



McDonald
Vague

business recovery partners

**AXYX Limited
(In Liquidation)
(formerly known Applied Hearing (1987)
Limited until 27 October 2016)**

McDonald Vague Limited
Level 10, 52 Swanson Street,
Auckland Central

PO Box 6092, Wellesley Street,
Auckland 1141, New Zealand

p: 09 303 0506
f: 09 303 0508
e: insol@mvp.co.nz

www.mvp.co.nz

Liquidators' First Report

1 INTRODUCTION AND APPOINTMENT

AXYX Limited ("the company") was placed into liquidation by a special resolution of the shareholders pursuant to Section 241(2)(a) of the Companies Act 1993 ("the Act") on 28 October 2016. Peri Micaela Finnigan and Boris van Delden, 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, revise this report in respect of any information existing at the date of this report which becomes known to us after that date.

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:	1 April 1987
Company number:	337667
Date ceased trading:	27 October 2016

Nature of business:	Hearing Aids testing, repairs and sale	
Trading address:	232 Great South Road, Remuera, Auckland	
Previous name:	Applied Hearing (1987) Limited	
Share capital:	500 Shares	
Shareholders:	Alan Douglas Ferguson	1 Share
	John Norman Barratt-Boyes	} 499 Shares Jointly
	Alan Douglas Ferguson	
	<i>As trustees of the Lennox Family Trust</i>	
Director:	Alan Douglas Ferguson	
Related companies:	Earmax New Zealand Limited (In Liquidation)	

The director has attributed the failure of the company to the significant changes that have occurred in the industry and the subsequent drop in business.

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.

The liquidators are endeavouring to sell the assets of the company, including the intellectual property and inventory. To avoid prejudicing that process we are withholding information on the estimated realisable values of assets, including database and stock.

6 ASSETS AND PROPOSALS FOR CONDUCTING THE LIQUIDATION

We will realise all available assets. If any creditor is interested or knows of any other party who may be interested in purchasing any of the assets, please advise us urgently.

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

7.1 *Secured Creditors*

As at the date of liquidation one secured party had a registered security interest against the company on the Personal Property Securities Register.

- Smart Pay Rental Services has security registered over leased eftpos equipment. This equipment will be returned.

Personal Property Securities Act / Reservation of Title

Should any creditor believe that they are entitled to any goods, or proceeds from realisation of goods, due to holding a Purchase Money Security Interest, 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.

The liquidators have been notified of an unperfected security, in favour of a related entity, over a number of motor vehicles that have been recorded as inventory of the company. The status of that security and the priority that it holds, is still being established.

7.2 *Preferential Creditors*

We estimate that there is approximately \$21,949 owing to former employees for wages, holiday pay and redundancy pay.

We have been notified of a preferential claim by New Zealand Customs Service for \$354.

The Inland Revenue Department has advised that there is no debt owed. The current GST return for the period to date of liquidation has not yet been calculated or filed. There is likely to be a debt owing.

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 \$643,030. 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 included at Appendix 4. Also enclosed is a creditor's claim form for completion and return to this office by 9 December 2016. 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.

8 CREDITORS' MEETING / LIQUIDATION COMMITTEE

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

Pursuant to Section 314 of the Companies Act 1993, creditors are advised that at any time in the course of the liquidation the Liquidator shall, at the request in writing of any creditor or shareholder, call a meeting for the purpose of appointing a liquidation committee.

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 the Liquidators are more able to act on written information.

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 the attached creditor 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 Colin Sanderson on DDI (07) 838 0908 or by email to CSanderson@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 M FINNIGAN
LIQUIDATOR

DATED this 4th day of November 2016

AXYX Limited (In Liquidation) Statement of Affairs

Statement of Affairs for the above named company as at 28 October 2016 (being the date of liquidation) showing assets at estimated realisable values and liabilities expected to rank.

