



McDonald
Vague

business recovery partners

**Chemsafe Group Limited
(In Liquidation)**

**Liquidators' Eleventh Report
for the period from 5 November 2021
to 4 May 2022**

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1 INTRODUCTION AND APPOINTMENT

Peri Micaela Finnigan and Iain McLennan, Licensed Insolvency Practitioners, of Auckland, were appointed joint and several liquidators of Chemsafe Group Limited (“the company”) on 5 May 2017 by the High Court at Auckland.

Pursuant to Section 255(2)(d) of the Companies Act 1993 (“the Act”), the liquidators are reporting on the progress of the liquidation. This eleventh report should be read in conjunction with the liquidators’ previous reports.

This report is being sent to all shareholders and all creditors who have filed a claim in the liquidation.

A Statement of Realisations and Distributions is **attached**.

2 RESTRICTIONS

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 CONDUCT OF THE LIQUIDATION DURING THE PRECEDING SIX MONTHS

Asset Realisations

No recoveries were made during the reporting period.

4 INVESTIGATIONS

The liquidators' investigations into the affairs of the company and the reasons for its failure are largely complete.

The liquidators continue to work with a number of parties involved in possible recovery actions arising from the pre-liquidation sale and/or transfer of the company's assets, including the company's disputed accounts receivable that arose from the unresolved sale/transfer of assets of various Chemsafe group companies and the resulting restructure of some group companies' trading arrangements. The liquidators are aware that there is a proceeding on foot which the liquidators are monitoring, with a hearing yet to be had. There have been several adjournments to the hearing.

If any creditor has any further information that they consider may be of interest to the liquidators, please contact Iain McLennan.

5 CREDITORS' CLAIMS

5.1 *Secured Creditors*

All of the securities that were registered against the company on the PPSR as at the date of liquidation have now been discharged.

5.2 *Preferential Creditors*

The applicant creditor was awarded costs and disbursements totalling \$5,911 in respect of its application to put the company into liquidation.

Employee preferential claims received for unpaid wages or salary, holiday pay, and redundancy amount to \$45,677.

The Inland Revenue Department has submitted a preferential claim for \$290,384 in respect of unpaid GST, PAYE, and other employee deductions.

5.3 *Unsecured Creditors*

The liquidators have received 10 unsecured creditors' claims, which total \$644,754.

No dividend has been paid by the liquidators to any of the company's creditors.

6 LIQUIDATORS' FEES

The liquidators have taken fees totalling \$50.

Liquidators' fees in a Court ordered liquidation are to be approved by the Court. The unpaid liquidators' fees and disbursements to the cut-off date of this report are \$56,062 excluding GST. The fees are based on 221.7 hours of work undertaken as follows:

Work Category	Hours	\$
Commencement, initial attendances, and statutory requirements	60.7	13,400
Asset realisations	13.8	4,430
Creditors	19.1	4,530
Investigations and legal	97.2	25,030
Taxation	10.9	2,021
Management	20.0	3,154
Disbursements		3,496
Total	221.7	\$56,062

If required, a retrospective application for fee approval will be made by the liquidators. Section 284(1) of the Act provides that, with leave of the High Court, an application to review or fix the liquidators' remuneration may be made by a creditor, shareholder, or director of a company in liquidation.

7 FUNDS / LIKELY OUTCOME

It is too early for the liquidators to determine whether there will be any distribution to creditors.

8 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Resolving issues relating to pre-liquidation sale and/or transfer of the company's assets
- Recovery or other legal action, if appropriate

9 ESTIMATED DATE OF COMPLETION

It is too early for the liquidators to estimate the completion date of this liquidation.


10 CONTACT DETAILS

Enquiries should be directed to Iain McLennan on DDI (09) 303 9512 or by email to imclennan@mvp.co.nz.

The Liquidators can be contacted at:

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IAIN McLENNAN
LIQUIDATOR

DATED this 2nd day of June 2022

Realisations and Distributions

Chemsafe Group Limited (In Liquidation) 5 May 2017 to 4 May 2022

	As Per Statement of Affairs \$	Cash Received \$
Realisations		
Bank Account Closure	50	50
Total Realisations	\$50	\$50
Payments		
Liquidators' Fees		
Liquidators' Fees		50
Disbursements		Nil
Total Liquidators' Fees		\$50
Total Payments		\$50
BALANCE HELD		\$Nil

Note: the above figures are GST exclusive