

LIQUIDATORS' REPORT

STARGATE OPERATIONS LIMITED (IN LIQUIDATION) ("the Company")

1. APPOINTMENT

On 15 May 2015, the Shareholders of the above Company passed the following resolution:

"That Derek Ah Sam, Chartered Accountant and Paul Vlastic, Certified Practising Accountant, of Auckland, be appointed jointly and severally as liquidators of the company."

Liquidators of insolvent companies have the same statutory powers and duties regardless of whether they are appointed by the Court or special resolution of the shareholders. Neither Rodgers Reidy New Zealand nor the Liquidators have any prior personal relationship with the shareholders, other than the appointment noted below.

2. RESTRICTIONS

This Report has been prepared in accordance with and for the purpose of section 255 of the Companies Act 1993 (the "Act"). It is prepared for the sole purpose of reporting on the state of affairs with respect to the Company in liquidation and the conduct of the liquidation.

This Report is subject to the restrictions set out at Appendix A. In particular, all information contained in this Report we have relied upon and not independently verified or audited information or explanations provided to us.

3. ATTACHMENTS

Please find **attached** the following documents:

- Appendix A – Restrictions to the Report;
- Appendix B – A Statement of Affairs for the Company as at 15 May 2015;
- Appendix C – A list of security interests registered against the Company as at the date of liquidation following a search of the Personal Property Security Register.
- Appendix D – A list of all known Creditors and their addresses as required by section 225 (2) (c) of the Act. The list is based on information known and readily available to the Liquidators at the date of preparing this report. If you are aware of other creditors not included in this listing, please urgently advise the Liquidators;
- Appendix E – Creditor's Claim Form.

1. **BACKGROUND OF COMPANY STRUCTURE**

Date of Incorporation:	24 November 2004	
Type of Business:	Manufacture of Supplements	
Company number:	1574907	
Share Capital:	1,000 Shares	
Shareholders:	Matthew James Bowden	998 Shares
	Kristi Maree Bowden	
	Matthew James Bowden 1 Share	
	Kristi Maree Bowden 1 Share	
Directors:	Matthew James Bowden	

5. **LIQUIDATORS' OBSERVATIONS**

5.1 **Trading History**

The Company was incorporated on 24 November 2004.

The Company's main operation was the manufacture of supplements. The Company also operated a music recording studio and costume hire business.

5.2 **Sale of Fixed assets**

The Liquidators will attempt to sell the assets of the Company.

5.3 **Reason for insolvency**

The Director advised that the reason for insolvency was due to the change in legal requirements pertaining to the Company's main operations.

5.4 **Assets and any potential realisations**

The Liquidators are in the process of having the Company assets valued by a registered valuer in order to achieve a sale at the best possible market price.

The Liquidators will undertake an investigation into the affairs of the Company to determine if there are any other assets to be realised or any other potential avenues for recoveries.

5.5 **Insolvent transactions and potential breaches of legislation**

The Liquidators will undertake a full review of all Company records and documentation to establish whether there have been any insolvent transactions and reckless trading, or any breaches of legislation by the Company or its Officers.

If it is established there have been insolvent transactions, reckless trading or breaches of applicable legislation, a review will be undertaken to establish

any likely claims against the Directors or the Company's Officers which may increase the recoveries available to creditors.

Where evidence is sufficient to prove a breach of legislation, the breach will be reported to the relevant authorities.

5.6 **Employees**

All employees were terminated upon the appointment of the Liquidators.

The Liquidators are working to ascertain the balance of holiday pay and wages owed to the Company's former employees.

The Liquidators are aware of a number of disputes related to employee holiday pay and wages owed. The Liquidators are currently working through these claims.

Please note that pursuant to Schedule 7 of the Companies Act 1993 and employee, for the purposes of being treated as a preferential creditor, specifically excludes "*a person who is, or was at any time during the 12 months before the commencement of the liquidation, a director of the company in liquidation, or a nominee or relative of, or trustee for, a director of the company*".

5.7 **Creditors with security interests**

For details of the security interests identified following a search of the Personal Property Security Register ("**PPSR**"), please refer to Appendix C.

5.8 **Preferential Creditors**

As at the date of this Report, we have not yet received any preferential claims.

5.9 **Financial Statements**

The most recent financial statements we have received are for the period ended 31 March 2013. The Liquidators have also gained access to the Company's Xero accounting software.

6. **STATEMENT OF AFFAIRS**

We **attach** a statement of the Company's affairs as at the date of our appointment. This has been prepared from information provided by the Officers of the Company and the Liquidators are not yet able to express an opinion on the validity of that information.

