



McDonald
Vague

business recovery partners

Chemsafe Group Limited (In Liquidation)

Liquidators' First Report

McDonald Vague Limited

Level 10, 52 Swanson Street,
Auckland Central

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1 INTRODUCTION AND APPOINTMENT

Chemsafe Group 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 5 May 2017 at 11:02 a.m. on the application of Windward Properties Limited (the landlord). Peri Micaela Finnigan and Iain McLennan, Accredited Insolvency Practitioners, of Auckland, were appointed joint and several liquidators of the company.

2 RESTRICTIONS AND DISCLAIMER

The liquidators have prepared this report using the information provided to us. We have not independently verified or audited that information and express no opinion on the accuracy, reliability, or completeness of that information. The liquidators do not accept any liability or responsibility whatsoever to any party arising from 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 known 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: Creditor's claim form

4 COMPANY STRUCTURE AND BACKGROUND

| | |
|------------------------------|--|
| Date of incorporation: | 27 November 2006 |
| Company number: | 1881651 |
| Date ceased trading: | Around 31 December 2016 |
| Nature of business: | Holding company and chemical storage company |
| Trading address: | Formally trading from 22 Hobill Avenue, Wiri, Auckland, and 11 Mayo Road, Wiri, Auckland |
| Previous names/Trading name: | none known |
| Share capital: | 1,000 Shares |

compiled from the information supplied to the liquidators is provided at Appendix 2, as required by Section 255(2)(c) of the Act. We note that the schedule:

- may contain the names of parties who are not current creditors of the company
- may not be a complete list of the company's creditors
- does not include the addresses of the company's employees, for privacy reasons

A notice to creditors to prove debts or claims is provided at Appendix 4. Also provided is an unsecured creditor's claim form at Appendix 5 for completion and return to this office by 2 June 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 to obtain a secured creditor's claim form.

7.1 Secured Creditors

As at the date of liquidation, nine secured parties had security interests registered against the company on the Personal Property Securities Register. Since our appointment, six parties have confirmed that they are not creditors of the company and have discharged their financing statements. We will review the transactions leading to the discharge of the security interests prior to the company's liquidation to ensure that the secured parties did not receive any funds/assets to which they were not entitled.

The three remaining secured parties hold specific securities as follows:

| | | |
|---------------------------------------|--|-----------|
| Bank of New Zealand | 2009 Western Engineering Stainless Steel Tank | 15,000LTR |
| Royalwolf Trading New Zealand Limited | All property, leased, hired, bailed, sold or otherwise made available by the Secured Party to the Debtor including but not limited to, Containers, Stairs, Access Platforms, Office Furniture, Concrete Counter weights, together with all proceeds arising from such supply | |
| Sharp Corporation of NZ Limited | Various photocopiers | |

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 who obtained the order placing the company into liquidation was awarded costs of \$4,460.00 and disbursements of \$1,450.98.

According to the company's records, there is \$78,929 in preferential holiday 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, KiwiSaver and other payroll deductions totalling around \$450,000.

7.3 Unsecured Creditors

From our review of the company's accounting records and other information to hand as at the date of preparing this report, we estimate that the amount due to unsecured creditors is approximately \$950,000.

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, request that the liquidators call a meeting pursuant to Section 314 of the Companies Act 1993 to appoint a liquidation committee. Any request for a meeting to be called 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 liquidators' six-monthly reports by email, as and when they are published, please ensure that you include your email address 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 Marisa Brugeyroux on DDI (09) 306 3340 or by email to mbrugeyroux@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



IAIN McLENNAN
LIQUIDATOR

DATED this 31 day of May 2017

Appendix 1

Chemsafe Group Limited (In Liquidation) Statement of Affairs

Statement of Affairs for the above named company as at 5 May 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> |
|---|---------------------------------|------------------------------------|--|----------------|
| Stainless Steel Tank | unknown | unknown | unknown | unknown |
| Containers, Stairs, Weights, etc | unknown | unknown | unknown | unknown |
| Photocopiers | - | unknown | unknown | unknown |
| <i>Estimated surplus / (deficiency) as regards specifically pledged assets</i> | | | | unknown |

| ASSETS AVAILABLE FOR PREFERENTIAL CREDITORS | <i>Book Value</i> | <i>Estimated to Realise</i> |
|--|-----------------------|---------------------------------|
| Accounts receivable | 398,546 | unknown |
| Bank account balances | 50 | 50 |
| Inventory | - | - |
| Intellectual property/agreements/licencing revenue | not determined | unknown |
| Total | unknown | unknown |

