



McDonald
Vague

business recovery partners

Indigo New Zealand Limited (In Liquidation)

Liquidators' Final Report

McDonald Vague Limited

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1 INTRODUCTION AND APPOINTMENT

Peri Micaela Finnigan and Boris van Delden, Insolvency Practitioners of Auckland, were appointed jointly and severally as liquidators of Indigo New Zealand Limited (“the company”) on 10 November 2014 by a special resolution of the shareholders.

Pursuant to section 257(1)(a)(i) of the Companies Act 1993 (“the Act”) the liquidators herewith report to all creditors and shareholders that the liquidation of the company has been completed. This final report should be read in conjunction with the liquidators’ previous reports.

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 REALISATION OF ASSETS

The business assets of Indigo were sold to Theta Systems Limited (“Theta”) prior to liquidation. Many staff transferred to the employment of the purchaser. The combined sale price for Indigo and a related company, Six Degrees Software Limited, was \$800,000. This comprised goodwill of \$700,000 and \$100,000 for plant/equipment etc.

3.1 Debtors

(Statement of Affairs: \$Unknown)

Many of the debtors in the listing provided by the company recorded as due and owing were paid before liquidation. The liquidators recovered \$Nil from debtors.

As noted on the Statement of Affairs, one debtor was recorded as owing \$137,521. This is disputed in full. The debtor argues that no further funds are payable as the software did not fit specifications and there were major data integrity issues. A contra claim has been filed for a sum larger and represents losses incurred as a result of the project. The claim by this company is that Indigo failed to deliver a budgeting forecasting and reporting solution and was in breach of its contract.

As a result, the creditor prior to liquidation exercised its contractual right to withhold payment until remedy. Now the company is in liquidation Indigo cannot perform its obligation to remedy the breach and the customer considers as a result any balance due is now not payable.

3.2 Related Company Refund / Debtors **(Statement of Affairs: \$320)**

We received a refund from a related company in the amount of \$3,787. This has been applied against the related party debt owing by Indigo Australia Pty Limited. No further sums are expected.

3.3 Pre-Receivership GST Refund

\$19,239 was recovered from a GST refund. These funds were applied to the costs of liquidation, legal fees and insurance costs.

4 CREDITORS

4.1 Secured Creditors

A secured claim has been received from Bank of New Zealand in respect of a General Security Agreement for the amount of \$828,961 after deductions of proceeds on sale of both Indigo and Six Degrees assets and intellectual property. This is the shortfall on cross guaranteed debt.

The secured creditor approved the sale to Theta and received net proceeds of sale prior to liquidation. The balance outstanding is secured by personal guarantee.

A secured claim has also been filed by Bank of New Zealand in Six Degrees, a related company also in liquidation.

A further secured claim has also been received from Fuji Xerox Finance Limited in the amount of \$15,801.

4.2 Preferential Creditors

Total preferential claims for wages or salary, holiday pay and redundancy amount to \$5,804. Most employees were transferred to the purchaser and therefore had no claim in the liquidation.

The Inland Revenue Department submitted a preferential claim for \$247,372.

No dividend has been paid to preferential creditors at the date of this report.

4.3 Unsecured Creditors

At the date of preparing this report 18 unsecured creditors claim forms have been received which total \$6,433,946. As anticipated in the Statement of Affairs, there are no funds available for distribution to unsecured creditors.

These claims include two contra claims for large jobs worked on by the company. In one case, a claim relates to damages and losses. One relates to an enterprise data warehouse project and the other to a budgeting, forecasting and reporting project.

5 INVESTIGATIONS

The liquidators have abandoned further action. There are no moneys to advance the matters further.

6 COMPLETION OF LIQUIDATION

The liquidation of the company is now complete. A statement of realisations and distributions is **attached**. All known assets have been disclaimed or realised, or distributed without realisation, and all proceeds of realisation have been distributed. The company is ready to be removed from the New Zealand Register ("the register").

7 REMOVAL OF COMPANY FROM THE REGISTER

The liquidators have given public notice pursuant to Section 320(4) of the Act of the intention to remove the company from the register.

The attention of all creditors or shareholders is drawn to Section 321 of the Act which provides that any person may send to the Registrar of Companies, not later than the date specified in the notice, an objection to the removal on any one or more of the following grounds:

- (a) That the company is still carrying on business or there is other reason for it to continue in existence; or
- (b) That the company is party to legal proceedings; or
- (c) That the company is in receivership, or liquidation, or both; or
- (d) That the person is a creditor, or a shareholder, or a person who has an undischarged claim against the company; or
- (e) That the person believes that there exists, and intends to pursue, a right of action on behalf of the company under Part 9 of the Act; or
- (f) That, for any other reason, it would not be just and equitable to remove the company from the New Zealand register.

Note: Section 321(2) of the Act provides that a claim by a creditor or a shareholder or any other person against a company is not an “undischarged claim” if a receiver or liquidator has notified that person that the company has no surplus assets.

The date by which objections must be lodged with the Registrar is 24 March 2017.

8 PREVIOUS REPORTS

Creditors are advised that all previous reports relating to the conduct of the liquidation are available on the liquidators’ website www.mvp.co.nz.

9 CONTACT DETAILS

Enquiries should be directed to the writer on (09) 303 9519 or by email to pfinnigan@mvp.co.nz.

The Liquidators can be contacted at:

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PERI M FINNIGAN
LIQUIDATOR

DATED this 10th day of February 2017

Realisations and Distributions

Indigo New Zealand Limited (In Liquidation) 10 November 2014 to 31 January 2017

Realisations	As Per Statement of Affairs \$	Cash Received \$
Related Company Refunds	320	3,787
Pre liquidation GST Refund	-	19,239
Total Realisations	\$320	\$23,026
Payments		
Liquidators Fees		
Liquidators Fees		17,370
Disbursements		5,656
Total Liquidators Fees		\$23,026
Total Payments		\$23,026
BALANCE HELD		\$Nil

Note: the above figures are GST exclusive