7. **PROPOSALS FOR CONDUCTING THE LIQUIDATION**

7.1 The Liquidators will take all steps to realise all the assets.

7.2 The Liquidators will recover the books, records and legal files of the company.

7.3 The Liquidators will examine the books and records to ensure all assets have been properly accounted for. The Liquidators will also conduct an investigation into the affairs of the Company and do all those things that would be expected of liquidators.

7.4 Reports on the conduct of the liquidation and on proposals for completion of the liquidation will be prepared and distributed six monthly in accordance with section 255 of the Act. A Final Report will also be prepared and distributed in accordance with section 257 of the Act at the completion of the liquidation.

8. **CREDITORS' CLAIMS**

Reservation of Title

If any Creditor believes they have a Reservation of Title over goods and they have not registered their interest on the Personal Property Securities Register, they should also contact this office immediately.

Creditor's Claim Form

Enclosed is a notice to Creditors to prove debts or claims and a Proof of Debt Form for completion and return to this office by Friday, 26 June 2015.

9. **ESTIMATED DATE OF COMPLETION OF LIQUIDATION**

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

10. **CREDITORS' MEETING**

After having regard to the assets and liabilities of the Company 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 Stephen Keen (skeen@rodgersreidy.co.nz) of this office if you have any specific enquiries.

You are advised that should you desire a 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.

Note: 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.

Enquiries to: Stephen Keen
Phone 64 9 834 2631



Derek Ah Sam
Joint Liquidator
dahsam@rodgersreidy.co.nz

DATED this 20 May 2015

ADDRESS OF LIQUIDATOR

Rodgers Reidy Chartered Accountants
Insolvency Specialists
Level 1, 547 Te Atatu Road
PO Box 45220
Te Atatu Peninsula
Auckland 0651
Telephone 64 9 834 2631
Facsimile 64 9 834 2651

Website: www.rodgersreidy.co.nz

IN THE MATTER of the Companies Act
1993

AND

IN THE MATTER of **Stargate Operations
Limited (In Liquidation)**

NOTICE TO CREDITORS TO PROVE DEBTS OR CLAIMS

Notice is hereby given that the undersigned, the Joint Liquidator of **Stargate Operations Limited (In Liquidation)**, does hereby fix Friday, 26 June 2015 as the day on or before which the Creditors of the Company are to make their claims and to establish any priority their claims may have under Section 312 of The Companies Act 1993, or to be excluded from the benefit of any distribution made before such claim is made.



Derek Ah Sam
Joint Liquidator

DATED this 20 May 2015

ADDRESS OF LIQUIDATOR

Rodgers Reidy Chartered Accountants
Insolvency Specialists
Level 1, 547 Te Atatu Road
PO Box 45220
Te Atatu Peninsula
Auckland 0651
Telephone 64 9 834 2631
Facsimile 64 9 834 2651

Website: www.rodgersreidy.co.nz

DATE OF LIQUIDATION: 15 May 2015

APPENDIX A

Restrictions

All information provided in this Report has been provided in order to comply with section 255 of the Companies Act 1993.

The information, statements and opinions provided in this Report has been expressed in good faith and on the basis that they are true and correct in all material respects. The information, statements and opinions are based upon the information readily available at the date of the preparation of this Report.

The Liquidators have not verified the accuracy of the information provided by the Company's Directors and Officers. No audit has been undertaken to test the accuracy of the information provided. Therefore, no opinion is given by the Liquidators in regard to the accuracy, reliability or completeness of the information used in the preparation of this Report. The Liquidators accept no liability whatsoever arising from this report.

It is possible there is information the Liquidators were not made aware of at the date of preparing this Report, accordingly, the Liquidators reserve the right to review or amend the Report if any additional information is made available. However, the Liquidators will be under no obligation to do so.

Please note all figures in this Report are stated in New Zealand dollars (NZD) unless otherwise stated.

APPENDIX B

Stargate Operations Limited (In Liquidation)

Statement of Affairs of the above-named Company as at 15 May 2015
(being the date of liquidation) showing assets as estimated realisable value and liabilities
expected to rank.

	Book Value	Estimated to Realise
	\$	\$
ASSETS NOT SPECIFICALLY PLEDGED		
Fixed Assets ⁴	Still to Investigate	Still to Investigate
Debtors ⁵	Still to Investigate	1,724
Overdrawn Shareholder Current Account	Still to Investigate	Still to Investigate
Total	<u>Still to Investigate</u>	<u>Unknown</u>
LESS GENERAL SECURITY AGREEMENT HOLDER		
ESTIMATED DEFICIENCY AS REGARDS GENERAL SECURITY AGREEMENT HOLDER		Not Applicable
LESS PREFERENTIAL CREDITORS		
Employee		Still to Investigate
Inland Revenue Department		Still to Investigate
It is unknown if there are any more creditors		<u>Still to Investigate</u>
ESTIMATED DEFICIENCY AS REGARDS PREFERENTIAL CREDITORS		Still to Investigate
LESS UNSECURED CREDITORS		
Inland Revenue Department ⁶		846,000
Trade Creditors ⁷		689,959
ESTIMATED DEFICIENCY AS REGARDS UNSECURED CREDITORS		<u>Still to Investigate</u>
ESTIMATED DEFICIENCY AS REGARDS GENERAL SECURITY AGREEMENT/DEBENTURE HOLDER, PREFERENTIAL CREDITORS AND UNSECURED CREDITORS		<u>Still to Investigate</u>

