



McDonald
Vague

business recovery partners

M41 Graphics Limited (In Liquidation)

Liquidators' First Report

McDonald Vague Limited

Level 10, 52 Swanson Street,
Auckland Central

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TO: The directors, shareholders, and known creditors of the company

1 INTRODUCTION AND APPOINTMENT

M41 Graphics 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 29 November 2018 at 9.00 a.m. Peri Micaela Finnigan and Iain McLennan, Accredited 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, amend this report to take into account any information existing at the date of this report that becomes known to us after this report is published.

3 INDEPENDENCE

A declaration of independence is attached at Appendix 2. As far as we are aware there are no conflicts real, perceived, or risks of independence.

4 ATTACHMENTS

The following documents are attached to this report:

- Appendix 1: Statement of Affairs setting out the company's estimated financial position
- Appendix 2: Declaration of independence / relationships / indemnities and upfront payments
- Appendix 3: Schedule of company creditors' names and addresses
- Appendix 4: Notice of Liquidators' decision to dispense with meeting of creditors
- Appendix 5: Notice to creditors to prove debts or claims
- Appendix 6: Creditors claim form

5 COMPANY STRUCTURE AND BACKGROUND

Date of incorporation:	3 February 2010
Company number:	2395133
Date ceased trading:	28 November 2018
Nature of business:	Commercial Printing
Trading address:	5 Parity Place, Hillcrest, Auckland
Share capital:	1,000 Shares
Shareholders:	Karl Ivar Klapproth 750 Shares John Stewart Mahoney 250 Shares
Director:	Karl Ivar Klapproth

The director has advised that the liquidation of company was a result of it entering into an untenable contract. After protracted negotiations, carried out over the last year, failed to achieve an acceptable result, putting excess financial stress on the company, the director said that he was left with no choice but to Liquidate.

6 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.

7 ASSETS AND PROPOSALS FOR CONDUCTING THE LIQUIDATION

The director had been in discussions with an unrelated third party in relation to the sale of the business prior to the liquidation commencing. After appointment, the liquidators completed the negotiations and agreed on a purchase price. Payment of the settlement amount has been received in full.

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.

8 LIABILITIES AND CREDITOR CLAIMS

A schedule of known creditors and their addresses is provided at Appendix 3, as required by Section 255(2)(c) of the Act.

A notice to creditors to prove debts or claims is provided at Appendix 5. Also provided is a creditor's claim form at Appendix 5 for completion and return to this office by Friday, the 25 day of January 2019. 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.

8.1 Secured Creditors

As at the date of liquidation four secured parties had registered security interests against the company on the Personal Property Securities Register. One has since advised that their debt has been paid in full and will discharge the security.

- Fuji Xerox Finance Limited Equipment
- Fujifilm NZ Limited Goods supplied
- HP Financial Services (New Zealand) Limited General Security Agreement

Fuji Xerox have uplifted their leased equipment and have claimed in the liquidation in relation to the unpaid instalments in the contract which was not due to end until July 2021.

We are awaiting confirmation of the amount owed from the General Security holder but have been advised by the director that the amount is \$1,867.

Personal Property Securities Act / Reservation of Title

If any creditor believes that they hold a Purchase Money Security Interest entitling them to any goods or proceeds from realisation of goods, 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.

8.2 Preferential Creditors

At this time, we are unaware of any preferential claims.

8.3 Unsecured Creditors

From our review of the company's accounting records and other information we estimate that the amount due to unsecured creditors is approximately \$397,422 including the claim from Fuji Xerox.

9 CREDITORS' MEETING / LIQUIDATION COMMITTEE

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

Any creditor or shareholder may at any time in the course of the liquidation request that the liquidators call a meeting pursuant to Section 314 of the Companies Act 1993, for the purpose of appointing a liquidation committee. Any request for a meeting must be submitted to the liquidators in writing.

10 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 it can be difficult for liquidators to act in reliance on information that is not provided in writing.

If any creditor wishes to receive the six monthly report by email as and when they are published, please ensure that an email address is provided on your creditors' claim form.

This report and all subsequent reports will be available on the Liquidators' website at www.mvp.co.nz

11 ESTIMATED DATE OF COMPLETION

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

12 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:

McDonald Vague Limited
Level 10, 52 Swanson Street
Auckland 1010

P O Box 6092
Wellesley Street
Auckland 1141


PERIW FINNIGAN
LIQUIDATOR

DATED this 4th day of December 2018

M 41 Graphics Limited (In Liquidation) Statement of Affairs

Statement of Affairs for the above named company as at 29 November 2018 (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 Printers -Fuji Xerox (See Note 6 below)	-	337,376	(337,376)	-
<i>Estimated surplus / (deficiency) as regards specifically pledged assets</i>	\$ -	\$ 337,376	(\$337,376)	\$ -

ASSETS AVAILABLE FOR PREFERENTIAL CREDITORS	<i>Book Value</i>	<i>Estimated to Realise</i>
Accounts Receivable	25,430	25,430
Inventory	850	850
Total	\$26,280	\$26,280

ASSETS AVAILABLE FOR GENERAL SECURITY AGREEMENT HOLDER	<i>Book Value</i>	<i>Estimated to Realise</i>
Estimated surplus as regards preferential creditors		26,280
Sale of business		30,000
Total	\$ -	\$56,280

