



McDonald
Vague

business recovery partners

Hydraware Limited (In Liquidation)

Liquidators' First Report

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

TO: The directors, shareholders, and known creditors of the company

1 INTRODUCTION AND APPOINTMENT

Hydraware 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 5 December 2018 at 8:30 a.m. Peri Micaela Finnigan and Iain McLennan, Accredited 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, 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 INDEPENDENCE

A declaration of independence is attached at Appendix 1. As far as we are aware there are no conflicts real, perceived, or risks of independence.

4 ATTACHMENTS

The following documents are attached to this report:

- Appendix 1: Declaration of independence / relationships / indemnities and upfront payments
- 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

5 COMPANY STRUCTURE AND BACKGROUND

Date of incorporation:	3 February 2011								
Company number:	3256047								
Date ceased trading:	October 2017								
Nature of business:	Plumbing Supplies								
Trading address:	17 Corinthian Drive, Albany, Auckland								
Previous names/Trading name:	Nil								
Share capital:	1,000 Shares								
Shareholders:	<table> <tr> <td>Jason Lally</td> <td rowspan="3">} 998 Shares Jointly</td> </tr> <tr> <td>Alison Lally</td> </tr> <tr> <td>Lally Trustee Limited</td> </tr> <tr> <td>Jason Lally</td> <td>1 Share</td> </tr> <tr> <td>Alison Lally</td> <td>1 Share</td> </tr> </table>	Jason Lally	} 998 Shares Jointly	Alison Lally	Lally Trustee Limited	Jason Lally	1 Share	Alison Lally	1 Share
Jason Lally	} 998 Shares Jointly								
Alison Lally									
Lally Trustee Limited									
Jason Lally	1 Share								
Alison Lally	1 Share								
Director:	Jason Lally								
Related companies:	Hydraware Australia Limited Hydraware Group Limited Lally Trustee Limited Plumbco Limited Plumbco New Zealand Limited								

The director has advised that the liquidation of Hydraware Limited was due to a major customer, based in the United Kingdom, withdrawing and renegeing on a nine years distribution agreement and ceasing to trade in New Zealand and Australia, and also to a dispute from a former employee who has lodged a complaint with the Employment Relations Authority.

6 STATEMENT OF AFFAIRS

A Statement of Affairs has not been provided as the company has no assets.

7 ASSETS AND PROPOSALS FOR CONDUCTING THE LIQUIDATION

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.

8 LIABILITIES AND CREDITOR CLAIMS

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 provided at Appendix 4. Also provided is a creditor's claim form at Appendix 5 for completion and return to this office by Friday, 21 January 2019. 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.

8.1 *Secured Creditors*

As at the date of liquidation, three secured parties had registered security interests against the company on the Personal Property Securities Register. One has since confirmed that there is no debt and has discharged the financing statement.

- Hynds Pipe Systems Limited General Security Agreement
- Westpac New Zealand Limited General Security Agreement

The director has advised that there is no debt owed to the secured creditors. We have contacted the secured parties seeking confirmation of the position.

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.

8.2 *Preferential Creditors*

At this time, we are unaware of any preferential claims.

8.3 *Unsecured Creditors*

As noted in company structure and background section above, a former employee has taken a dispute to the Employment Relations Authority ("ERA"). The ERA has not, as yet decided the issue and the liquidators have advised the ERA, pursuant to section 248 (1)(c) of the Companies Act 1993, that they do not consent to the proceedings continuing.

The former employee is seeking payment of amounts for unjustified dismissal and non-payment of a bonus, totalling \$47,000. They are a contingent unsecured creditor in respect of that claim.

9 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 in the course of the liquidation request that the liquidators call a meeting pursuant to Section 314 of the Companies Act 1993, for the purpose of appointing a liquidation committee. Any request for a meeting must be submitted to the liquidators in writing.

10 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 six monthly reports by email as and when they are published, please ensure that an email address is provided on your creditors' claim form.

This report and all subsequent reports will be available on the Liquidators' website at www.mvp.co.nz

11 ESTIMATED DATE OF COMPLETION


It is currently too early to estimate a date of completion for the liquidation.

12 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 10th day of December 2018

Hydraware Limited (In Liquidation)

Declaration of Independence / Relationships / Indemnities and Upfront Payments

A DECLARATION OF INDEPENDENCE

- (i) The appointed and McDonald Vague Limited have undertaken a proper assessment of the risks to independence prior to accepting appointment in accordance with the law, code of conduct and applicable professional standards and have concluded that they have no prior business or professional relationship with the insolvent that is a real or potential risk and that they are independent.

