



McDonald  
Vague

business recovery partners

**CTPartners New Zealand Limited  
(In Liquidation)**

**Liquidators' Sixth Report  
(for the period from 23 October 2017  
to 22 April 2018)**

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](mailto:insol@mvp.co.nz)

[www.mvp.co.nz](http://www.mvp.co.nz)

## 1 INTRODUCTION AND APPOINTMENT

Boris van Delden and Jared Waiata Booth, Insolvency Practitioners of Auckland, were appointed joint and several liquidators of CTPartners New Zealand Limited ("the company") on 23 October 2015 by the High Court at Auckland. On 18 March 2016, Jared Waiata Booth resigned his position as liquidator, appointing Peri Micaela Finnigan as his successor.

Pursuant to Section 255(2)(d) of the Companies Act 1993 ("the Act"), the liquidators are reporting on the progress of the liquidation. This sixth 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 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, revise this report in light of any information existing at the date of this report but that becomes known to us after that date.

## 3 CONDUCT OF THE LIQUIDATION DURING THE PRECEDING SIX MONTHS

### *Asset Realisations*

#### **3.1 Bank Account Closure**

On closure of the company bank account, the liquidators received \$2,109.

#### **3.2 Debtors**

The liquidators recovered \$73,600 from pre-liquidation debtors. There are no further pre-liquidation debtors to be recovered.

### **3.3 Sale of Assets**

The liquidators recovered \$11,798 from the sale of the company's assets.

### **3.4 GST Refund & Bank Interest**

The liquidators received \$18,564 from a pre-liquidation GST refund.

Bank interest of \$2,611 has been earned on funds held by the liquidators for the benefit of the company. RWT of \$701 has been paid on the interest earned.

### **3.5 Legal Action**

The liquidators settled a claim with a third party relating to funds received by that company pre-liquidation, which resulted in a recovery of \$114,990.

## **4 INVESTIGATIONS**

The liquidators are continuing their investigations into the books, records, and affairs of the company and, in particular, possible grounds for recovery of funds paid to certain creditors prior to the date of liquidation.

The liquidators have obtained documents relating to guarantees provided by the company for the benefit of the parent company and general security agreements provided to third parties to secure obligations of the parent company prior to the company's liquidation. Legal advice has been sought on potential remedies available under the Companies Act and action for recovery has been and is being taken by the liquidators.

## **5 CREDITORS' CLAIMS**

### **5.1 Secured Creditors**

Secured claims have been received in respect of General Security Agreements from:

- PHL Variable Insurance Company and Phoenix Life Insurance Company for the amount of US\$6,540,922 (rejected by the liquidators); and
- Built Limited for the amount of \$206,914 (amended to an unsecured claim of \$74,696.71).

and a PPSR claim from:

- Fuji Xerox Finance Limited for the amount of \$11,604 (amended to an unsecured claim of \$1,583).

Interest continues to accrue on these amounts.

JP Morgan Chase Bank had a General Security Agreement registered against the company as at the date of liquidation. The liquidators challenged the security and payment received pursuant to the security, which resulted in a recovery of \$114,990.

The liquidators rejected the PHL Variable Insurance Company and Phoenix Life Insurance company claim on 19 October 2017. They had 20 working days to object and no objection was received by the liquidators.

## 5.2 *Preferential Creditors*

The liquidators have received preferential claims in the liquidation totalling \$163,850.

Simon Monks held a preferential claim of \$4,303 in relation to costs and disbursements awarded by the High Court to him when he successfully applied to have the company put into liquidation. This preferential claim has been paid in full.

Built Limited, who supported the liquidation application of Simon Monks, held a preferential claim of \$892 in relation to costs and disbursements awarded by the High Court as a creditor in support of the liquidation. This preferential claim has been paid in full.

The liquidators accepted employees' preferential claims to the extent of \$26,981. The accepted preferential claims have been paid in full. The balance of the employees' claimed preferential claims totalling \$131,674 have been rejected by the liquidators as being preferential amounts payable but those claims have been accepted as unsecured claims in the liquidation.

To date, the Inland Revenue Department has not submitted a preferential claim but we understand the IRD has a preferential claim for PAYE totalling \$20. No distribution has been made in respect of the outstanding PAYE.

## 5.3 *Unsecured Creditors*

As at the date of preparing this report, 13 unsecured creditors' claims have been received, which total \$441,455. The liquidators have attended to the formality of accepting or rejecting creditors' claims, and on filing the final GST return and statutory reports, we are in a position to pay a distribution.

## 6 LIQUIDATORS' FEES

Liquidators' fees and office disbursements to the date of this report total \$122,885 excluding GST. The fees are based on the hours of work undertaken as follows:

<b>Work Category</b>	<b>Hours</b>	<b>\$</b>
Appointment functions and statutory requirements	117.38	31,000
Asset realisations	36.60	9,702
Creditors' claims, queries, and distributions	108.70	36,704
Taxation	9.80	2,186
Investigations and legal	128.30	42,890
Office disbursements		403
<b>Total</b>	<b>400.78</b>	<b>\$122,885</b>

The liquidators have incurred disbursements totalling \$15,788 excluding GST in relation to their conduct of the liquidation as follows:

Legal fees	15,106
Debt collection costs	22
Auctioneer costs	660
<b>Total</b>	<b><u>\$15,788</u></b>

Liquidators' fees in a Court ordered liquidation are to be approved by the Court and if required a retrospective application for fee approval will be made by the liquidators.

Section 284 (1) of the Act provides that an application (with the leave of the Court) may be made by a creditor, shareholder or director of a company in liquidation to review or fix the remuneration of the liquidators. In circumstances where no application has been made to review or fix the liquidators' remuneration the Court will be less inclined to rigorously examine the fees submitted by the liquidators for subsequent approval.

## **7 FUNDS / LIKELY OUTCOME**

There will be a distribution to unsecured creditors.

## **8 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION**

The following matters are outstanding:

- Completion of final GST return;
- Final distribution to unsecured creditors; and
- Completion of statutory reporting and final report.

## **9 ESTIMATED DATE OF COMPLETION**

Based on the information contained in this report, the liquidators anticipate completion of the liquidation in approximately three months.

## **10 CONTACT DETAILS**

Enquiries should be directed to David Taylforth on telephone (09) 306 3344 or by email to dtaylforth@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

  
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BORIS VAN DELDEN  
LIQUIDATOR

DATED this 1<sup>st</sup> day of May 2018

# Realisations and Distributions

## CTPartners New Zealand Limited (In Liquidation) 23 October 2015 to 22 April 2018

Realisations	Cash Received \$
Bank Account Closure	2,109
Settlement re legal action	114,990
Debtors	73,600
Interest	2,611
Sale of Assets	11,798
GST Refunds	18,564
<b>Total Realisations</b>	<b>\$223,672</b>
Payments	
<b>Liquidators Fees</b>	
Liquidators Fees	121,793
Disbursements	1,092
<b>Total Liquidators Fees</b>	<b>\$122,885</b>
<b>Other Costs of Liquidation and Trading On</b>	
Legal Fees	15,106
Debt Collection Costs	22
Auctioneer Costs	660
Residents Withholding Tax on Interest	700
<b>Total Costs of Liquidation and Trading On</b>	<b>\$16,488</b>
<b>Distributions</b>	
Preferential court costs	5,195
Preferential employee claims – PAYE and GST	26,981
<b>Total Distributions to Unsecured Creditors</b>	<b>\$32,176</b>
<b>Total Payments</b>	<b>\$171,549</b>
<b>BALANCE HELD</b>	<b>\$52,123</b>

Note: the above figures are GST exclusive