ASSETS AVAILABLE FOR PREFERENTIAL CREDITORS	<i>Book Value</i>	<i>Estimated to Realise</i>
Accounts receivable - trade	52,520	Unknown
Accounts receivable - related entity (See note 4 below)	77,543	-
Inventory - hearing instruments	29,990	Not disclosed
Inventory - Motor Vehicles (Refer note 3 below and section 7.1 of the report)	150,000	Not disclosed
Furniture & Fittings	6,237	Not disclosed
Motor Vehicles	26,555	Not disclosed
Office Equipment	17,110	Not disclosed
Plant & Equipment	1,637	Not disclosed
Intellectual Property		Not disclosed
Total	\$361,592	\$ -
 <i>Less Preferential Creditors</i>		
Employees		21,949
New Zealand Customs		354
Total		\$22,303
<i>Estimated deficiency as regards preferential creditors</i>		(\$22,303)
 LESS UNSECURED CREDITORS		
Estimated Deficiency as Regards Preferential Creditors		22,303
Trade Creditors		90,000
Related Company		40,000
Employee Unsecured Claims		12,848
Shareholder Current Account		500,000
<i>Estimated (deficiency) as regards preferential and unsecured creditors</i>		(\$665,151)

Notes:

1. There is no unpaid capital liable to be called up.
2. The above estimates are subject to the costs of the liquidation.
3. Assets held may be subject to Purchase Money Security Interest ("PMSI") or Reservation of Title claims.
4. The related entity, Earmax New Zealand Limited is also in liquidation.

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

AXYX 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
Accident Compensation Corporation	P O Box 3248	WELLINGTON 6140	
Alan Douglas Ferguson	3 Josephine Place	R D 2	TE KAUWHATA 3782
Aurora Health Centre	70 Macandrew Road	DUNEDIN 9012	
BM Workshop	P O Box 78 162	Grey Lynn	AUCKLAND 1245
Buchanan's Pharmacy Limited	P O Box 7100	Tikipunga	WHANGAREI
Byron Medical	2 Byron Avenue	Takapuna	AUCKLAND 0622
Callplus Services Limited	P O Box 108106	Symonds Street	AUCKLAND 1150
Cheryl Ward	(Employee)		
Datum Connect	Level 12	7 City Road	AUCKLAND 1010
ECS	P O Box 76 068	AUCKLAND 2241	
Far North Natural Health	Coopers Beach Shopping Centre	Coopers Beach	MANGONUI 0420
Farac Gutierrez Limited	P O Box 9633	Newmarket	AUCKLAND 1149
Galaxy Lawncare	P O Box 27 055	Mt Roskill	AUCKLAND 1440
Geange Property Holdings Limited	120 Pinnacle Hill Road	R D - Bombay	AUCKLAND 2675
GN Resound (NZ) Limited	P O Box 101 359	North Shore Mail Centre	AUCKLAND
Henderson Medical Centre	2 Montel Avenue	Henderson	AUCKLAND 0612
Hertz NZ Limited	Private Bag 4716	CHRISTCHURCH 8140	
Inland Revenue Department	P O Box 39 010	Wellington Mail Centre	LOWER HUTT 5045
Invercargill Medical Centre	160 Don Street	INVERCARGILL	
Jan Prisk	(Employee)		
John Bone	(Employee)		



