

Indigo New Zealand Limited (In Liquidation)

Liquidators' First Report

1 INTRODUCTION AND APPOINTMENT

Indigo New Zealand Limited ("the company") was placed into liquidation by a special resolution of the shareholders pursuant to Section 241(2)(a) of the Companies Act 1993 ("the Act") on 10 November 2014. Peri Micaela Finnigan and Boris van Delden, Insolvency Practitioners of Auckland, were appointed as joint and several liquidators of the company.

2 RESTRICTIONS

In preparing this report and its appendices we have relied upon information provided to us. We have not independently verified or audited that information. 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 ATTACHMENTS

The following documents are attached to this report:

- Appendix 1: Statement of Affairs setting out the company's estimated financial position
- Appendix 2: Schedule of company creditors' names and addresses
- Appendix 3: Notice of Liquidators' decision to dispense with meeting of creditors
- Appendix 4: Notice to creditors to prove debts or claims
- Appendix 5: Creditors claim form

4 COMPANY STRUCTURE AND BACKGROUND

Date of incorporation:	19 July 2006
Company number:	1833782
Date ceased trading:	9 November 2014
Nature of business:	Software Consulting - Resale, implementation and support of business intelligence software

McDONALD VAGUE LIMITED

Level 10, 52 Swanson Street, Auckland CBD
PO Box 6092, Wellesley St, Auckland 1141, New Zealand.
Telephone 09 303 0506, Facsimile 09 303 0508, insol@mvp.co.nz, www.mvp.co.nz
Member of Insol International. Consultants to the Accounting and Legal Professions.

Trading address:	Level 2, Kitchener Street, Auckland
Share capital:	1,000,000 Shares
Shareholder:	Indigo Holdings New Zealand Limited
Directors:	Peter Arthur Hanley Sefton Bernardus Thesing
Related companies:	Indigo Holdings New Zealand Limited Six Degrees Software Limited (In Liquidation)

The company had cash flow difficulties and a decision was made to sell the assets to Theta Systems Limited in November 2014.

5 STATEMENT OF AFFAIRS

A Statement of Affairs showing the company's estimated financial position as at the date of our appointment is provided at Appendix 1.

6 ASSETS AND PROPOSALS FOR CONDUCTING THE LIQUIDATION

We will realise all available assets. The business assets and intellectual property were sold at market value to a third party on 9 November 2014. The remaining assets relate to accounts receivable.

We will complete a thorough review of the company's books, records and affairs to:

- ensure that all assets have been properly accounted for,
- determine if there are any other avenues of recovery for creditors,
- determine if the company's officers have properly carried out their duties, and take appropriate steps where necessary.

If there are funds available for distribution to creditors we will verify creditors' claims and make a distribution. We will then complete the liquidation and request that the Registrar of Companies remove the company from the register.

7 LIABILITIES AND CREDITOR CLAIMS

7.1 Secured Creditors

As at the date of liquidation three secured parties had registered security interests against the company on the Personal Property Securities Register.

- Bank of New Zealand
- Fuji Xerox Finance Limited (2)

The Bank of New Zealand received proceeds from sale of business assets and consented to the sale. The bank has a shortfall following realisations made from sale of business assets in Indigo New Zealand Limited and Six Degrees Software Limited. The same purchaser bought the assets of both entities. The bank held cross guarantees and GSA's over both entities.

It is understood Fuji Xerox Finance Limited have been contacted to assign the leases.

Personal Property Securities Act / Reservation of Title

Should any creditor believe that they are entitled to any goods, or proceeds from realisation of goods, due to holding a Purchase Money Security Interest, they should contact us immediately.

If any creditor believes that they have a Reservation of Title over goods and they have not perfected their interest, they should also contact us immediately.

7.2 Preferential Creditors

We estimate that there is approximately \$5,000 owing to a former employee for wages, holiday pay and redundancy pay. All other employees were employed by the purchaser of the business assets. The purchaser took over the accrued holiday pay liability for all employees transferring employment.

The Inland Revenue Department has not yet provided us with a creditor's claim form but we understand that there is approximately \$242,033 due in respect of GST, PAYE and other payroll deductions.

7.3 Unsecured Creditors

From our review of the company's accounting records and other information we estimate that the amount due to unsecured trade creditors is approximately \$824,653. This will likely change as we receive current month obligations. In addition, the bank is a creditor for a shortfall from sale of business assets for approximately \$825,000 and Fuji Xerox Finance Limited have a contingent claim for the remaining 31 months on the contract for \$14,224. There are also related party creditors for approximately \$74,000. A schedule of known creditors and their addresses is provided at Appendix 2, as required by Section 255(2)(c) of the Act.

