



McDonald  
Vague

business recovery partners

## ETR International Limited (In Liquidation)

### Liquidators' Eighth Report to Creditors and Shareholders (for the period from 1 December 2018 to 31 May 2019)

McDonald Vague Limited

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#### 1 INTRODUCTION AND APPOINTMENT

Tony Leonard Maginness and Peri Micaela Finnigan, Insolvency Practitioners of Auckland, were appointed as joint and several liquidators of ETR International Limited ("the company") on 1 December 2015. On 18 December 2015 Tony Leonard Maginness resigned his position as liquidator appointing Boris van Delden as his successor.

Pursuant to Section 255(2)(d) of the Companies Act 1993 ("the Act"), the liquidators herewith report on the progress of the liquidation. This eighth 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

##### *Asset Realisations*

##### **3.1 Account Closure**

The company used various accounts for local and overseas trading. Those accounts that were unnecessary for trading on purposes were closed and \$5,597 was recovered from those

accounts. All other accounts were closed when no longer needed for the purposes of trading and collection of accounts receivable.

### **3.2 Accounts Receivable**

We have recovered \$450,660 in accounts receivable to date.

### **3.3 Sale of Stock**

A total of \$279,833 has been realised from the company's stock.

### **3.4 Trading on Sales Receipts**

We realised \$64,971 from trading-on during our winding down of the company's operations.

### **3.5 Sale of Assets**

A total of \$95,524 has been realised from sale of the company's tangible and intangible assets.

### **3.6 Subvention Payment Received**

We have realised \$47,855 in respect of subvention payments in respect of tax losses for which the Inland Revenue Department subvention regime applies. We expect a further receipt in respect of the 2018 company tax return, which will be reported on in due course.

### **3.7 Sundry Receipts**

We have recovered further sundry receipts totalling \$22,331 as detailed in the attached Statement of Realisations and Distributions.

## **4 INVESTIGATIONS**

We have completed our investigations into the books, records and affairs of the company prior to liquidation. No matters have come to our knowledge that require further investigation or action on our part.

## **5 CREDITORS' CLAIMS**

### **5.1 Secured Creditors**

Secured creditors claims amounting to \$1,000,000.00 have been received during the course of the liquidation. These creditors concerned had perfected their securities by registration on the Personal Property Securities Register. We have made distributions totalling \$549,534 to the secured creditors.

An unperfected security interest claim was been received amounting to \$10,800, however we do not anticipate any distribution to the creditor concerned, as distributions to creditors with perfected security interests are unlikely to satisfy the debts owed to them.

## **5.2 Preferential Creditors**

Total preferential claims for staff wages, salary, holiday pay and redundancy amounted to \$86,972. These claims were paid in full.

A preferential amount of \$15,895 owed to the Inland Revenue Department for pre-liquidation PAYE and Kiwisaver deductions and contributions was paid in full.

No further preferential claims have been received.

## **5.3 Unsecured Creditors**

As at the date of preparing this report we have received unsecured creditors' claims totalling \$88,752. We do not expect there will be any distribution to unsecured creditors.

## **6 FUNDS / LIKELY OUTCOME**

Although we expect further recoveries in the form of subvention payments, these are not anticipated to make up the shortfall in the amount that remains owing to the secured creditors. We therefore do not expect there will be sufficient funds available for distribution to any other class of creditor.

## **7 MATTERS REMAINING**

The following matters are outstanding:

- Further anticipated subvention receipt.
- Further distributions to secured creditors.

## **8 ESTIMATED DATE OF COMPLETION**

Due to further expected subvention recoveries, it is impracticable to estimate a date for completion.

## **9 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:

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PERI FINNIGAN  
LIQUIDATOR

DATED this 6 day of June 2019

## Realisations and Distributions

### ETR International Limited (In Liquidation) 1 December 2015 to 31 May 2019

	\$
<b>Realisations</b>	
Bank Account Closure	5,597
Collection of Accounts Receivable	450,660
Sale of Stock	279,832
Trading On Sales Receipts	64,971
Sale of Assets	95,524
IRD Refund	842
GST Recovered	16,397
Interest	2,824
Insurance Refund	1,758
ACC Refund	510
Subvention Payment Received	47,855
<b>Total Realisations</b>	<b>\$966,770</b>
<b>Liquidators' Costs</b>	
Liquidators Fees	230,532
Disbursements	2,598
<b>Total Liquidator's Costs</b>	<b>\$233,130</b>
<b>Costs of Liquidation and Trading On</b>	
Rent	15,902
Bank fees	138
Winding Down Expenses	16,426
Commissions Paid	3,854
Third Party Refunds	9,933
Post Liquidation Wages	16,518
Auction Expenses	1,340
GST – ATO	12,384
Resident Withholding Tax on Interest	791
<b>Total Costs of Liquidation and Trading On</b>	<b>\$77,286</b>
<b>Distributions</b>	
Secured Creditors	549,534
Preferential Wages and Holiday Pay	86,972
Preferential GST and PAYE	15,895
Preferential Distribution: NZ Customs	3,952
<b>Total Distributions</b>	<b>\$656,353</b>
<b>Total Costs and Distributions</b>	<b>\$966,769</b>
<b>BALANCE HELD</b>	<b>\$1</b>

**Note:** The above figures are GST exclusive