



McDonald  
Vague

business recovery partners

## ETR International Limited (In Liquidation)

### Liquidators' Fifth Report (for the period from 1 June 2017 to 30 November 2017)

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 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

##### *Asset Realisations*

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

The company used various accounts for local and overseas trading. Upon our appointment we closed accounts that were unnecessary for trading-on or collection purposes, and \$5,597 was recovered from those accounts.

### **3.2 Accounts Receivable**

We have recovered \$450,560 in accounts receivable to date.

### **3.3 Sale of Stock**

A total of \$279,046 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 \$28,176 in respect of a subvention payment in respect of tax losses for which the Inland Revenue Department subvention regime applies. There will be a further receipt in respect of the 2017 company return, at the date of this report has not yet been finalised, but will be reported on in our next six monthly report.

### **3.7 Unreferenced Third Party Deposits**

We have allocated a total of \$1,226 of insufficiently referenced transactions to receipt of accounts receivable, and are holding \$100 which we believe to be a debtor overpayment which is to be refunded.

### **3.8 Sundry Receipts**

We have recovered further sundry receipts totalling \$22,327 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 \$529,856 to the secured creditors.

An unperfected security interest claim has been received in the amount of \$10,800. We do not anticipate realising sufficient funds to satisfy the amount to creditors with perfected security interests and therefore it is unlikely those with unperfected security interests will receive a distribution in the liquidation.

## **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. As we anticipate a shortfall in the amount owed to the secured creditors 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:

- Sale of leftover sample stock.
- Further anticipated subvention receipt.
- Further distributions to secured creditors.

# **8 ESTIMATED DATE OF COMPLETION**

Due to the nature of future subvention recoveries it is not yet possible to estimate a date for completion of the liquidation.

## 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 15 day of December 2017

# Realisations and Distributions

## ETR International Limited 1 July 2017 to 30 November 2017

15/12/2017

### Realisations

Bank Account Closure	5,597
Collection of Accounts Receivable	450,560
Sale of Stock	279,046
Trading On Sales Receipts	64,971
Sale of Assets	95,524
IRD Refund	842
GST Recovered	16,397
Interest	2,820
Insurance Refund	1,758
ACC Refund	510
Subvention Payment Received	28,176
Unreferenced and Third Party Receipts in Trust	100
<b>Total Realisations</b>	<b>946,301</b>

### Liquidators' Costs

Liquidators Fees	229,297
Disbursements	2,578
<b>Total Liquidators's Costs</b>	<b>231,876</b>

### Costs of Liquidation and Trading On

Rent	15,902
Bank fees	138
Winding Down Expenses	16,426
Commissions Paid	3,682
Third Party Refunds	9,932
Post Liquidation Wages	16,518
Auction Expenses	1,340
GST - ATO	12,384
Resident Withholding Tax on Interest	789
<b>Total Costs of Liquidation and Trading On</b>	<b>77,112</b>

### Distributions

Secured Creditors	529,856
Preferential Wages and Holiday Pay	86,972
Preferential GST and PAYE	15,895
Preferential Distribution: NZ Customs	3,952
<b>Total Distributions</b>	<b>636,674</b>

### Total Costs and Distributions

945,661

### BALANCE HELD

639

### Less: Funds and Provisions held in Trust

Third party deposit to be refunded	100
<b>Total Funds and Provisions held in Trust</b>	<b>100</b>

### AVAILABLE BALANCE

539