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Creditor Names	Address 1	Address 2	Address 3
Just Water	Private Bag 92 811	Penrose	AUCKLAND
Mangere Health Resources	P O Box 43 167	Mangere	AUCKLAND
Magus Design Limited	37d Youngs Road	Papakura	AUCKLAND 2110
MediCross Urgent Care & GP Clinic	P O Box 855	NEW PLYMOUTH 4340	
MidCentral District Health Board	P O Box 2056	PALMERSTON NORTH 4440	
Mount Physio and Pilates	4 Dee Street	Mount Maunganui	TAURANGA 3116
New Zealand Post Limited	P O Box 38 817	Wellington Mail Centre	LOWER HUTT 5045
NZ Customs Services	P O Box 29	Shortland Street	AUCKLAND 1140
Oamaru Pharmacy Ltd	171 Thames Street	OAMARU	
OMD NZ Limited	P O Box 3709	AUCKLAND 1140	
Pharmacy on Cameron	850 Cameron Road	TAURANGA 3112	
Phonak New Zealand	P O Box 33 349	Takapuna	AUCKLAND 0740
Radius Medical - The Palms Medical Centre	1st Floor	124 Vautier Street	NAPIER 4110
Shackeltons Unichem	Box 22	KAITAIA	
Silverdale Medical	7 Polarity Rise	Silverdale	AUCKLAND 0932
SIM New Zealand	P O Box 38 588	Howick	AUCKLAND 2145
Sivantos Pty Limited	P O Box 1950	Milton, Qld 4064	AUSTRALIA
Smartlogic Limited	Level 2	132 Symonds Street	AUCKLAND 1010
Smartpay Rental Services Limited	P O Box 100 490	North Shore Mail Centre	AUCKLAND 0745
Spark NZ Trading Limited	P O Box 1473	CHRISTCHURCH 8140	
Starkey Laboratories New Zealand Limited	P O Box 9929	Newmarket	AUCKLAND 1149
Stephenson's Unichem Pharmacy	64 Albert Street	WHITIANGA 3542	
Te Korowai Hauora O Hauraki Inc	P O Box 605	THAMES 3540	
Tim Ward	(Employee)		
Unichem Otorohanga Pharmacy	55 Maniapoto Street	OTOROHANGA	

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Creditor Names	Address 1	Address 2	Address 3
Vodafone New Zealand Limited	P O Box 90 112	Victoria Street West	AUCKLAND 1142
Waimairi Road Family Medical Centre	203a Waimairi Road	Ilam	CHRISTCHURCH 8041
Warehouse Stationery	P O Box 9429	New Market	AUCKLAND 1149
Watercare Services	P O Box 300 547	Albany	AUCKLAND 0752
Westpac Collections Support	P O Box 934	Shortland Street	AUCKLAND 1140
Whitianga Community Trust	P O Box 109	WHITIANGA 3542	
Wicksteed House Medical Centre	P O Box 7218	WHANGANUI	
Yellow Pages Group Limited	P O Box 17 345	Greenlane	AUCKLAND 1546

Notice of Liquidators' Decision to Dispense with Meeting of Creditors

After having regard to the assets and liabilities of AXYX Limited (In Liquidation) and the likely result of the liquidation, it is proposed to dispense with a meeting of creditors pursuant to Section 245 of the Companies Act 1993.

We do not, however, wish to preclude creditors from expressing their views. Please contact Colin Sanderson of this office on DDI (07) 838 0908 if you have any specific enquiries.

You are advised that should you desire a creditor's meeting, notice in writing is required within 10 working days of receiving this notice.

At the time of giving notice you must also state the reason you require a meeting so that an agenda can be prepared and advertised and creditors can be given the opportunity to vote on any issue by voting letter.


PERI M FINNIGAN
LIQUIDATOR

DATED this 4th day of November 2016

Appendix 4


IN THE MATTER of The Companies Act 1993

and

IN THE MATTER of AXYX Limited (In Liquidation)
formerly known as Applied Hearing (1987) Limited until 27 October 2016

Notice to Creditors to Prove Debts or Claims

Notice is hereby given that the undersigned, the liquidator of AXYX Limited (In Liquidation) ("the company"), does hereby fix Friday the 9th day of December 2016, as the day on or before which the company's creditors are to make their claims, and to 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 M FINNIGAN
LIQUIDATOR

DATED this 4th day of November 2016

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: 28 October 2016

NAME AND POSTAL ADDRESS OF CREDITOR IN FULL

Telephone Numbers: ()
()

E-Mail

My Reference is:
(if applicable)

* 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.)

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

Tick if Applicable

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

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: \$ _____