I am an unsecured creditor for
(Also applicable to secured creditors who hereby surrender their security)

\$

2. I am a preferential creditor for
(Refer details on reverse)

\$

3. My total claim is for
(State currency if other than \$NZ)

Other
Currency

NZ \$

4. I have claimed retention/reservation of title rights pursuant to rights held by me

Note: If you are a secured creditor contact this office and a Secured Creditors Claim Form will be sent to you. Tick if Applicable

(Refer details on reverse)

Full particulars of the claim are set out, and any supporting documents that substantiate the claim, are identified on the reverse of this form.

(The liquidator may require the production of a document under Section 304(2) of the Companies Act 1993. You are **not required to attach any supporting documents** at this stage, but you may attach them now, if you think it would expedite the processing of the claim.)

SIGNED:

Date: / /

WARNING —

It is an offence under Section 304(6) of the Companies Act 1993 to –

Make or authorise the making of, a claim that is false or misleading in a material particular knowing it to be false or misleading; or

Omit, or authorise the omission from a claim of any matter knowing that the omission makes the claim false or misleading in a material particular.

Received
(Date Stamp)

RESERVED FOR OFFICE USE:

Claim admitted/rejected
for voting purposes:
(Delete one)

Signed:

Date: / /

Preferential Claim for:

Ordinary Claim for:

~~CLAIM REJECTED
FOR PAYMENT:~~

\$

\$

or
~~CLAIM ADMITTED
FOR PAYMENT:~~

Preferential Claim for:

Ordinary Claim for:

\$

\$

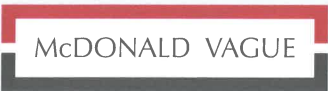
Signed
Liquidator:

Date: / /

Note: If the decision to admit or reject a claim is amended, regulation 8 of the Companies Act 1993 Liquidation Regulations 1994 requires that it be recorded in writing.



The Insolvency & Business Recovery Specialists



The Insolvency & Business Recovery Specialists

McDONALD VAGUE LIMITED

PO Box 6092, Wellesley St, Auckland 1141, New Zealand.
Telephone 0-9-303 0506, Facsimile 0-9-303 0508

Particulars of Claim

If the creditor owes money to the company, please give full details.

Date	Details of Claim and Identification of Documents that Evidence or Substantiate the Claim	Amount \$

CLAIMS AGAINST INVENTORY (Romalpa Claims)(Consignment Goods) (Retention of Title) etc.

Please provide details of the basis of the retention of title claim filed by you and/or details of entry on the Personal Property Securities Register.

PREFERENTIAL CLAIMANTS ONLY

Guideline

The Seventh Schedule of the Companies Act 1993 sets out those claims which are regarded as preferential and shows their extent and order of priority. For example, wages and salary of any employee in respect of services rendered to the company during the four months preceding the commencement of liquidation are preferential AND the total sum to which priority is to be given in the case of any one employee for wages, holiday pay, deductions, redundancy and child support must not exceed \$20,340 or such greater amount as is prescribed at the commencement of the liquidation.

1. Why do you believe you are a preferential creditor?
(eg. employee, GST, etc) _____
2. Details of your claim: _____

If applicable please record here your GST Registration number: _____

and total GST included in your tax invoice: \$ _____