B DECLARATION OF RELATIONSHIPS


- (ii) The appointed and McDonald Vague Limited have no prior business or professional or personal relationship with known associates of the insolvent or the major secured creditors that are a real or potential risk and that they are to the extent of:

Name	Relationship	Reason
RSM New Zealand (Auckland North)	Referrer	RSM have previously referred clients to us in relation to insolvency matters

- (iii) The appointed disclose there are no other relevant relationships to declare.
- (iv) The appointed and McDonald Vague Limited have not provided any prior professional services to the insolvent or known associates of the insolvent in the prior two years.

C DECLARATION OF INDEMNITIES AND UPFRONT PAYMENTS

- (v) An upfront fee of \$3,450 (including GST). was received from Jason Lally to cover initial remuneration and expenses associated with the appointment. The funds are held in a Trust account and will be drawn on as work is produced and expenses incurred. There is no condition on the conduct or outcome of the liquidation attached to the provision of these funds.



 PERI M FINNIGAN - LIQUIDATOR

 DATED this 10th day of December 2018



Hydraware 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
David Wyatt	9 Ashcraig Court	Torbay	AUCKLAND 0630
Hynds Pipe Systems Limited	PO Box 58 142	Botany	AUCKLAND 2163
Westpac New Zealand Limited	PO Box 934	Shortland Street	AUCKLAND 1140

Appendix 3

Notice of Liquidators' Decision to Dispense with Meeting of Creditors

After having regard to the assets and liabilities of Hydraware 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 Colin Sanderson of this office on DDI (07) 838 0908 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.


PERI M FINNIGAN
LIQUIDATOR

DATED this 10th day of December 2018

Appendix 4

IN THE MATTER of The Companies Act 1993

and

IN THE MATTER of Hydraware Limited (In Liquidation)

Notice to Creditors to Prove Debts or Claims

Notice is given that the liquidator of Hydraware Limited (In Liquidation) ("the company"), fix Friday, the 21st day of January 2019, 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.


PERI M FINNIGAN
LIQUIDATOR

DATED this 10th day of December 2018

ADDRESS OF LIQUIDATOR

McDonald Vague Limited
Level 10, 52 Swanson Street
AUCKLAND 1010

P O Box 6092
Wellesley Street
AUCKLAND 1141

Telephone: (09) 303 0506
Facsimile: (09) 303 0508
Website: www.mvp.co.nz

DATE OF LIQUIDATION: 5 December 2018



McDonald
Vague

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)	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.	Other Currency

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) <table border="0" style="width: 100%;"> <tr> <td style="width: 30%;">Signed:</td> <td style="width: 30%; border: 1px solid black; height: 20px;"></td> <td style="width: 40%;">Date: / /</td> </tr> <tr> <td>Preferential Claim for:</td> <td style="border: 1px solid black; height: 20px;"></td> <td>Ordinary Claim for:</td> </tr> <tr> <td><u>CLAIM REJECTED FOR PAYMENT:</u></td> <td style="border: 1px solid black; height: 20px; text-align: center;">\$</td> <td style="border: 1px solid black; height: 20px; text-align: center;">\$</td> </tr> <tr> <td>or</td> <td></td> <td></td> </tr> <tr> <td><u>CLAIM ADMITTED FOR PAYMENT:</u></td> <td style="border: 1px solid black; height: 20px; text-align: center;">\$</td> <td style="border: 1px solid black; height: 20px; text-align: center;">\$</td> </tr> <tr> <td>Signed Liquidator:</td> <td style="border: 1px solid black; height: 20px;"></td> <td>Date: / /</td> </tr> </table>	Signed:		Date: / /	Preferential Claim for:		Ordinary Claim for:	<u>CLAIM REJECTED FOR PAYMENT:</u>	\$	\$	or			<u>CLAIM ADMITTED FOR PAYMENT:</u>	\$	\$	Signed Liquidator:		Date: / /
Signed:		Date: / /																	
Preferential Claim for:		Ordinary Claim for:																	
<u>CLAIM REJECTED FOR PAYMENT:</u>	\$	\$																	
or																			
<u>CLAIM ADMITTED FOR PAYMENT:</u>	\$	\$																	
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.