A notice to creditors to prove debts or claims is included at Appendix 4. Also enclosed is a creditor's claim form for completion and return to this office by Friday, 19 December 2014. Creditors that have not made a claim by the date on the notice may be excluded from any distribution made. If you believe that you are a secured creditor please contact us and the appropriate form will be sent to you.

8 CREDITORS' MEETING / LIQUIDATION COMMITTEE

A notice of the Liquidators' decision to dispense with the meeting of creditors is provided at Appendix 4.

Pursuant to Section 314 of the Companies Act 1993, creditors are advised that at any time in the course of the liquidation the Liquidator shall, at the request in writing of any creditor or shareholder, call a meeting for the purpose of appointing a liquidation committee.

9 FURTHER INFORMATION

If you are aware of any information that would assist the Liquidators, please set the details out in writing, attach any supporting evidence and send it to us. Please note that the Liquidators are more able to act on written information.

If any creditor wishes to receive the six monthly reports by email as and when they are published, please ensure that an email address is provided on the attached creditor claim form. This report and all subsequent reports will be available on the Liquidators' website at www.mvp.co.nz

10 ESTIMATED DATE OF COMPLETION

The Liquidators believe the liquidation may be concluded within one year.

11 CONTACT DETAILS

Enquiries should be directed to the writer on DDI (09) 303 9519 or by email to pfinnigan@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


PERI M FINNIGAN
LIQUIDATOR

DATED this 14 day of November 2014

Indigo New Zealand Limited (In Liquidation)

Statement of Affairs

Statement of Affairs for the above named company as at 10 November 2014 (being the date of liquidation) showing assets at estimated realisable values and liabilities expected to rank.

ASSETS SPECIFICALLY PLEDGED	<i>Estimated to Realise</i>	<i>Due to Secured Creditor</i>	<i>Deficiency Ranking as Unsecured</i>	<i>Surplus</i>
Xerox Scanner/Copier/Fax - Fuji Xerox	-	14,224	(14,224)	-
All Present & After Acquired Personal				
Property - Bank of New Zealand	-	825,000	(825,000)	-
<i>Estimated deficiency as regards specifically pledged assets</i>	\$ -	\$ 839,224	(\$839,224)	\$ -

ASSETS AVAILABLE FOR PREFERENTIAL CREDITORS		<i>Book Value</i>	<i>Estimated to Realise</i>
Accounts receivable	refer note 5	149,654	unknown
Indigo New Zealand Trustee Limited		320	320
Six Degrees Software Limited (in Liquidation)		980,722	-
Indigo Performance Management Pty Limited		560,416	-
Total		1,691,112	320
<i>Less preferential creditors</i>	refer note 6		
Employees			5,000
Inland Revenue Department			242,033
Total			247,033
<i>Estimated deficiency as regards preferential creditors</i>			(\$246,713)

ASSETS AVAILABLE FOR GENERAL SECURITY AGREEMENT HOLDER/S		<i>Book Value</i>	<i>Estimated to Realise</i>
Estimated surplus from assets specifically pledged			-
Business Assets, Goodwill, Trademark, Domain Name (sold pre liquidation)		839,098	-
Total	refer note 7	839,098	-

LESS GENERAL SECURITY AGREEMENT HOLDER/S			
Bank of New Zealand Limited - first ranking General Security Agreement holder (refer note 7)			-
Total			-
<i>Estimated deficiency as regards General Security Agreement holders</i>		\$ -	
Less deficiency as regards preferential creditors			246,713
Deficiency ranking as unsecured			(246,713)

AVAILABLE FOR UNSECURED CREDITORS

-

LESS UNSECURED CREDITORS

Estimated deficiency as regards Secured Creditors/General Security Agreement holders	839,224
Estimated deficiency as regards preferential creditors	246,713
Trade creditors	824,653
Intercompany advances - Indigo Holdings New Zealand Limited	71,938
Intercompany advances - Indigo Software Technology Limited	2,967
Inland Revenue Interest & penalties (estimate)	100,000
<i>Estimated deficiency as regards unsecured creditors</i>	<u><u>(\$2,085,495)</u></u>

Notes:

1. There is no unpaid capital liable to be called up.
2. The above estimates are subject to the costs of the liquidation.
3. Assets held may be subject to Purchase Money Security Interest ("PMSI") or Reservation of Title claims.
4. The General Security Agreement holder's claim will continue to accrue interest until fully paid.
5. We note that one debtor for sum of \$137,521 is disputed. The contract and terms will be reviewed by the liquidators.
6. The employees were transferred to the purchaser and the purchaser took over responsibility for accrued holiday pay as part of the sale agreement.
7. The business assets, trademark, domain name were sold to Theta Systems Limited prior to liquidation. The sale price was \$800,000 (which comprised goodwill of \$700K and assets of \$100K). The net proceeds from sale were paid to Bank of New Zealand under the terms of the general security held over all present and after acquired personal property. The bank have a shortfall that is subject to a personal guarantee from the directors.

