



McDonald
Vague

business recovery partners

Victoria Street West Limited (In Liquidation)

Liquidators' Seventh Report For the period from 1 May 2018 to 30 October 2019

McDonald Vague Limited

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1 INTRODUCTION AND APPOINTMENT

Peri Micaela Finnigan and Boris van Delden, CAANZ Accredited Insolvency Practitioners, of Auckland, were appointed jointly and severally as replacement liquidators of Victoria Street West Limited ("the company") on 26 August 2019 upon the resignation of Colin McCloy of CTM Consulting Limited. Colin McCloy was appointed Liquidator of the Company on 31 October 2016 following the resignation of the previous liquidator Mr John Gilbert of C & C Strategic Limited who was appointed on 10 April 2015.

The company was incorporated on 10 July 2006. Mr Gapes was sole director and 100% shareholder.

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

A Statement of Realisations and Distributions is not attached. A record is however kept of the receipts and payments by the former liquidator and current liquidators. The details are not disclosed as the company is now solvent as the result of a recovery advanced by the former liquidator. The quantum of a settlement sum and shareholder distribution is confidential.

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 EIGHTEEN MONTHS

Asset Realisations

An asset was brought to the attention of the former liquidator that led to a recovery under the terms of a confidential settlement. The settlement funds are sufficient to clear all creditor obligations and to pay a distribution to the shareholder.

Given that the company's financial status has turned from insolvent to a position where all creditors are paid, the liquidators have not reported, for confidentiality purposes, and as would be the case in a solvent liquidation, the level of the settlement sum achieved or distributions made. Financial accounts and tax returns will be prepared.

4 INVESTIGATIONS

The former liquidator completed investigations into the books, records and affairs of the company and resigned leaving the replacement liquidator to attend to distributions and company strike off. The liquidator was involved in defending Victoria Street West Limited and advanced separate proceedings seeking compensation. This consolidated proceedings ultimately led to recovery for the company. A Section 284 application remains afoot.

5 CREDITORS' CLAIMS

The former liquidator received and admitted or rejected claims in the liquidation. The deed of retirement and appointment required the replacement liquidators to complete payments to certain approved creditors and to repay funding. These transactions have been completed. The former liquidator paid fees and tax advice and an Inland Revenue Department settlement sum and other creditors prior to retiring.

The former liquidator rejected a creditors' proof of debt. On 30 May 2019 that creditor commenced a proceeding under Section 284 of the Companies Act 1993 in respect to that rejection of the disputed debt. On 26 June 2019 a notice of opposition to the Section 284 application was filed and another party joined as respondent on 27 June 2019 payment into Court was actioned by the former liquidator for the disputed claim. The current liquidators are seeking to advance a settlement relating to disputed creditor claims.

A confidential deed of settlement has been agreed in principle but remains not fully executed at the date of this report.

6 FUNDS / LIKELY OUTCOME

Further funds are likely to be received following release of funds in Court and payment of a settlement sum. Following this, final accounts will be prepared, distributions made, and tax returns filed. The liquidation will then be closed.

7 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Settlement on disputed creditor claims subject to proceedings and release and distribution of funds in Court
- Final distributions
- Final accounts and tax returns and then tax clearance

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 six months.

9 CONTACT DETAILS

Enquiries should be directed to Peri Finnigan on DDI (09) 306 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 4th day of February 2020