



The Insolvency & Business Recovery Specialists

## Eagil NZ Limited (In Liquidation)

### Liquidators' Second Report For the period from 1 May 2015 to 31 October 2015

#### 1 INTRODUCTION AND APPOINTMENT

Jared Waiata Booth and Tony Leonard Maginness, Insolvency Practitioners of Auckland, were appointed jointly and severally as liquidators of Eagil NZ Limited ("the company") on 1 May 2015 by the High Court at Auckland.

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*

##### **3.1 Intercompany Loan Receivables**

*(Statement of Affairs: \$unknown)*

The company's financial reports for the year ending 31 March 2014 identified intercompany loan receivables of \$821,984. This relates to five separate entities and the transfer of business assets from the company in 2011. The liquidators have reviewed post balance sheet date transactions, and summarise outstanding balances below.

<b>Related Companies</b>	<b>Current Status</b>	<b>Debt at Liquidation</b>
Allstar Holdings NZ Limited	In Liquidation – claim filed	\$90,397
Life Buoy - Entity cannot be identified	Unknown	\$10,000
Kawakawa Tyre Centre Limited	Registered – no known assets	\$299,979
Kaitaia Tyre Centre Limited	In Liquidation – claim filed	\$99,440
Dargaville Tyre Centre Limited	Registered – no known assets	\$322,845

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The liquidators have been advised that the businesses of Allstar Holdings Limited, Kawakawa Tyre Centre Limited and Dargaville Tyre Centre Limited were all sold prior to the commencement of the company's liquidation.

To date the liquidators have recovered \$9,519 from the company's debtors.

### **3.2 Fixed Assets**

**(Statement of Affairs: \$unknown)**

The Statement of Property Plant and Equipment included in the financial statements for the company for the year ending 31 March 2014 listed fixed assets with a depreciated book value of \$2,668. The director has claimed that the company owned no fixed assets at the date of liquidation. The liquidators consider that it is uneconomic to pursue this matter further.

## **4 INVESTIGATIONS**

The liquidators' investigations into the books, records and affairs of the company remain ongoing. The failure of the director to respond to queries in a timely manner has hindered this process.

## **5 CREDITORS' CLAIMS**

### **5.1 Secured Creditors**

Secured claims totalling \$172,223 have been received from Westpac New Zealand Limited (\$142,678) in respect of a General Security Agreement and Bridgestone New Zealand Limited (\$29,545), in respect of a Purchase Money Security Interest in goods supplied. No distribution has been paid by the liquidators to this class of creditor at the date of this report.

### **5.2 Preferential Creditors**

A preferential claim totalling \$4,072 has been received from the applicant creditor in relation to Court costs awarded to them when they successfully applied for the company to be placed into liquidation. No distribution has been paid by the liquidators to this class of creditor at the date of this report.

### **5.3 Unsecured Creditors**

At the date of preparing this report two unsecured creditors claim forms have been received totalling \$38,040. In the interests of minimising liquidators' fees, the liquidators will not attend to the formality of accepting or rejecting creditors' claims until such time as we are in a position to pay a distribution.

## 6 LIQUIDATORS' FEES

Liquidators' fees accrued to the date of this report are \$15,932 excluding GST. The fees are based on 69.7 hours of work undertaken as follows:

<b>Work Category</b>	<b>Hours</b>	<b>\$</b>
Appointment functions	29.80	7,195
Asset realisations	2.25	609
Creditors' claims, enquiries and reports	4.50	1,025
Management & Taxation	7.90	1,338
Investigations	25.25	5,765
<b>Total</b>	<b>69.70</b>	<b>\$15,932</b>

To date the Liquidators have taken fees of \$7,539 exclusive of GST. Further fees will be taken when funds are available.

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 short fall on the amount due to the General Security Agreement holder. Therefore, at this stage the liquidator does not anticipate paying a distribution to unsecured creditors.

## 8 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Realisation of intercompany loan receivable balances.
- Completion of the liquidation's investigation of the company's books and records.

## 9 ESTIMATED DATE OF COMPLETION

Based on the information contained in this report the liquidators presently propose to complete all outstanding matters with a view to retiring as liquidators within the next year.

## 10 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:

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JARED W BOOTH  
LIQUIDATOR

DATED this 10<sup>th</sup> day of November 2015

# Realisations and Distributions

## Eagil NZ Limited (In Liquidation) 1 May 2015 to 31 October 2015

	Cash Received \$
<b>Realisations</b>	
Debtors recovered	9,519
Interest	8
<b>Total Realisations</b>	<b>\$9,527</b>
<b>Payments</b>	
Liquidators' fees	7,539
Disbursements	164
Resident withholding tax	2
<b>Total Payments</b>	<b>\$7,705</b>
<b>Balance Held</b>	<b>\$1,822</b>

**Note:** the above figures are GST exclusive