



The Business Recovery Specialists

**PARTNERS**

John T Whittfield Dip.Ag, M Inst.D  
Peri M Finnigan BBS, DipBusStudies, CA (PP)  
Boris van Delden BCom, CA (PP)

**DIRECTOR**

Kevin W Bromwich NZ Dip.Bus

**SENIOR ASSOCIATES**

Victoria Toon BCom, CA (PP)  
Roy Horrocks CA

**CONSULTANTS**

John L Vague JP, FCA, ACIS, AFNZIM  
Dennis Wood MBA, GradDipBus, DipPol

**LIQUIDATORS REPORT**

**TITAN1 FINANCE LIMITED  
(IN LIQUIDATION)**

**1. APPOINTMENT**

Pursuant to an order of the High Court at Palmerston North dated the 20th day of August 2009, John Trevor Whittfield and Peri Micaela Finnigan, Insolvency Practitioners of Auckland, were appointed jointly and severally as liquidators. The liquidation commenced at 10.50am on the 20th day of August 2009.

**2. BACKGROUND OF COMPANY STRUCTURE**

Date of Incorporation:	23 June 2006
Date Company Ceased Trading:	20 August 2009
Type of Business:	Finance
Trading Address:	Level 5, Farmers Mutual House, 55 The Square, Palmerston North
Share Capital:	1,200 shares
Shareholders:	Titan1 Holdings Limited
Director:	Richard Simon Chisholm John Anthony Pendergast

**3. EVENTS LEADING TO APPOINTMENT OF LIQUIDATORS**

The Company provided treasury services to the Titan1 Group, an amalgamation of certain companies and trusts associated to Richard Chisholm and John Pendergast.

It was placed into liquidation on 20 August 2009 by order of the High Court, upon petition of Bruce Gillespie, Prudence Gillespie, Christopher Gillespie, Nicholas Gillespie and Jonathan Gillespie as Trustees of the Gillespie Family Trust.

The directors of the Company have stated that Company's failure was due to financial difficulties experienced by the Titan1 Group, specifically under capitalisation, a lack of cashflow, and an inability to refinance debt. They have advised that that has been caused by the failure of overseas investments and a fall in property values.

#### 4. STATEMENT OF AFFAIRS

We **attach** a statement of the company's affairs as at the date of our appointment. This has been prepared from information provided by the officers of the company and the Liquidators are not yet able to express an opinion on the validity of that information.

#### 5. PROPOSALS FOR CONDUCTING THE LIQUIDATION

- 5.1 The liquidator will take steps to realise all the assets.
- 5.2 The liquidators will recover the books and records, and legal files of the company.
- 5.3 The liquidators will examine the books and records to ensure all assets have been properly accounted for.

The Liquidators will also conduct an investigation into the affairs of the company and do all those things that would be expected of liquidators.

#### 6. CREDITORS CLAIMS

##### **Personal Property Securities Act / Reservation of Title**

Should any creditor believe that they have registered a Purchase Money Security Interest (PMSI) on the Personal Property Securities Register (PPSR) over any goods, or proceeds from realisation of goods, they should contact this office immediately.

If any creditor believes that they have a Reservation of Title over goods and they have not registered their interest on the Personal Property Securities Register, they should also contact this office immediately.

##### **Creditors Claim Forms**

**Enclosed** is a notice to creditors to prove debts or claims and an Unsecured Creditors Claim form for completion and return to this office by the 9 October 2009. If you believe that you are a secured creditor please contact this office and the appropriate forms will be sent to you.

#### 7. ESTIMATED DATE OF COMPLETION OF LIQUIDATION

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

## 8. CREDITORS MEETING

After having regard to the assets and liabilities of the company and the likely result of the liquidation, it is proposed to dispense with a meeting of creditors pursuant to Section 245 of the Companies Act 1993.

We do not however wish to preclude creditors from expressing their views. Please contact Jared Booth of this office if you have any specific enquiries.

You are advised that should you desire a meeting, notice in writing is required within 10 working days of receiving this notice.


At the time of giving notice you must also state the reason you require a meeting so that an agenda can be prepared and advertised and creditors can be given the opportunity to vote on any issue by voting letter.

**Note:** Pursuant to Section 314 of the Companies Act 1993 creditors are advised that at any time in the course of the liquidation the Liquidator shall, at the request in writing of any creditor or shareholder call a meeting for the purpose of appointing a Liquidation Committee.

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

Creditors are advised that this report and all subsequent reports will be available on the liquidator's website.

**Enquiries to:** Jared Booth  
Phone: 0-9-306 3340 (direct dial)

  
.....  
JOHN WHITTFIELD  
LIQUIDATOR

DATED this / day of September 2009

## TITAN1 FINANCE LIMITED (IN LIQUIDATION)

Statement of Affairs of the above named company as at 20 August 2009 (being the date of Liquidation) showing assets at estimated realisable values and liabilities expected to rank.

