

Liquidators' First Report

M & G YOUNG HOLDINGS LIMITED (IN LIQUIDATION)

Introduction

On 19 July 2016 at 11.14am, Iain Bruce Shephard and Heath Leslie Gair were appointed liquidators jointly and severally of M & G Young Holdings Limited by special resolution signed by the shareholders.

We have made the appropriate enquiries and are of the opinion that we are not barred from acting as liquidators under Section 280 of the Companies Act 1993.

The report should be read in conjunction with the Liquidators' First Report for Black Ink Holdings Limited (In Liquidation).

Restrictions

The liquidators take no responsibility for any misinformation contained in this report that has been supplied by the Company, its officers or other persons. The report is based upon information available at this date, the liquidators reserve the right to renew, and if necessary, amend the report.

Company Information

Company Number:	614465
Date of incorporation:	15 April 1994
Date ceased trading:	19 July 2016
Current Registered address:	Level 2, 82 Willis Street, Wellington
Previous Registered address:	Staples Rodway Wellington 6 th Floor, 95 Customhouse Quay Wellington 6011
Trading address:	Z Energy stations: <ul style="list-style-type: none">- Constable Street, Newtown- Mungavin Avenue, Porirua- Johnsonville- Harbour City, Wellington- Miramar- Taranaki Street, Wellington- Crofton Downs- Strathmore- Tawa

- Vivian Street, Wellington
- Kilbirnie

Type of business:	Petrol-station service provider and mechanic
Directors:	Gregory Stephen Young Murray Graham Young
Shareholder:	Black Ink Holdings Limited (In Liquidation)
Related Entities:	Black Ink Holdings Limited (In Liquidation)

Background

M & G Young Limited (now in liquidation) (“M & G Young”) operated 11 Z Energy service stations and one mechanical workshop in the Wellington Region.

A related entity, Black Ink Limited (also in liquidation) (“Black Ink”) employees the staff that operate the service stations and provides the administrative support services to M & G Young.

In recent times the trading results of the service stations has results in cashflow difficulties. Z Energy, in conjunction with the directors had commenced steps to cancel the Business Operating Agreement and replace the operators. The shareholders sought advice and resolved to place the company into liquidation.

Proposals for conducting the liquidation

Z Energy have cancelled the Business Operating Agreement with M & G Young and assumed management of the service stations. All employees have been terminated by Black Ink and re-employed by Z Energy on a fixed term contract.

The Liquidators are working with Z Energy in order to settle a stock transaction some of which may be subject to security agreements. The liquidators have requested security documentation from the secured creditors. The liquidators will review all documentation before agreeing to the release of any assets. The liquidators intend to sell any unencumbered assets for the general benefit of the Company’s creditors.

The liquidators will conduct an investigation of the Company’s books and records to further establish if there are any potentially voidable transactions that require investigation, and further to ensure that the directors have complied with the duties and obligations imposed on them under the Companies Act 1993.

In the event that there are funds available for a distribution, the liquidators will admit creditor claims and make a distribution.

The liquidators will then complete a final report and request that the Registrar of Companies remove the Company from the register.

Statement of Position

The liquidators have prepared an Estimated Statement of Position of the Company as at the date of liquidation (attached).

Meeting of Creditors

After having regard to the assets and liabilities of the Company, the likely result of the liquidation and other relevant matters, the liquidators, in accordance with Section 245 of the Companies Act 1993, have decided to dispense with a meeting of creditors.

A creditor may request, by way of a notice in writing, a meeting of creditors within 10 working days after receiving this notice.

In accordance with Section 314 of the Companies Act 1993 a creditor or shareholder may request the liquidator to call a meeting of creditors or shareholders at any time in the course of the liquidation to vote on a proposal that a liquidation committee be appointed to act with the liquidator. This request must be in writing.

The liquidator may decline a request by a creditor or a shareholder to call a meeting on the ground that:

- (a) the request is frivolous or vexatious; or
- (b) the request was not made in good faith; or
- (c) the costs of calling the meeting would be out of proportion to the value of the Company's assets.

