



McDonald  
Vague

business recovery partners

# Joy Travel & Tour Limited (In Liquidation)

## Liquidators' First Report

McDonald Vague Limited

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### 1 INTRODUCTION AND APPOINTMENT

Joy Travel & Tour Limited ("the company") was placed into liquidation by a special resolution of the sole shareholder pursuant to Section 241(2)(a) of the Companies Act 1993 ("the Act") on 19 September 2017 at 5:00 p.m. Peri Micaela Finnigan and Iain McLennan, CAANZ Accredited Insolvency Practitioner, 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 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 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

### 4 COMPANY STRUCTURE AND BACKGROUND

Date of incorporation:	24 April 2013
Company number:	4420698
Date ceased trading:	19 September 2017
Nature of business:	Travel and Tour Agency
Trading address:	42b Ellice Road, Glenfield, Auckland 0629

Share capital: 1,000 Shares  
Shareholder: Soo Kyung Kim  
Director: Soo Kyung Kim

The director advised that the company arranged local sightseeing tours for visitors from Korea, in conjunction with Korean based travel companies.

The director further advised that in April 2017, after a long enquiry, the Commissioner of Inland Revenue amended its assessments of various GST returns submitted between 2013 and 2015. This decision left the company with a large GST liability. After negotiations to agree on a satisfactory payment plan failed, the Commissioner issued a Statutory Demand for payment. As the company could not pay or compound the debt, the shareholders resolved to place the company in voluntary liquidation.

## **5 STATEMENT OF AFFAIRS**

A Statement of Affairs showing the company's estimated financial position as at the date of our appointment is provided at Appendix 1.

## **6 ASSETS AND PROPOSALS FOR CONDUCTING THE LIQUIDATION**

We will realise all available assets.

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.

## **7 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, 3 November 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 and the appropriate form will be sent to you.

### **7.1 Secured Creditors**

*As at the date of liquidation two secured parties had registered security interests against the company on the Personal Property Securities Register.*

#### *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**

Outstanding staff wages and holiday pay amounting to \$1,944 was owing to former employees at the date of liquidation. We will establish if any staff members are related to the director, in which case the amounts owed them will not be treated as preferential claims in the liquidation.

The Inland Revenue Department has provided us with a claim of \$805,146.50, of which \$421,779 is preferential, being in respect of outstanding GST, PAYE and other payroll deductions.

The director stated that PAYE and payroll deductions for August 2017 were paid by him personally, on the day after commencement of the liquidation.

### **7.3 Unsecured Creditors**

From our review of the company's accounting records and other information we estimate that the amount due to unsecured creditors is approximately \$453,633. Included in this amount is the non-preferential portion of the Inland Revenue Department's claim, being \$383,367 in respect of penalties and interest.

## **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 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.

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

## 10 ESTIMATED DATE OF COMPLETION

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

## 11 CONTACT DETAILS

Enquiries should be directed to Dalwyn Whisken on DDI (09) 969 5336 or by email to [dwhisken@mvp.co.nz](mailto:dwhisken@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 26 day of September 2017

**Appendix 1**

## Joy Travel & Tour Limited (In Liquidation) Statement of Affairs

Statement of Affairs for the above named company as at 19 September 2017 (being the date of liquidation) showing assets at estimated realisable values and liabilities expected to rank.

<b>ASSETS SPECIFICALLY PLEDGED</b>	<i>Estimated to Realise</i>	<i>Due to Secured Creditor</i>	<i>Deficiency Ranking as Unsecured</i>	<i>Surplus</i>
<i>Mercedes HES755 Mercedes Benz Financial Services NZ Ltd</i>	48,000	60,500	12,500	
<i>Canon MFD - Canon Finance New Zealand Ltd</i>	-	4,562	4,562	
<b><i>Estimated surplus / (deficiency) as regards specifically pledged assets</i></b>	<b>\$ 48,000</b>	<b>\$ 65,062</b>	<b>\$ 17,062</b>	<b>\$ -</b>