	<b>Book Value \$</b>	<b>Estimated To Realise \$</b>
<b>ASSETS NOT SPECIFICALLY PLEDGED</b>		
Cash at Bank	101,238	101,238
Advances to Titan1 Group Entities	8,171,583	Unknown
		<hr/> 101,238
<b>LESS UNSECURED CREDITORS</b>		
Trustees of the Gillespie Family Trust		2,181,442
Roy Stewart Toms		2,115,413
Related Party Entities		
Titan Terrace Downs Limited	385,304	
Titan1 Limited	30,375	
Trustees of the Pahiatua Trust	969,232	
Trustees of the NR Chisholm No. 2 Trust	553,042	
Trustees of the RS Chisholm No. 2 Trust	704,238	
Trustees of the Palliser Development Trust	338,153	
Trustees of the Sonic Development Trust	331,370	3,311,714
		<hr/> 7,608,569
		<hr/> <b>\$7,507,331</b>

### Notes:

1. There is no unpaid capital liable to be called up.
2. The above estimates are subject to cost of the Liquidation.
3. Advances to Titan1 Group entities are recorded at their book value as of 31 July 2009. Advances continue to accrue interest until fully paid.
4. The petitioning creditor will have a preferential claim in the liquidation in relation to Court awarded costs for the winding up of the Company.
5. The Personal Property Securities Register records a General Security Agreement ("GSA") held in the name of Richard Chisholm and John Pendergast. Richard Chisholm and John Pendergast, who have been queried on this, have been unable to provide any further information to date. The GSA claim, if applicable, will continue to accrue interest until fully paid.
6. Related party entity creditors include Titan1 Group companies, and trusts associated to the Company's directors.

### 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 ground whatsoever, including liability in negligence, to any other person.

**TITANI FINANCE LIMITED (IN LIQUIDATION)**

**SCHEDULE OF CREDITORS NAMES AND ADDRESSES**

**PURSUANT TO SECTION 255(2)(c)(ii) OF THE COMPANIES ACT 1993**

<b>CREDITOR</b>	<b>ADDRESS 1</b>	<b>ADDRESS 2</b>	<b>ADDRESS 3</b>
Accident Compensation Corporation	P O Box 3248	WELLINGTON	
Inland Revenue Department	P O Box 76 198	MANUKAU CITY 2241	
Roy Stewart Toms	Unit 12	Edinburgh	QUEENSTOWN
Titan Terrace Downs Limited	PO Box 5003	PALMERSTON NORTH	
Titan1 Limited	PO Box 5003	PALMERSTON NORTH	
Titan1 Holdings Limited	PO Box 5003	PALMERSTON NORTH	
Trustees of the Gillespie Family Trust	C/- Warren Butterworth	PO Box 1972, Shortland Street	AUCKLAND 1140
Trustees of the Pahiatua Trust	C/- John Pendergast	PO Box 16209, Bethlehem Mail Centre	TAURANGA
Trustees of the NR Chisholm No. 2 Trust	C/- Richard Chisholm	7 The Bush Trace, RD1	PALMERSTON NORTH
Trustees of the RS Chisholm No. 2 Trust	C/- Richard Chisholm	7 The Bush Trace, RD1	PALMERSTON NORTH
Trustees of the Palliser Development Trust	PO Box 5003	PALMERSTON NORTH	
Trustees of the Sonic Development Trust	PO Box 5003	PALMERSTON NORTH	

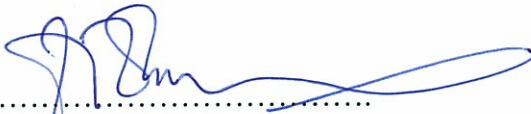
IN THE MATTER of The Companies Act 1993

and

IN THE MATTER of TITAN1 FINANCE LIMITED  
(IN LIQUIDATION)

**NOTICE TO CREDITORS TO PROVE DEBTS OR CLAIMS**

**Notice** is hereby given that the undersigned, the Liquidator of Titan1 Finance Limited (In Liquidation), does hereby fix the 9<sup>th</sup> October 2009, as the day on or before which the creditors of the Company are to make their claims, and to establish any priority their claims may have under Section 312 of The Companies Act 1993, or to be excluded from the benefit of any distribution made before such claim is made.



.....  
JOHN WHITTFIELD  
LIQUIDATOR

DATED this / day of September 2009

**ADDRESS OF LIQUIDATOR**

McDonald Vague  
Insolvency Specialists  
Level 4, 143 Nelson Street  
P.O. Box 6092  
Wellesley Street Post Office  
AUCKLAND

Telephone: 0-9-303 0506  
Facsimile: 0-9-303 0508  
Website: [www.mvp.co.nz](http://www.mvp.co.nz)

DATE OF LIQUIDATION: 20 August 2009



**McDONALD VAGUE**  
 Insolvency & Recovery Specialists  
 PO Box 6092 Wellesley St PO Auckland New Zealand  
 Telephone 09-303 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](http://www.mvp.co.nz) or email [claims@mvp.co.nz](mailto:claims@mvp.co.nz))

NAME AND POSTAL ADDRESS OF CREDITOR IN FULL

\* 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.)

Telephone Numbers: ( )

( )

E-Mail

My Reference is:  
 (if applicable)

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)

Other  
 Currency

NZ \$

4. I have claimed retention/reservation of title rights pursuant to rights held by me and/or I have a security interest which is registered on the Personal Property Securities Register

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)

Signed:

Date: / /

Preferential Claim for:

Ordinary Claim for:

CLAIM REJECTED FOR PAYMENT:

\$

\$

or  
CLAIM ADMITTED FOR PAYMENT:

\$

\$

Signed  
 Liquidator:

Dated: / /



**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.



# PARTICULARS OF CLAIM

McDONALD VAGUE  
 Insolvency & Recovery Specialists  
 PO Box 6092 Wellesley St PO Auckland 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 \$

**RETENTION OF TITLE CLAIMANTS ONLY (Romalpa Claims)**

Please provide details of the basis of the retention of title claim filed by you and/or details of entry on 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, salary and redundancy of any employee in respect of services rendered to the company during the four months preceding the commencement of liquidation is preferential AND the total sum to which priority is to be given in the case of any one employee for wages, holiday pay, deductions and child support must not exceed \$15,000 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 claim: \$ \_\_\_\_\_