The decision to decline a request may be reviewed by the Court on the application of any creditor or shareholder.

Creditor's Claim Form

Please find enclosed a creditor's claim form. Creditors should complete and return this form to the above address on or before 30 August 2016.

Creditors who do not make a claim within this period may be excluded from any distribution that may be made.

Should you be of the opinion that you hold a security interest this should be noted where appropriate on the form and advised to us immediately, along with the appropriate supporting documentation.

Estimated Date of Completion

It is not practicable to estimate the date of completion of the liquidation at this stage.

Should you have any information that you believe would lead to realisations for the benefit of creditors, please set it out in writing, attaching copies of all documentary evidence, and send it to the liquidators. Please note that the liquidators can only act on written information as telephone, or other, conversations will be regarded as hearsay by any court.

Contact Details

Contact Person	Iain Shephard
Telephone	04 473 6747
Email	iain@sd.co.nz
Postal Address	PO Box 11793 Wellington



IAIN SHEPHARD
Liquidator

Dated 26 July 2016

M & G YOUNG HOLDINGS LIMITED (IN LIQUIDATION)

Estimated Statement of Financial Position as at 19 July 2016

	Book value \$	Estimated to realise \$	Notes
Assets			
Cash on Hand (held on trust)		186,000	1
Fixed Assets	16,116	15,000	
Accounts Receivable	92,627	40,000	
Stock (awaiting confirmation)	626,959	626,959	2
Shareholder Current Account	901,069	415,000	3
		<hr/>	
Estimated Funds Available (Subject to the costs of liquidation)		1,282,959	
Secured Creditors (to be confirmed)			
Z Energy - monies held on trust for fuel sales		148,000	1
BNZ Limited		101,269	4
PMSI creditors (estimated)		400,000	5
Preferential Creditors (to be confirmed)			
Inland Revenue - GST		100,000	6
Unsecured Creditors (to be confirmed)			
Trade Creditors		1,375,656	
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Estimated Shortfall (Subject to the costs of liquidation)		<u>(693,966)</u>	

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

Notes;

1. These funds pertain to monies received from the sale of fuel and goods and is subject to a claim from Z Energy in respect of the fuel sales
2. The stock figure is yet to be confirmed and includes encumbered and unencumbered stock
3. The shareholder is Black Ink Holdings Limited, an associated entity which is also in liquidation. The estimated recovery of the current account arises from an expected distribution to the unsecured creditors of Black Ink
4. BNZ are likely to be paid in full by Black Ink
5. PMSI creditors are yet to be confirmed
6. The Inland Revenue preferential claim will be for part period GST and has been estimated

