



**Topline International Limited  
(In Liquidation)**

**Liquidators' Ninth Report  
for the period from 5 September 2022  
to 4 March 2023**

McDonald Vague Limited  
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## 1 INTRODUCTION AND APPOINTMENT

Boris van Delden and Iain McLennan, Licensed Insolvency Practitioners, of Auckland, were appointed as joint and several liquidators of Topline International Limited ("the company") on 5 March 2019 by resolution of the shareholders.

Pursuant to Section 255(2)(d) of the Companies Act 1993 ("the Act"), the liquidators herewith report on the progress of the liquidation. This report should be read in conjunction with the liquidators' previous reports. This report is being sent to all shareholders and all creditors who have filed a claim in the liquidation.

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 Cash at Bank**

**(Statement of Affairs: \$50,198)**

The net balances in bank accounts recovered totalled \$82,096 following the receipt of unprocessed credits.

#### **3.2 Debtors**

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

The company did not have any collectable debtors.

### **3.3 Inventory** **(Statement of Affairs: \$300,000)**

A stocktake of inventory was performed after liquidation. An inventory sale process commenced. After paying all of the costs of sale of the inventory, the net realisation from inventory was \$243,191.

### **3.4 Fixed Assets** **(Statement of Affairs: \$Unknown)**

The liquidators decided that the few realisable fixed assets was uneconomic.

### **3.5 Intellectual Property, Trademarks, Database and Goodwill** **(Statement of Affairs: \$Unknown)**

Topline was part of a relatively complex ownership structure. As at the date of liquidation its main asset was the retail customer database, and a controlled, but revocable ability to sell branded product through that database. The liquidators sold it at above valuation, on a time payment basis. Further funds have been secured from the sale and dealing with some final issues recognised recently by both the vendor and purchaser and the final reconciliation is underway.

## **4 INVESTIGATIONS**

The liquidators continue to consider if there are other recovery avenues on a cost benefit basis.

## **5 CREDITORS' CLAIMS**

### **5.1 Secured Creditors**

A secured claim of \$484,357 has been repaid in full.

### **5.2 Preferential Creditors**

Preferential claims for employees and the IRD have been paid in full.

### **5.3 Unsecured Creditors**

As at the date of preparing this report 11 unsecured creditors claim forms have been received totalling \$450,941. The company also has a fine that is partly unpaid but that, according to the Companies Act 1993, is not a creditor in the liquidation.

The liquidators review of creditors claims is almost complete.

## **6 FUNDS / LIKELY OUTCOME**

We expect that as funds flow in from the sale of the database, unsecured creditors will receive a distribution.

## **7 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION**

The following matters are outstanding:

- Collection of Final tranche Sales Proceeds
- Creditor claims review and Distribution
- Finalisation

## 8 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 two years.

## 9 CONTACT DETAILS

Enquiries should be directed to Iain McLennan on DDI (09) 303 0506 or by email to [imclennan@mvp.co.nz](mailto:imclennan@mvp.co.nz).

The Liquidators can be contacted at:

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IAIN McLENNAN (Licence No: IP82)  
LIQUIDATOR

DATED this 31<sup>st</sup> day of March 2023

# Realisations and Distributions

## Topline International Limited (In Liquidation) 5 March 2019 to 5 March 2023

Realisations	As Per Statement of Affairs \$	Cash Received \$
Bank Account Closures – ANZ, BNZ, Westpac	50,198	82,096
Debtors	Unknown	Nil
Inventory Sales	300,000	618,802
Sale of Fixed Assets	Unknown	Nil
Intellectual Property, Trademarks, Database and Goodwill	Unknown	406,250
Refunds		178
Interest		931
Pre liquidation GST Refund	-	8,398
<b>Total Realisations</b>	<b>\$350,198</b>	<b>\$1,116,655</b>
<b>Payments</b>		
<b>Liquidators Fees</b>		
Liquidators Fees		71,674
Disbursements		2,087
<b>Total Liquidators Fees</b>		<b>\$73,761</b>
<b>Other Costs of Liquidation and Trading On</b>		
Accounting Services		3,090
Distribution Costs		22,857
International Freight Costs		60,444
Inbound Service Fees		2,070
Inbound Daily Service Fees		13,050
Outbound Service Fees		50,807
Management Fees		25,219
Marketing Costs		5,708
Product		38,464
Product Refund		835
Residents Withholding Tax on Interest		259
Valuation and other Asset Sale Costs		3,979
Telephone and Tolls		2,146
Trading on Suppliers		1,357
Wages and PAYE, ACC		47,134
Bank Fees – Merchant Service Fees		4,219
ACC Levies		130
<b>Total Costs of Liquidation and Trading On</b>		<b>\$281,638</b>

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<b>Distributions</b>	
Secured Creditor	484,357
Statutory Set-Offs – Bank	19,476
Salvage Payments to Realise Inventory	98,210
Preferential Wages and Holiday Pay	11,121
Preferential GST and PAYE	4,176
<b>Total Distributions to Creditors</b>	<b>\$617,340</b>

  

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<b>Total Payments</b>	<b>\$972,870</b>
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<b>BALANCE HELD</b>	<b>\$141,785</b>
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**Note:** the above figures are GST exclusive