<b>ASSETS AVAILABLE FOR PREFERENTIAL UNSECURED CREDITORS</b>	<i>Book Value</i>	<i>Estimated to Realise</i>
Bank account balances	10,595	10,595
Shareholder Overdrawn Current Account	17,857	17,857
<b>Total</b>	<b>28,452</b>	<b>28,452</b>

***Less preferential creditors***

Employees - Wages and Holiday Pay		1,944
Inland Revenue Department - PAYE related		2,985
Inland Revenue Department - GST related		418,794
<b>Total</b>		<b>423,723</b>

<b><i>Estimated deficiency as regards preferential creditors</i></b>	<b>(\$395,271)</b>
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<b>ASSETS AVAILABLE FOR NON PREFERENTIAL UNSECURED CREDITORS</b>	<i>Book Value</i>	<i>Estimated to Realise</i>
Heat Pump (affixed to landlord's premises)	1,362	-
Computers	308	650
<b>Total</b>	<b>1,670</b>	<b>650</b>

**LESS UNSECURED CREDITORS**

Estimated deficiency as regards Secured Creditors	17,062
Estimated deficiency as regards preferential creditors	395,271
Inland Revenue - interest and penalties - non preferential	383,382
Trade creditors	70,266
Company Visa Card	3,000
Unsecured Business Loan	128,472
<b><i>Estimated surplus/(deficiency) as regards unsecured creditors</i></b>	<b>\$997,453</b>

**Notes:**

1. No realisations are expected from assets secured by Canon Finance New Zealand, which are subject to an operating lease.
2. The above estimates are subject to the costs of the liquidation.
3. There may be a contingent liability in respect of the lease of the premises.

**Disclaimer of Liability:**

The information contained in the Statement of Affairs has been supplied by the company. We have not verified the information supplied. The Statement of Affairs has been prepared for the purpose of the liquidation and we do not accept any responsibility on any grounds whatsoever, including liability in negligence, to any party.



## Appendix 2

## Joy Travel & Tour 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	
Canon Finance New Zealand Limited	P O Box 33 336	Takapuna	AUCKLAND
Hyo Gyeong Kim	1/21 Downing Street	Glenfield	Auckland
Inland Revenue Department	P O Box 39 010	Wellington Mail Centre	LOWER HUTT 5045
Kim's Coach Limited	15 Erceg Way, Rosehill	Papakura	AUCKLAND
M K Education & Tourism Limited	11 Cayman Close	Shirley	CHRISTCHURCH 8052
Korea House	6 Bishopdale Court	Bishopdale	CHRISTCHURCH 8053
Mercedes-Benz Financial Services New Zealand Limited	9 Pacific Rise	Mount Wellington	AUCKLAND
Nguyen Tan Phu	12 Sohlue Place	Oteha	AUCKLAND
NZ Star Communication Limited	4 Rostrevor Place	Tihiotonga	ROTORUA 3015
Soo Kyung Kim	21 Scarlet Oak Drive	Schnapper Rock	AUCKLAND 0632
Sung Min Chang	26 Schopolo Place	Schnapper Rock	AUCKLAND
Woori Accounting Limited	34 Triton Drive	Rosedale	AUCKLAND

## Appendix 3

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### Notice of Liquidators' Decision to Dispense with Meeting of Creditors

After having regard to the assets and liabilities of Joy Travel & Tour 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 Dalwyn Whisken of this office on DDI (09) 969 5336 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 26 day of September 2017

## Appendix 4

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IN THE MATTER of                    The Companies Act 1993

and

IN THE MATTER of                    Joy Travel & Tour Limited (In Liquidation)

### **Notice to Creditors to Prove Debts or Claims**

Notice is given that the liquidator of Joy Travel & Tour Limited (In Liquidation) (“the company”), fix Friday, the 3<sup>rd</sup> day of November 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.



PERI M FINNIGAN  
LIQUIDATOR

DATED this 26 day of September 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](http://www.mvp.co.nz)

**DATE OF LIQUIDATION:** 19 September 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

# Particulars of Claim

**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: \$ \_\_\_\_\_