M & G YOUNG HOLDINGS LIMITED (IN LIQUIDATION)
Schedule of Creditors

Name	Address 1	Address 2	Address 3
AAA Partsworld	PO BOX 143	FEATHERSTON	WAIRARAPA
ABLAZE	PO Box 38-114	Wellington Mail Centre	
Accident Compensation Corporation	Debt Management Unit	P O Box 3248	Wellington
Anderson Brake Services	PO Box 40708	Upper Hutt	
ANL Autospares	PO Box 38901	Wellington	
Armourguard Security Ltd	P O Box 2439	Shortland Street	AUCKLAND 1140
Arrow Hygiene	PO Box 38870	Wellington	
Ash Air	PO Box 40-080	Glenfield	Auckland
Auto Break & Clutch	PO Box 9067	Wellington	
Auto Electrical Solutions (Wellington)	220 Riddiford Street	Newtown	Wellington
Autolign	PO Box 9237	Newmarket	
B.O.C Limited	P O Box 648	CHRISTCHURCH	
Bidvest Foodservice	PO BOX 13333	WELLINGTON	
Bluebird Foods Limited	Private Bag 76903	AUCKLAND	
Bon Accord Products Ltd	667 Rosebank Road	Avondale	Auckland
Brake & Transmission NZ Ltd	300 Taranaki Street	Wellington	
Bridgestone Tyre Centre	Unit 2, 124 Park Road	Miramar	Wellington
British American Tobacco	2 Watts Street	Parnell	AUCKLAND
Burger King Johnsonville	134 Johnsonville Road	Johnsonville	Wellington
Cannon Hygiene NZ Ltd	PO Box 8122	Symonds Street	Auckland
Century Yuasa Batteries Ltd	P O Box 13-343	Onehunga	AUCKLAND
Chubb NZ Ltd	P O Box 68 649	Newton	Auckland
Coca-Cola Amatil (NZ) Limited	Private Bag 14-916	Panmure	AUCKLAND
Cookie Time Limited	P O Box 16 141	CHRISTCHURCH	
CPC (New Zealand) Ltd	PO Box 38726	WELLINGTON	
Daily Waste Ltd	P O Box 7174	WELLINGTON SOUTH	
E Pay New Zealand Ltd	PO Box 132122	Sylvia Park	Auckland 1644
Elgas	PO Box 222-85	Christchurch	
EnviroWaste Services Ltd	Private Bag 92810	Penrose	Auckland
Euro Rova	75 Whakatiki Street	Upper Hutt	
Exide Technologies	P O Box 36 026	Wellington Mail Centre,	Lower Hutt 5045
Espresso Direct Ltd T/A Ignite Coffee	PO Box 113-160	Broadway	Auckland
Expresspak	PO Box 19794	Avondale	Auckland
Fairfax New Zealand Ltd	Fairfax Media	Private Bag 4906	Christchurch 8140
Fonterra Brands (Tip Top) Ltd	P O Box 722	AUCKLAND	
Frucor Beverages Limited	P O Box 76 202	Manukau City	AUCKLAND
Genesis Energy	PRIVATE BAG 3131	WAIKATO MAIL CENTRE	HAMILTON 3240
Gilmours Wholesale Food & Beverage	PO Box 38891	Wellington Mail Centre	Wellington
Gordon and Gotch	P O Box 3207	AUCKLAND	

Griffins Foods Limited	PO Box 9129	Newmarket	Auckland 1149
Hillside Auto Wreckers Ltd	15-17 Blenheim St	Upper Hutt	
Hireace	P O Box 91-765	AUCKLAND MAIL CENTRE	
Honda NZ Limited	P O Box 97340	South Auckland Mail Centre	WIRI
Ice Point Limited	PO Box 50-291	Porirua	
Ice-Land Group Limited	PO Box 966	Palmerston North 4440	
Imperial Tobacco	PO Box 39-400	Wellington Mail Centre	LOWER HUTT
Inland Revenue Department	P O Box 39010	Wellington	
IXOM	PO BOX 303367	NORTH HARBOUR	AUCKLAND 0751
Jig Limited	PO Box 12220	Thorndon	Wellington
Jim's Mowing	128 Townsend Road	Miramar	WELLINGTON
Meadow Fresh NZ Limited	PO Box 90450	Victoria Street West	Auckland
Motor Trade Association Ltd	PO Box 9244	Wellington	
Naturezone Limited	P O Box 12 781	Penrose	AUCKLAND
Netlink Distribution Company	P O Box 47-906	Ponsonby	AUCKLAND
New Zealand Safety	P O Box 38-331	PETONE	
NZ Vehicle Compliance	PO Box 31104	Lower Hutt	
One Music	PO Box6315	Wellesley St	Auckland
Online Distribution - Edoc	PO Box 29177	Grenwoods Cnr	AUCKLAND
Online Distribution Limited	P O Box 29177	Greenwoods Corner	AUCKLAND
Pacific Optics Limited	P O Box 90555	A.M.S.C	AUCKLAND
Porirua Waste	PO BOX 9289	MARION SQUARE	Wellington 6141
Quality Bakers Wellington	PO Box 58084	Greenmount	Auckland
Rentokil NZ Limited	Private Bag 92-905	Onehunga	AUCKLAND
Repcos Auto Parts	PO Box 1144	Tauranga	
SAS Hutt	49a Hutt Road	Petone	Lower Hutt
Signature Marketing Nz Ltd	PO Box 305-637	Triton Plaza	Rosedale
Spark	insolvencies@spark.co.nz		
Specialised Auto Parts Ltd	PO Box 78	Ashhurst	Palmerston North
Specialised Guard Services/First Contact	PO BOX 24-198	MANNERS ST	WELLINGTON
Streamline Solutions 2013 Ltd	PO Box 100-137	North Shore Mail Centre	
Strong For Honda	P O Box 31-121	LOWER HUTT	
Sub-Euro PartsWorld	Po Box 50468	Porirua	
SWEET AS POPCORN LIMITED	P O BOX 21146	ROTORUA	HAMILTON
The Dominion Post (Fairfax Media)	P O Box 150	WELLINGTON	
The Goodtime Food Co Ltd	PO Box 3341	Hawkes Bay Mail Centre	Hawkes Bay
The NZ Herald	P O Box 3992	AUCKLAND	
Value Tyres Limited	PO Box 4674	CHRISTCHURCH	
Warehouse Stationery	P O Box 101248	North Shore Mail Centre	AUCKLAND
Wellington Apparelmaster Ltd	P O Box 38-456	WGTM MAIL CENTRE	
Wellington Toyota Dismantlers	8 Waiu Street	Wainuiomata	
Wellington Van & Ute	69 Waione Street	Petone	Lower Hutt
Wickliffe Limited	PO Box 932	Dunedin	
Z Energy Ltd			

