



McDonald
Vague

business recovery partners

**AXYX Limited
(In Liquidation)
(formerly known Applied Hearing (1987)
Limited until 27 October 2016)**

**Liquidators' Fifth Report
(for the period from 28 April 2018
to 27 October 2018)**

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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 liquidators of AXYX Limited ("the company") on 28 October 2016.

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

All the fixed assets and inventory of the company have been realised

There have been no further recoveries from debtors since the last report. There is an amount shown as outstanding from Earmax New Zealand Limited (In Liquidation). A claim has been filed in that liquidation, which is on-going.

3.1 Motor Vehicles

(Statement of Affairs: \$Not Disclosed)

The sale of company vehicles has realised \$47,000.

There were a number of BMW vehicles registered to the company with an estimated value of \$260,000. These vehicles were purchased using trust monies advanced to the company and are subject to a security claimed by the Trust, which is related to the director.

The validity of that security has been reviewed by the liquidators and accepted. The vehicles, which were being held in safe storage by the Trust, have been retained by them.

The vehicles were independently valued, after the liquidation at \$342,609.

4 INVESTIGATIONS

The liquidators have completed their investigations into the books, records and affairs of the company. No matters have been identified that can be pursued for the benefit of the creditors.

5 CREDITORS' CLAIMS

5.1 Secured Creditors

A secured claim has been received from a Trust related to the director for \$260,000. As outlined in 3.4 above, the liquidators reviewed the validity of this claim and, after independent legal advice on the claim accepted that the trust had a secured claim of \$275,550. This amount has been settled in full by the Trust retaining possession of the cars.

5.2 Preferential Creditors

Total preferential claims for wages or salary, holiday pay and redundancy amount to \$34,123. The preferential employees have been paid in full.

A preferential claim was received from New Zealand Customs for \$354. This amount has been paid in full.

The Inland Revenue Department initially submitted a preferential claim for \$4,609 however after carrying out an audit of the company the preferential claim was withdrawn

5.3 Unsecured Creditors

As at the date of preparing this report 43 unsecured creditors claim forms have been received which total \$463,275. This includes an amount claimed by the trust, referred to in 5.1.

A distribution has been made to unsecured creditors of \$138,416, amounting to approximately 29 cents in the dollar of claims.

The unsecured distribution amount includes \$67,059 to the secured creditor, being the amount of the car value that was not covered by their security. A further cash amount was paid to the secured creditor as part of their unsecured entitlement from the funds held.

6 FUNDS / LIKELY OUTCOME

It is too early to determine whether or not there will be any further distribution to unsecured creditors.

7 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Completion of the Earmax New Zealand Limited liquidation

8 ESTIMATED DATE OF COMPLETION

Based on the information contained in this report the liquidators are unable to estimate when the liquidation will be completed.

9 CONTACT DETAILS

Enquiries should be directed to Colin Sanderson on DDI (07) 838 0908 or by email to CSanderson@mvp.co.nz.

The Liquidators can be contacted at:

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PERI M FINNIGAN
LIQUIDATOR

DATED this 29th day of October 2018

Realisations and Distributions

AXYX Limited (In Liquidation) 28 October 2016 to 27 October 2018

Realisations	Cash Received \$
Bank Account Closure and Cash at hand	1,199
Debtors	30,455
GST Refund	11,708
Insurance Refund	641
Interest	1,205
Sale of Computer Equipment	174
Sale of Intellectual Property	130,000
Sale of Inventory	26,837
Sale of Motor Vehicles	47,000
Sale of Plant and Machinery	8,831
Sundry receipts	581
Total Realisations	\$258,631
Payments	
Liquidators Fees	
Liquidators Fees	134,644
Disbursements	2,091
Total Liquidators Fees	\$136,735
Other Costs of Liquidation	
Bank Fees	102
Commission	4,646
Courier costs	3
Legal Fees	2,784
RWT	106
Trading on Expenses	3,075
Trading on Wages & PAYE	5,056
Total Costs of Liquidation and Trading On	\$15,772
Distributions	
Unsecured Creditors	71,357
Preferential Claim NZ Customs	354
PAYE on Preferential Wages & Holiday Pay	8,330
Preferential Wages & Holiday Pay	26,083
Total Distributions to Creditors	\$106,124



Total Payments	\$258,631
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BALANCE HELD	\$Nil
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Note: the above figures are GST exclusive