



McDonald  
Vague  
business recovery partners

## RRUU NZ LIMITED (IN LIQUIDATION)

### Liquidators' Final Report

McDonald Vague Limited

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#### 1 INTRODUCTION AND APPOINTMENT

Peri Micaela Finnigan and Iain McLennan, Licensed Insolvency Practitioners, of Auckland, were appointed as joint and several liquidators of RRUU Limited (in Liquidation) ("the company") on 28 October 2020 by a special resolution of the shareholders of the company.

Pursuant to section 257(1)(a)(i) of the Companies Act 1993 ("the Act") the liquidators herewith report to all creditors and shareholders that the liquidation of the company has been completed. This final report should be read in conjunction with the liquidators' previous reports.

#### 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 REALISATION OF ASSETS

The attached summary provides the receipts and payments in respect of the liquidation since the prior report and since the commencement of the liquidation.

Since our last report, the liquidators recovered \$10,000 in settlement from the director. The total recoveries from the director totalled \$15,000. A further sum of \$4200 was recovered at the commencement of the liquidation from closing the company bank account.

#### 4 CREDITORS

The liquidators received claims from 39 suppliers and trade creditors. There were a further 32 known creditors with claims according to the books and records of \$177,704 who did not lodge claims. We sent two reminders to all creditors who had not lodged claims. The large majority of the creditors were in the tourism sector. Eight creditors had claims exceeding \$50,000. The claims lodged included the unpaid offshore agency fees for three years of services. The liquidators did not review the contract or validity of this claim but sought for the withdrawal of the claim to increase the % distribution to NZ suppliers. The liquidators have subsequently paid

a distribution of \$11,000 on a pro rata basis to creditors with admitted claims. This is approximately 1 cent in the dollar.

CLAIMS RECEIVED	NUMBER	VALUE	DISTRIBUTIONS	¢ IN THE \$
Unsecured Creditors	39	2,644,399	11,000	1.0
Preferential Creditors	0		0	NIL

## 5 INVESTIGATIONS

RRUU had no transactions with customers. Customers booked travel through an international website and paid the international travel agent. RRUU entrusted another offshore entity to operate the tourism products for RRUU and incurred an agency operation fee obligation for this arrangement (which was not paid). The agent is a major creditor for unpaid costs from 2017 to 2020 year. The claim however has not been supported by a contract and has not been admitted for distribution purposes.

The offshore travel agency that received the customer funds for NZ tourism products (being funds that should have been paid to RRUU and to RRUU creditors) faced bankruptcy soon after the impact of Covid in early 2020. No recovery has been made from that source.

The director claims the company failed as a consequence of Covid-19 which and the cessation of international customers booking tourism products. This caused the end of RRUU. The liquidators have however established the company was insolvent prior to 2020 year when the pandemic became widespread. The company was relying on new bookings in the 2019 year to cover the travel costs of former customers and was well behind paying suppliers. RRUU had no prospect of being able to pay creditors as they fell due. The liquidators established that there was a clear director's action for breach of duties but the cost of that legal action and the fact the director lives offshore was an issue.

The liquidators nevertheless pursued the non resident director for a contribution and following many communications settled for \$10,000 being a total sum held in a personal NZ bank account by the director (who now lives offshore). The director has advised this is the only asset to his name in New Zealand and that as the result of Covid-19 impact on hospitality and tourism in his country and the failure of other businesses he has an association with, that he has no other means to increase the contribution.

The liquidators filed the 2020 tax return to gain a tax refund. This together with the recovery from the director has been distributed to the creditors with approved and admitted claims.

The liquidators have completed their investigations into the books, records and affairs of the company. There are no further assets to realise and distribute.

## 6 COMPLETION OF LIQUIDATION

The liquidation of the company is now complete. A statement of realisations and distributions is **attached**. All known assets have been disclaimed or realised, or distributed without realisation, and all proceeds of realisation have been distributed. The company is ready to be removed from the New Zealand Register (“the register”).

## 7 REMOVAL OF COMPANY FROM THE REGISTER

The liquidators have given public notice pursuant to Section 320(4) of the Act of the intention to remove the company from the register.

The attention of all creditors or shareholders is drawn to Section 321 of the Act which provides that any person may send to the Registrar of Companies, not later than the date specified in the notice, an objection to the removal on any one or more of the following grounds:

- (a) That the company is still carrying on business or there is other reason for it to continue in existence; or
- (b) That the company is party to legal proceedings; or
- (c) That the company is in receivership, or liquidation, or both; or
- (d) That the person is a creditor, or a shareholder, or a person who has an undischarged claim against the company; or
- (e) That the person believes that there exists, and intends to pursue, a right of action on behalf of the company under Part 9 of the Act; or
- (f) That, for any other reason, it would not be just and equitable to remove the company from the New Zealand register.

Note: Section 321(2) of the Act provides that a claim by a creditor or a shareholder or any other person against a company is not an “undischarged claim” if a receiver or liquidator has notified that person that the company has no surplus assets.

The date by which objections must be lodged with the Registrar is 31 January 2022.

## 8 PREVIOUS REPORTS

Creditors are advised that all previous reports relating to the conduct of the liquidation are available on the liquidators’ website [www.mvp.co.nz](http://www.mvp.co.nz).

## 9 CONTACT DETAILS

Enquiries should be directed to Peri Finnigan on DDI +64 (9) 303 9519 or by email to [PFinnigan@mvp.co.nz](mailto:PFinnigan@mvp.co.nz).

The Liquidators can be contacted at:

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Peri M Finnigan

LIQUIDATOR (Licence No: IP17)

Dated this 15<sup>th</sup> day of December 2021

Realisations and Distributions				
RRUU NZ Limited (In Liquidation)				
28 October 2020 to 15 December 2021				
				15/12/2021
<b>Realisations</b>				
Advance - upfront fee				19,200
Bank Account Closure				52
Tax Refund				7,746
<b>Total Realisations</b>				<b>26,998</b>
<b>Payments</b>				
<b>Liquidators Fees</b>				
Liquidators Fees				15,198
Disbursements				800
<b>Total Liquidators Fees</b>				<b>15,998</b>
<b>Distributions</b>				
Preferential GST and PAYE				-
Dividends to Unsecured Creditors				11,000
<b>Total Distributions to Unsecured Creditors</b>				<b>11,000</b>
<b>Total Payments</b>				<b>26,998</b>
<b>BALANCE HELD</b>				<b>-</b>