Notes:

1. There is no unpaid capital liable to be called up.
2. The above estimates are subject to the cost of the liquidation.
3. Assets held may be subject to Purchase Money Security Interests (PMSI), or Reservation of Title Claims.
4. The Liquidators are currently having the Company's assets valued by an independent, registered valuer.
5. The 'Estimated to Realise' figure of \$1,724 is based on the Company's Xero accounting software. The Liquidator's are confident this amount is collectable.
6. The Liquidators have had verbal confirmation from the Inland Revenue Department that their claim in the liquidation is approximately \$846,000 for Income Tax. It is understood this figure would have been higher if additional Income Tax Returns had been filed. The Liquidators await the Inland Revenue Department's proof of debt to confirm the amount owed.
7. The total 'Trade Creditors' figure of \$689,959 has been taken from the Company's Xero accounting software. The Liquidators cannot verify the accuracy of the balances owed to creditors and invite all creditors to lodge a claim in the liquidation for any sum owed to them by the Company (please see **Appendix E** of this report for the necessary documentation to formally lodge a claim).

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 other person.

APPENDIX C

STARGATE OPERATIONS LIMITED (IN LIQUIDATION)

The following illustrates all security interests registered against the Company following a search of the Personal Property Security Register ("PPSR") as at 15 May 2015 (being the date of liquidation)

Financing Statement	Date	Secured Party	Collateral Type
FX69T38Z2XZ87229	30/05/2013	Flexirent Capital (New Zealand) Limited	Goods – Other
FP688BV07BN66506	13/09/2013	Flexirent Capital (New Zealand) Limited	Goods – Other
FA1975KM18M4C243	06/11/2013	Portacom New Zealand Limited	All Present And After Acquired Personal Property; Goods – Other

APPENDIX D

Stargate Operations Limited (In Liquidation)

Below is a schedule of Creditors' Names and Addresses pursuant to Section 255(2) of the Companies Act 1993

<u>CREDITOR</u>	<u>ADDRESS</u>
Flexirent Capital (New Zealand) Limited	PO Box 90935, Victoria Street West Mail Centre, Auckland
Portacom New Zealand Limited	PO Box 12756, Penrose, Auckland
Auckland Independently Qualified Persons	PO Box 340 243, Birkenhead, Auckland
Big Blue Limited	PO Box 112 361, Penrose, Auckland
Body FX Limited	607 New North Road, Kingsland, Auckland 1021
BR & MJ O'Brien Partnership	35 James Evans Drive, Northcote, Auckland
Bright & Scott Limited	111 Deep Creek Road, Torbay, Auckland 0630
Build East Limited	PO Box 58129, Botany, Auckland 2163
Busy Design Limited	lukas@busydesign.com
Cawthron Institute	Private Bag 2, Nelson
Cerep	Le Bois l'Eveque, BP30001 - 86600, Celle l'E, France
Chen Palmer	PO Box 2160, Wellington 6140
Chubb NZ Limited	Private Bag 92207, Victoria Street West, Auckland 1142
Contact Energy Limited	PO Box 624, Wellington 6140
Corporate Cabs	PO Box 24 319, Auckland 1345
Crown Worldwide	PO Box 40183, Glenfield, Auckland
Dalton Pharma Services Limited	349 Wildcat Road, Toronto, Ontario M3J2S3, Canada
Destinations Travel Management Limited	PO Box 6390, Wellesley Street, Auckland
ESR Limited	PO Box 50 145, Porirua 5240
First Mortgage Trust	PO Box 13083, Tauranga 3141
First Security	PO Box 7631, Wellesley Street, Auckland
Flexigroup NZ Limited	PO Box 90935, Victoria Street West, Auckland 1142
Ford Family Trust	PO Box 33204, Takapuna, Auckland
Genesis Energy	Private Bag 3131, Waikato Mail Centre, Hamilton 3240
Hayes Knight North Limited	PO Box 302424, North Harbour, Auckland 0751
Hero Car Hire Limited	PO Box 39 486, Howick, Auckland 2145
Hobbiton Movie Tours	501 Buckland Road, Hinuera, Matamata 3472
Accident Compensation	ACC Debt Management Unit, PO Box 3248, Wellington 6140
Inland Revenue Department	PO Box 1535, Hamilton, 3240
Integrity Creative Limited	integritycreative@kog.co.nz
IUA Insurance (Meridian General)	PO Box 25 605, Wellington 6146
JJ Richards & Sons Limited	PO Box 76 647, Manukau, Auckland 2241
Marketing Chemicals Limited	PO Box 13881, Onehunga, Auckland
Marsh Limited	PO Box 5644, Dunedin
Mercury Energy Limited	Private Bag 92008, Auckland
Ministry of Health	PO Box 5013, Wellington
North Shore Drycleaners	1/8 Inverness Road, Browns Bay, Auckland