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 \$23,160 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: \$ _____

<p>NAME AND POSTAL ADDRESS OF CREDITOR IN FULL</p> <p>Telephone Numbers: () ()</p> <p>E-Mail</p> <p>My Reference is: (if applicable)</p>	<p>* Any personal information collected is for the purpose of administering the liquidation in accordance with the Companies Act 1993.</p> <p>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.</p> <p>Under section 305(4) of the Companies Act 1993 the valuation and claim made by a secured creditor claiming as an unsecured creditor against a company in liquidation for the balance due must be in this prescribed form and must -</p> <p>(a) Contain full particulars of the valuation and any claim; and</p> <p>(b) Contain full particulars of the charge including the date on which it was given; and</p> <p>(c) Identify any documents that substantiate the claim and charge.</p> <p>You may have access to and request correction of any personal information.</p> <p>(*Not applicable, if creditor is not an individual within the meaning of the Privacy Act 1993.)</p>
--	---

<p>NAME OF COMPANY IN LIQUIDATION:</p> <p>_____ (IN LIQUIDATION)</p> <p>I _____</p> <p>(If claim is made on behalf of creditor, specify relationship to creditor and authority)</p> <p>claim that after valuing the security as at the date the company was put into liquidation the abovenamed creditor is an unsecured creditor of the company for the sum of (Amount in words and figures): _____</p> <p style="text-align: right;">_____ \$</p>

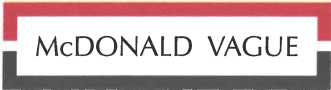
Full particulars of the valuation, claim and charge are set out, and any supporting documents that substantiate the claim and the charge, are identified on the reverse of this form.

(The liquidator may require the production of a document under Section 305(5) of the Companies Act 1993. You are **not required to attach any supporting documents** at this stage, but you may attached them now, if you think it would expedite the processing of the claim.)

<p>SIGNED: _____</p>	<p>Date: / /</p>
-----------------------------	--

WARNING —	<p>It is an offence under Section 305(11) of the Companies Act 1993 to –</p> <p>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</p> <p>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.</p>
------------------	---

<p>Received (Date Stamp)</p>	<p>RESERVED FOR OFFICE USE:</p> <p>Claim admitted/rejected for voting purposes: (Delete one)</p> <table style="width: 100%;"> <tr> <td style="width: 40%; border: 1px solid black; padding: 2px;">Signed:</td> <td style="width: 60%; border: 1px solid black; padding: 2px;">Date: / /</td> </tr> <tr> <td style="border: 1px solid black; padding: 2px;">CLAIM REJECTED FOR PAYMENT:</td> <td style="border: 1px solid black; padding: 2px;">Signed:</td> </tr> <tr> <td style="border: 1px solid black; padding: 2px;"></td> <td style="border: 1px solid black; padding: 2px;">Date: / /</td> </tr> </table> <p>or</p> <p>CLAIM ADMITTED FOR PAYMENT:</p> <table style="width: 100%;"> <tr> <td style="width: 50%;">Preferential Claim for:</td> <td style="width: 50%;">Ordinary Claim for:</td> </tr> <tr> <td style="border: 1px solid black; padding: 2px;">\$ _____</td> <td style="border: 1px solid black; padding: 2px;">\$ _____</td> </tr> </table> <table style="width: 100%;"> <tr> <td style="width: 60%; border: 1px solid black; padding: 2px;">Signed Liquidator:</td> <td style="width: 40%; border: 1px solid black; padding: 2px;">Dated: / /</td> </tr> </table> <p>Note: If the decision to admit or reject a claim is amended, regulation 8 of the Companies Act 1955 or of the Companies Act 1993 Liquidation Regulations 1994 requires that it be recorded in writing.</p>	Signed:	Date: / /	CLAIM REJECTED FOR PAYMENT:	Signed:		Date: / /	Preferential Claim for:	Ordinary Claim for:	\$ _____	\$ _____	Signed Liquidator:	Dated: / /
Signed:	Date: / /												
CLAIM REJECTED FOR PAYMENT:	Signed:												
	Date: / /												
Preferential Claim for:	Ordinary Claim for:												
\$ _____	\$ _____												
Signed Liquidator:	Dated: / /												



The Insolvency & Business Recovery Specialists

PO Box 6092, Wellesley St Post Office, Auckland 1141, New Zealand.
Telephone 0-9-303 0506, Facsimile 0-9-303 0508

PARTICULARS OF THE CHARGE:

Description of charge:

Description and location of property subject to change:

Date charge given *(Or date of acquisition of property subject to the charge)*.

If applicable, details of PPSR registration (including date):

PARTICULARS OF THE VALUATION:

Amount security valued at: \$

Particulars of valuation:

IDENTIFICATION OF ANY DOCUMENTS THAT SUBSTANTIATE THE CLAIM AND THE CHARGE
(If not already supplied in either of the above boxes)