



McDonald  
Vague

business recovery partners

## Natural Insulation (NZ) Limited (In Liquidation)

### Liquidators' Ninth Report (for the period from 24 December 2016 to 23 June 2017)

McDonald Vague Limited

Level 10, 52 Swanson Street,  
Auckland Central

PO Box 6092, Wellesley Street,  
Auckland 1141, New Zealand

p: 09 303 0506

f: 09 303 0508

e: [insol@mvp.co.nz](mailto:insol@mvp.co.nz)

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

#### 1 INTRODUCTION AND APPOINTMENT

Tony Leonard Maginness and Peri Micaela Finnigan, Insolvency Practitioners of Auckland, were appointed jointly and severally as liquidators of Natural Insulation (NZ) Limited ("the company") on 24 June 2013. 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 are reporting on the progress of the liquidation. This ninth 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 arising from 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 as at the date of this report but that becomes known to us after that date.

#### 3 CONDUCT OF THE LIQUIDATION DURING THE PRECEDING SIX MONTHS

##### *Asset Realisations*

##### **3.1 Bank Account Closure and Cash On Hand**

There was \$50 in the company's bank account as at the date of liquidation and \$10 cash on hand. These sums were recovered by the liquidators.

##### **3.2 Trade Debtors**

\$149,115 was recovered from trade debtors. All recoverable trade debts have been recovered.

##### **3.3 Interest**

\$1,265 in interest has been earned to 23 June 2017.

### **3.4 Franchise Fees**

\$598 in franchise fees was recovered from the company's franchisees.

### **3.5 Fixed Assets**

\$45,672 has been realised from the sale of fixed assets at auction, made up of \$30,107 from the sale of plant and equipment and \$15,565 from the sale of vehicles. Most of the plant and equipment was highly specialised to the insulation industry; the industry was facing a downturn when the assets were sold. No further fixed asset realisations are anticipated.

### **3.6 Inventory**

\$618 was realised from the sale of inventory at auction. No further inventory realisations are expected.

## **4 INVESTIGATIONS**

The liquidators' investigations into the books, records and affairs of the company remain ongoing.

## **5 CREDITORS' CLAIMS**

### **5.1 Secured Creditors**

A secured claim of \$10,167 was received from Marac Finance Limited in relation to security held over certain plant and vehicles. Subsequent to the realisation of the security, the liquidators made a distribution of \$6,175.

A secured claim was received from BMW Financial Services in relation to security held over a vehicle. Subsequent to the realisation of the security, the liquidators made a distribution of \$12,125.

A claim of \$110,950 was received from Autex Industries Limited, who held specific security over stock supplied and proceeds. The liquidators have paid a distribution of \$25,716, after completing a tracing exercise into the creditor's secured entitlement in trade debtors collected.

### **5.2 Preferential Creditors**

The liquidators received employee claims totalling \$10,797. The employee claims have been paid in full.

The liquidators have paid a distribution of \$16,942 to three claimants in accordance with clause 1(1)(e) of the Seventh Schedule of the Companies Act 1993. The distribution relates to assistance provided to the liquidators in relation to the recovery of assets owned by the company.

The Inland Revenue Department has submitted a preferential claim for \$94,277. No distribution has been paid to the Inland Revenue Department as at the date of this report.

The liquidators have received two other preferential claims totalling \$45,650. Because these claims rank after the Inland Revenue Department's preferential claim, in the interest of minimising liquidators' fees, the liquidators will not attend to the formality of accepting or rejecting these creditors' claims until such time as we are in a position to pay a distribution.

### **5.3 Unsecured Creditors**

As at the date of preparing this report, 53 unsecured creditors' claims have been received totalling \$913,714. In the interests of minimising liquidators' fees, the liquidators will not attend to the formality of accepting or rejecting these creditors' claims until such time as we are in a position to pay a distribution.

## **6 FUNDS / LIKELY OUTCOME**

There will be a shortfall on the amount due to preferential creditors. Accordingly, at this stage, the liquidators do not anticipate paying a distribution to unsecured creditors.

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

The following matters are outstanding:

- Completion of investigations and associated recovery action
- Completion of liquidation

## **8 ESTIMATED DATE OF COMPLETION**

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

## **9 CONTACT DETAILS**

Enquiries should be directed to Marisa Brugeyroux on DDI (09) 306 3340 or by email to [mbrugeyroux@mvp.co.nz](mailto:mbrugeyroux@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

  

---

BORIS VAN DELDEN  
LIQUIDATOR

DATED this 10<sup>th</sup> day of July 2017

# Realisations and Distributions

## Natural Insulation (NZ) Limited (In Liquidation) 24 June 2013 to 23 June 2017

	Cash Received \$
<b>Realisations</b>	
Bank Account Closure	50
Cash On Hand	10
Debtors Recovered	149,115
Interest Received	1,265
Franchise Fees	598
Sale of Assets	30,107
Sale of Inventory	618
Sale of Motor Vehicles	15,565
<b>Total Realisations</b>	<b>\$197,327</b>
<b>Payments</b>	
<b>Liquidators Fees</b>	
Liquidators Fees	92,640
Disbursements	4,116
<b>Total Liquidators Fees</b>	<b>\$96,755</b>
<b>Other Costs of Liquidation</b>	
Accountants and Other Advisors	2,427
Auction Expenses	5,384
Bank Fees	203
Contractor Payments	5,363
Debt Collection Costs	174
Interest	3
Legal Fees	9,075
Rent	1,147
Resident Withholding Tax	354
Sundry Expenses	194
Trading On Expenses	3,286
Utilities	830
<b>Total Costs of Liquidation</b>	<b>\$28,441</b>

---

**Distributions**

Distributions to Secured Creditors	44,016
Distribution to Employees - Preferential Wages and Holiday Pay	10,797
Distribution to Preferential Creditors - (Schedule 7, Clause 1(1)(e))	16,942
<b>Total Distributions to Creditors</b>	<b>\$71,755</b>
<b>Total Payments</b>	<b>\$196,951</b>
<b>BALANCE HELD</b>	<b>\$377</b>

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