| Less preferential creditors | |
|--|----------------|
| Applicant creditor | 5,911 |
| Employees | 78,929 |
| Inland Revenue Department | 450,000 |
| Total | 534,840 |
| <i>Estimated deficiency as regards preferential creditors</i> | unknown |

| ASSETS AVAILABLE FOR GENERAL SECURITY AGREEMENT HOLDER/S | <i>Book Value</i> | <i>Estimated to Realise</i> |
|---|-----------------------|---------------------------------|
| Estimated surplus from assets specifically pledged | | - |
| Total | - | - |
| Less deficiency as regards preferential creditors | | unknown |
| Surplus/(Deficiency) | | unknown |

AVAILABLE FOR UNSECURED CREDITORS **unknown**

| | |
|---|----------------|
| LESS UNSECURED CREDITORS | 950,000 |
| Estimated deficiency as regards Secured Creditors | unknown |
| Estimated deficiency as regards preferential creditors | unknown |
| <i>Estimated surplus/(deficiency) as regards unsecured creditors</i> | unknown |

Notes:

1. There is no unpaid capital liable to be called up.
2. Excludes undervalue transaction and other litigation recoveries.
3. The above estimates are subject to the costs of the liquidation.
4. Assets held may be subject to Purchase Money Security Interest ("PMSI") or Reservation of Title claims.
5. The landlord may have further claims against the company.

Disclaimer of Liability:

The information contained in the Statement of Affairs has been supplied to the liquidators. We have not verified the information supplied. The Statement of Affairs has been prepared for the purpose of the liquidation. We do not accept any responsibility or liability whatsoever, including liability in negligence, to any party arising from this Statement of Affairs.



Appendix 2

Chemsafe Group 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 | |
| Alison Maree Simmonds | 22 Kowhai Street | Tuakau | AUCKLAND 2121 |
| Angela Bould | | | |
| Armstrong McGovern Fuels Limited | P O Box 22 259 | Otahuhu | AUCKLAND 1640 |
| Bank of New Zealand | Lending Services | Private Bag 92089 | AUCKLAND 1142 |
| Causeway Accounting | PO Box 17108 | Grey Lynn | AUCKLAND 1026 |
| Fargo International Ltd | P O Box 988 | Pukekohe | AUCKLAND 2340 |
| Gwen Davis | | | |
| Harley Baker | | | |
| Inland Revenue Department | P O Box 39 010 | Wellington Mail Centre | LOWER HUTT 5045 |
| Karen Young | | | |
| Lanie Lane | | | |
| Murray Campbell | | | |
| Phillipa Anderson | | | |
| Reliable Distributors Limited | P O Box 97 085 | Manukau | AUCKLAND 2241 |
| Rodney Wayne Simmonds | 22 Kowhai Street | Tuakau | AUCKLAND 2121 |
| RoyalWolf Trading New Zealand Limited | P O Box 22662 | Otahuhu | AUCKLAND 1640 |
| Sarah Ann Downes | | | |
| Sharp Corporation of New Zealand Limited | P O Box 12244 | Penrose | AUCKLAND 1642 |
| Sollys Freight (1978) Limited | P O Box 162 | TAKAKA 7142 | |
| Susan Gwynneth Earle | | | |
| William Mark Earle | | | |
| Windward Properties Limited | 11 Forge Way | Mt Wellington | AUCKLAND 1072 |

Note: For privacy reasons, the employees' addresses have been omitted.



Appendix 3

Notice of Liquidators' Decision to Dispense with Meeting of Creditors

After having regard to the assets and liabilities of Chemsafe Group 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 Marisa Brugeyroux of this office on DDI (09) 306 3340 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.



IAIN McLENNAN
LIQUIDATOR

DATED this 31st day of May 2017

Appendix 4

IN THE MATTER of The Companies Act 1993

and

IN THE MATTER of Chemsafe Group Limited (In Liquidation)

Notice to Creditors to Prove Debts or Claims

Notice is given that the liquidators of Chemsafe Group Limited (In Liquidation) ("the company") fix 7 July 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.



IAIN McLENNAN
LIQUIDATOR

DATED this 31st day of May 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: 5 May 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

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

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

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: \$ _____