Disclaimer of Liability:

The information contained in the Statement of Affairs has been supplied by the company. We have not verified the information supplied. The Statement of Affairs has been prepared for the purpose of the liquidation and we do not accept any responsibility on any grounds whatsoever, including liability in negligence, to any party.

Indigo New Zealand Limited (In Liquidation)

Schedule of Creditors' Names and Addresses

Pursuant to Section 255(2)(c) of the Companies Act 1993

Creditor Names	Address 1	Address 2	Address 3
Accident Compensation Corporation	P O Box 3248	WELLINGTON 6140	
Air New Zealand Travel Card	Private Bag 92 007	AUCKLAND 1142	
Ambius – Rentokil Initial	Private Bag 92 905	Onehunga	AUCKLAND
Baiken Investments Limited	P O Box 47 080	Ponsonby	AUCKLAND
Bank of New Zealand	Private Bag 92 089	AUCKLAND 1142	
Dead Line	P O Box 91 380	Victoria Street West	AUCKLAND 1142
Fuji Xerox Finance Limited	17 Hargreaves Street	St Marys Bay	AUCKLAND 1011
Future IT	Level 1, 70 Lunn Avenue	Mt Wellington	AUCKLAND
Genesis Energy Limited	Private Bag 3131	HAMILTON	
Gilmer Serviced Apartments -WLG	10 Gilmer Terrace	WELLINGTON	
Indigo Holdings New Zealand Limited	C/- 1077 Old North Road	Waimauku	AUCKLAND 0882
Indigo Software Technology Limited	C/- 1077 Old North Road	Waimauku	AUCKLAND 0882
Inland Revenue Department	P O Box 39 010	Wellington Mail Centre	LOWER HUTT 5045
James & Wells	2/123 Carlton Gore Road	Newmarket	AUCKLAND 1023
MicroStrategy Pty Limited	Level 4, 68 York Street	Sydney, NSW 2000	AUSTRALIA
Midtown Property	P O Box 5853	Wellesely Street	AUCKLAND 1141
New Zealand Post	P O Box 38 249	Wellington Mail Centre	WELLINGTON
Office Product Depot	Lower Level	88 Broadway, Newmarket	AUCKLAND
On Line Security	P O Box 12 360	Penrose	AUCKLAND
Plan B Back Up	P O Box 302 536	North Harbour	AUCKLAND
Ricoh	P O Box 68 024	Newton	AUCKLAND
Secondmile	P O Box 127	TE PUKE 3153	

Creditor Names	Address 1	Address 2	Address 3
Servcorp	Level 16, Vodafone on Quay	157 Lambton Quay	WELLINGTON
UHY Haines Norton	P O Box 21 143	Henderson	AUCKLAND 0650
Vibe Communications Limited	P O Box 8228	Symonds Street	AUCKLAND
Vodafone New Zealand	Private Bag 92 161	AUCKLAND 1142	

Notice of Liquidators' Decision to Dispense with Meeting of Creditors

After having regard to the assets and liabilities of Indigo New Zealand Limited (In Liquidation) and the likely result of the liquidation, it is proposed to dispense with a meeting of creditors pursuant to Section 245 of the Companies Act 1993.

We do not, however, wish to preclude creditors from expressing their views. Please contact the writer on DDI (09) 303 9519 if you have any specific enquiries.

You are advised that should you desire a creditor's meeting, notice in writing is required within 10 working days of receiving this notice.

At the time of giving notice you must also state the reason you require a meeting so that an agenda can be prepared and advertised and creditors can be given the opportunity to vote on any issue by voting letter.


PERI M FINNIGAN
LIQUIDATOR

DATED this 14 day of November 2014

IN THE MATTER of The Companies Act 1993

and

IN THE MATTER of Indigo New Zealand Limited (In Liquidation)

Notice to Creditors to Prove Debts or Claims

Notice is hereby given that the undersigned, the liquidator of Indigo New Zealand Limited (In Liquidation) ("the company"), does hereby fix Friday, the 19th day of December 2014, as the day on or before which the company's creditors are to make their claims, and to establish any priority their claims may have under Section 312 of the Companies Act 1993. Creditors not having made a claim by this date may be excluded from any distribution made.


