



123Kiwi.com Limited (In Receivership and In Liquidation)

Receivers' Eleventh Report

McDonald Vague Limited

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1 INTRODUCTION AND APPOINTMENT

Iain McLennan and Boris van Delden, Insolvency Practitioners of Auckland, were appointed jointly and severally as receivers and managers of 123Kiwi.com Limited ("the Company") on 6 May 2014. The receivers and managers were appointed under the powers contained in an agreement dated 30 December 2010, where the company granted a general security interest to the secured creditor.

Victoria Toon of Corporate Restructuring Limited was appointed as liquidator of the company on 8 August 2014 by the High Court at Auckland.

Pursuant to section 24 of the Receiverships Act 1993 ("the Act"), the receivers report herewith on the progress of the receivership. This report covers the six month period up to 5 May 2019 and should be read in conjunction with the receivers' previous reports.

A Statement of Realisations and Distributions is not attached as there have been no receipts or payments to date.

2 RESTRICTIONS

This report has been prepared in accordance with Section 24 of the Act. 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 RECEIVERSHIP DURING THE PRECEDING SIX MONTHS

As advised previously, the appointment arose following the company's default in not meeting the obligations set out in the 30 December 2010 agreement,

Asset Realisations

3.1 The receivers have not traded on the business.

On 27 November 2015, the High Court agreed with the secured creditor's position that certain assets were covered by the secured creditor's charge.

The major asset that the decision established is owned by the company, and charged by the secured creditor, is the “Travelquote” software and system, and business system intellectual property and manuals.

There has not been any interest expressed in acquiring the software except by the secured creditor that is exploring whether or not it has a use for it.

4 PROPOSALS FOR DISPOSAL OF RECEIVERSHIP PROPERTY

No property has been disposed of as at the date of this report.

The director of the Company, Gregory John Southcombe, was adjudicated bankrupt on 22 March 2016. This followed the liquidation of a related company, Chadzarz Limited (In Liquidation) on 18 February 2016. That company had previously traded under the name Travelcafe International Limited until 1 May 2014 when it changed its name.

The receivers are attempting to assess and value the Travelquote system, and to secure some payment from the results of related party trading on the Company’s behalf.

5 CREDITORS’ CLAIMS

5.1 Secured Creditor

At the date of this report the amount claimed by our appointer totals \$913,480 plus interest and costs.

5.2 Preferential Creditors

No preferential claims have been received.

5.3 Unsecured Creditors

To date we have received two unsecured claims totalling \$29,411.77. The Receivers are not responsible for the administration of unsecured creditors’ claims and have passed on the claims information to the liquidator, however, it appears unlikely that there will be surplus funds available for any unsecured creditors.

6 MATTERS DELAYING THE COMPLETION OF THE RECEIVERSHIP

The following matters are outstanding:

- Realisation of the Travelquote software and system
- Any other realisations
- Completion of receivership

7 ESTIMATED DATE OF COMPLETION

It is currently too early to estimate a date of completion for the receivership.

8 CONTACT DETAILS

Enquiries should be directed to Iain McLennan on (09) 303 9512 or by email to imclennan@mvp.co.nz.

The Receivers can be contacted at:

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IAIN MCLENNAN
RECEIVER

DATED this 18th day of March 2020