North Shore Security Limited	PO Box 302 723, North Harbour, Auckland 0751
NZ Post Limited	PO Box 2349, Christchurch Mail Centre, Christchurch 8140
Pace - Express Couriers Limited	PO Box 38817, Wellington Mail Centre, Lower Hutt 5045
Portacom NZ Limited	PO Box 12756, Penrose, Auckland 1642
Rentokil Initial Limited	Private Bag 92 905, Onehunga, Auckland
Southern Cross Medical Care Society	Private Bag 99934, Newmarket, Auckland 1149
Spark	PO Box 1473, Christchurch 8140
Starr Alignment Limited	PO Box 60402, Titirangi, Auckland
Swanson Storage Limited	PO Box 95 165, Swanson, Auckland
Tim Tautorat	Kortestrasse 8, Berlin 10967, Germany
Veda Advantage	Private Bag 92 156, Auckland
Vodafone	PO Box 90112, Victoria Street West, Auckland 1142
Warehouse Stationery Limited	PO Box 101 248, North Shore, Auckland 0745
Zintel Communications Limited	PO Box 90373, Victoria Street West, Auckland 1142
Chris Buhmann	<i>Withheld</i>
Stuart Bainbridge	<i>Withheld</i>
Ulukilupetea Louina Fifita	<i>Withheld</i>
Joshua O'Sullivan	<i>Withheld</i>
Michael Westcot	<i>Withheld</i>
James Williamson	<i>Withheld</i>
Shangjin Yang	<i>Withheld</i>
Kristi Maree Bowden	<i>Withheld</i>
Matthew James Bowden	<i>Withheld</i>



CREDITORS CLAIM FORM

Pursuant to Section 304(1) of the Companies Act 1993, any claim by an unsecured creditor against a company in liquidation must be made in this prescribed form and must (a) contain full particulars of the claim; and (b) identify any documents that evidence or substantiate the claim.

INSOLVENCY AND RECONSTRUCTION SPECIALISTS

Please return to:

Auckland P: P O Box 45220, Te Atatu, Auckland 0651 F: +64 9 834 2651 E: rr@rodgersreidy.co.nz

Christchurch P: P O Box 39090, Harewood, Christchurch 8545 F: +64 3 974 2479 E: rr@rodgersreidy.co.nz

NAME OF COMPANY IN LIQUIDATION

(IN LIQUIDATION)

NAME AND CONTACT DETAILS OF CREDITOR IN FULL

NAME:

POSTAL ADDRESS:

REFERENCE: TELEPHONE:

E-MAIL*: FACSIMILE:

* this will be used as your address for correspondence unless you tick this box indicating that you do not want e-mail communication

I, _____ (insert name)

(if claim is made on behalf of creditor, specify relationship to creditor and authority), state that as at the date of liquidation of the above named Company, was indebted to the above named creditor for the sum of (amount in words and figures):

NZ\$

Total GST included in your claim NZ\$ **GST Number:**

STATUS OF CLAIM

Tick

One

- 1. I hold no security for the claimed amount
- 2. I am surrendering the security I hold and am claiming as an unsecured creditor
- 3. I am making a preferential claim

UNSECURED CLAIMANTS ONLY (1 AND 2 ABOVE)

Date	Description of Goods/Services Supplied (attach supporting evidence)	Amount (NZ\$)

PREFERENTIAL CLAIMANTS ONLY (3 ABOVE)

Schedule 7 of the Companies Act 1993 sets out those claims which are regarded as preferential and shows their extent and order of priority.

Are you claiming the full amount of your claim as preferential? Yes / No (Circle One)

If no, what part of your claim is preferential? NZ\$

Why do you believe your are a preferential creditor?

Details of your claim:

BANK ACCOUNT DETAILS

If you wish to receive any dividend payments by direct credit, please provide the following information.

Account Name: _____

Reference: _____ Account Number: _____

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 to 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.

Any personal information collected is for the purpose of administering the claims in accordance with the Companies Act 1993. The information will be used and retained by Rodgers Reidy (NZ) Limited and will be released to other parties only with your authorisation or in compliance with the Privacy Act 1993.

Signed: _____ **Date:** _____