<p>Name and postal address of creditor in full</p> <p>Telephone Number: ()</p> <p>My Reference is: _____ (if applicable)</p> <p>My bank account name is: _____</p> <p>My bank account number is: _____</p>	<p>* Any personal information collected is for the purpose of administering the liquidation in accordance with the Companies Act 1993.</p> <p>The information will be used and retained by Shephard Dunphy Ltd and will be released to other parties only with your authorisation or in compliance with the Privacy Act 1993.</p> <p>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—</p> <p>(a) Contain full particulars of the claim; and (b) Identify any documents that evidence or substantiate the claim.</p> <p>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.)</p>
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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 above named creditor for the sum of

(Amount in words and figures): _____

Status of claim:	Tick
1. I am an unsecured creditor	<input type="checkbox"/>
2. I am surrendering the security I hold and I am claiming as an unsecured creditor	<input type="checkbox"/>
3. I am making a preferential claim (Refer details on reverse)	<input type="checkbox"/>
4. I have a security interest (Refer details on reverse)	<input type="checkbox"/>

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

Signed: _____ **Date:** / /

Warning	<p>It is an offence under Section 304(6) of the Companies Act 1993 to —</p> <ul style="list-style-type: none"> • 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.
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Reserved for office use:

<p>Received (Date Stamp)</p>	<p>Claim admitted/rejected for voting purposes: _____ Signed: _____ Date: / /</p> <p>(Please tick one)</p> <p><input type="checkbox"/> Claim rejected for payment: _____ Signed: _____ Date: / /</p> <p>or</p> <p><input type="checkbox"/> Claim admitted for payment:</p> <p>Preferential Claim for: Ordinary Claim for: Deferred Claim for:</p> <p>\$ _____ \$ _____ \$ _____</p> <p>_____ Date: / /</p>
<p>Note: If the decision to admit or reject a claim is amended, the Companies Act 1993 Liquidation Regulations 1994 requires that it be recorded in writing.</p>	

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 \$

Security interest claimants only

Please provide details of the basis of your security interest and furnish a copy of the security documentation.

Preferential claimants only

1. Are you claiming the full amount of your claim as preferential? **Yes / No**
2. If no, what part of the claim is preferential? **\$** _____
3. Why do you believe you are a preferential creditor? (e.g. employee, GST etc)

4. Details of your claim: _____

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