LESS GENERAL SECURITY AGREEMENT HOLDER	<i>Book Value</i>	<i>Estimated to Realise</i>
HP Financial Services - first ranking General Security Agreement holder		1,867
Total		\$1,867
<i>Estimated surplus as regards General Security Agreement holder</i>		\$54,413

AVAILABLE FOR UNSECURED CREDITORS **\$54,413**

LESS UNSECURED CREDITORS	<i>Book Value</i>	<i>Estimated to Realise</i>
Estimated deficiency as regards Secured Creditors		337,376
Trade Creditors		60,046
<i>Estimated (deficiency) as regards unsecured creditors</i>		(\$343,009)

Notes:

- There is no unpaid capital liable to be called up.
- The above estimates are subject to the costs of the liquidation.
- Assets held may be subject to Purchase Money Security Interest ("PMSI") or Reservation of Title claims.
- The General Security Agreement holder's claim will continue to accrue interest until fully paid.
- There is a contingent liability in respect of the lease of the premises.
- Fuji Xerox has uplifted the assets subject to its security and have claimed as unsecured for the balance of the contract term payments

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.

M41 Graphics Limited (In Liquidation) Declaration of Independence / Relationships / Indemnities and Upfront Payments

A DECLARATION OF INDEPENDENCE

- (i) The appointed and McDonald Vague Limited have undertaken a proper assessment of the risks of independence prior to accepting appointment in accordance with the law code of conduct and applicable professional standards and have concluded that they have no prior business or professional relationship with the insolvent that is a real or potential risk and that they are independent.

B DECLARATION OF RELATIONSHIPS

- (ii) The appointed and McDonald Vague Limited have no prior business or professional or personal relationship with known associates of the insolvent or the major secured creditors that are a real or potential risk and that they are to the extent of:

Name	Relationship	Reason
Accounting North	Referrer	Accounting North have previously referred clients to us in relation to insolvency matters
Fuji Xerox Finance Limited	Business relationship	We have previously dealt with Fuji Xerox on insolvency matters as required

- (iii) The appointed disclose there are no other relevant relationships to declare.
- (iv) The appointed and McDonald Vague Limited have not provided any prior professional services to the insolvent or known associates of the insolvent in the prior two years

C DECLARATION OF INDEMNITIES AND UPFRONT PAYMENTS

- (v) There is no indemnity nor upfront payment.



 PERI M FINNIGAN - LIQUIDATOR

 DATED this 4th day of December 2018



M41 Graphics 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
AARQUE Group	P O Box 104 021	Lincoln North	AUCKLAND 0654
Accounting North	P O Box 303 333	North Harbour	AUCKLAND 0751
ASB Bank Limited	P O Box 90 649	AUCKLAND 1142	
Computaleta Group	5/9-11 Rothwell Avenue	Rosedale	AUCKLAND 0632
Fujifilm NZ Limited	P O Box 101 500	North Shore Mail Centre	AUCKLAND
Fuji Xerox Finance Limited	P O Box 5948	Wellesley Street	AUCKLAND 1001
HP Financial Services (New Zealand) Limited	Level 4, 22 Viaduct Harbour Avenue	Maritime Square	AUCKLAND
Inland Revenue Department	P O Box 39 010	Wellington Mail Centre	LOWER HUTT 5045
Jenrite	P O Box 58 176	Botany	AUCKLAND 2163
JJ Richards & Sons	P O Box 76 647	Manukau	AUCKLAND 2241
Media Display Equipment Ltd	383 New North Road	Kingsland	AUCKLAND 1021
Mercury Energy	Private Bag 92 008	AUCKLAND 1142	
North Shore Security	P O Box 5279	Wellesley Street	AUCKLAND 1141
Total Supply Limited	P O Box 204 328	Highbrook	AUCKLAND 2161
Vodafone New Zealand Limited	Private Bag 92 161	AUCKLAND 1142	

Appendix 4

Notice of Liquidators' Decision to Dispense with Meeting of Creditors

After having regard to the assets and liabilities of M41 Graphics Limited (In Liquidation) and the likely result of the liquidation, the liquidators propose to dispense with a meeting of creditors pursuant to Section 245 of the Companies Act 1993.

The liquidators do not, however, wish to preclude creditors from expressing their views. Please contact Colin Sanderson of this office on DDI (07) 838 0908 if you have any specific enquiries.

If you wish to request that a creditor's meeting be called, notice in writing is required within 10 working days of receiving this notice. Your notice you must also state the reason you require a meeting so that an agenda can be prepared and circulated to creditors and creditors can be given the opportunity to vote on any proposed resolutions by voting letter.


PERI M FINNIGAN
LIQUIDATOR

DATED this 4th day of December 2018

Appendix 5

IN THE MATTER of The Companies Act 1993

and

IN THE MATTER of M41 Graphics Limited (In Liquidation)

Notice to Creditors to Prove Debts or Claims

Notice is given that the liquidators of M41 Graphics Limited (In Liquidation) ("the company"), fix Friday the 25th day of January 2019, as the day on or before which the company's creditors are to make their claims and 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 4th day of December 2018

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: 29 November 2018



McDonald
Vague

McDONALD VAGUE LIMITED

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

Unsecured Creditor's 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

* 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.)

Telephone Numbers: ()

()

E-Mail

My Reference is:
(if applicable)

NAME OF COMPANY IN LIQUIDATION:

(IN LIQUIDATION)

(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: / /



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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.



McDONALD VAGUE LIMITED

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

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 **23,960** 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: \$ _____