PERI M FINNIGAN
LIQUIDATOR

DATED this 14 day of November 2014

ADDRESS OF LIQUIDATOR

McDonald Vague Limited
Level 10, 52 Swanson Street
Auckland 1010

PO Box 6092
Wellesley Street
AUCKLAND 1141

Telephone: (09) 303 0506
Facsimile: (09) 303 0508
Website: www.mvp.co.nz

DATE OF LIQUIDATION: 10 November 2014

Unsecured Creditors Claim

(Also for use by Preferential Creditors)

SECTION 304(1) COMPANIES ACT 1993

(For help see www.mvp.co.nz or email
claims@mvp.co.nz)

NAME AND POSTAL ADDRESS OF CREDITOR IN FULL

Telephone Numbers: ()

()

E-Mail

My Reference is:
(if applicable)

* Any personal information collected is for the purpose of administering the liquidation in accordance with the Companies Act 1993.

The information will be used and retained by the liquidators and McDonald Vague and will be released to other parties only with your authorisation or in compliance with the Privacy Act 1993.

Under Section 304(1) of the Companies Act 1993 any claim by an unsecured creditor against a company in liquidation must be in this prescribed form and must –

- (a) Contain full particulars of the claim; and
(b) Identify any documents that evidence or substantiate the claim.

You may have access to and request correction of any personal information.

(*Not applicable, if creditor is not an individual within the meaning of the Privacy Act 1993.)

NAME OF COMPANY IN LIQUIDATION:

(IN LIQUIDATION)

I

(If claim is made on behalf of creditor, specify relationship to creditor and authority)

claim that the company was at the date it was put into liquidation indebted to the abovenamed creditor for the sum of (Amount in words):

STATUS OF CLAIM:

1. I am an unsecured creditor for

(Also applicable to secured creditors who hereby surrender their security)

\$

2. I am a preferential creditor for

(Refer details on reverse)

\$

3. My total claim is for

(State currency if other than \$NZ)

Other
Currency

NZ \$

4. I have claimed retention/reservation of title rights pursuant to rights held by me

Note: If you are a secured creditor contact this office and a Secured Creditors Claim Form will be sent to you. Tick if Applicable ☐

(Refer details on reverse)

Full particulars of the claim are set out, and any supporting documents that substantiate the claim, are identified on the reverse of this form.

(The liquidator may require the production of a document under Section 304(2) of the Companies Act 1993. You are **not required to attach any supporting documents** at this stage, but you may attach them now, if you think it would expedite the processing of the claim.)

SIGNED:

Date: / /

WARNING —

It is an offence under Section 304(6) of the Companies Act 1993 to –

Make or authorise the making of, a claim that is false or misleading in a material particular knowing it to be false or misleading; or

Omit, or authorise the omission from a claim of any matter knowing that the omission makes the claim false or misleading in a material particular.

Received
(Date Stamp)

RESERVED FOR OFFICE USE:

Claim admitted/rejected
for voting purposes:
(Delete one)

Signed:

Date: / /

Preferential Claim for:

Ordinary Claim for:

CLAIM REJECTED
FOR PAYMENT:

\$

\$

or
CLAIM ADMITTED
FOR PAYMENT:

Preferential Claim for:

Ordinary Claim for:

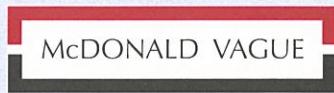
\$

\$

Signed
Liquidator:

Date: / /

Note: If the decision to admit or reject a claim is amended, regulation 8 of the Companies Act 1993 Liquidation Regulations 1994 requires that it be recorded in writing.



The Insolvency & Business Recovery Specialists

PO Box 6092, Wellesley St, Auckland 1141, New Zealand.
Telephone 0-9-303 0506, Facsimile 0-9-303 0508

Particulars of Claim

If the creditor owes money to the company, please give full details.

Date	Details of Claim and Identification of Documents that Evidence or Substantiate the Claim	Amount \$

CLAIMS AGAINST INVENTORY (Romalpa Claims)(Consignment Goods) (Retention of Title) etc.

Please provide details of the basis of the retention of title claim filed by you and/or details of entry on the Personal Property Securities Register.

PREFERENTIAL CLAIMANTS ONLY

Guideline

The Seventh Schedule of the Companies Act 1993 sets out those claims which are regarded as preferential and shows their extent and order of priority. For example, wages and salary of any employee in respect of services rendered to the company during the four months preceding the commencement of liquidation are preferential AND the total sum to which priority is to be given in the case of any one employee for wages, holiday pay, deductions, redundancy and child support must not exceed \$20,340 or such greater amount as is prescribed at the commencement of the liquidation.

1. Why do you believe you are a preferential creditor?
(eg. employee, GST, etc) _____
2. Details of your claim: _____

If applicable please record here your GST Registration number: _____
and total GST included in your tax invoice: \$ _____