

Vivid Solutions Limited (In Liquidation) **(“the Company”)**

Liquidator’s First Report to Creditors and Shareholders

20 November 2023

Disclaimer

This report is prepared in accordance with section 255 of the Companies Act 1993 and is intended only for the Company’s creditors and shareholders for the purposes of reporting on the Company’s statement of affairs and the conduct of the liquidation. This report is based upon information available to the Liquidator as at the date of the report. I take no responsibility for any misinformation contained in the report that has been obtained from the Company, its officers, or any other persons. This report is not to be reproduced, circulated, or used for any other purpose without the Liquidator prior consent and the Liquidator, their firm and its employees accept no responsibility or liability to any party for loss or damaged caused from any use of or reliance on this report.

Appointment.

Thomas Lee Rodewald, a Licensed Insolvency Practitioner was appointed as Liquidator of the above-named Company by special resolution of the shareholder on 7 November 2023 at 4:21 PM, pursuant to section 241(2)(a) / Section of 241(2) (a) of the Companies Act 1993 ("the Act"). (The resolution was not received by the Liquidator until 16 November 2023)

The Liquidator has made the appropriate enquiries and is of the opinion that he is not barred from acting under section 280 of the Act. A notice is provided in **Appendix Three** regarding the licensing of insolvency practitioners.

Liquidators Fees and Expenses

The following fees are in our consent to act:

Position	Hourly Rate Charge
Liquidator	410
Consultant	300
Senior Manager	250
Manager	200
Administration Staff	180
<i>Note: These rates are GST exclusive. In addition, disbursements will be charged</i>	
<i>Note: These rates are subject to change</i>	

Company Information

The following information has been obtained from the Companies Office as at the time of the appointment:

Date of Incorporation	17 November 2008
Company Registration Number	2187364
Company NZBN	9429032495836
Registered Office	2c, 6 Kingdon Street, Newmarket, Auckland 1010
Trading Address	Not trading. Was 2c, 6 Kingdon Street, Newmarket, Auckland.
Type of Business	J580910 Telecommunications services
Date Trading Ceased	7 November 2023

Shareholders

Name	Shareholding
Zamaxoll Limited	100,000

Directors

Name	Address
Simon John Hayden	Unit 105, Percy Winstone Lane, Stonefields, Auckland 1072

Commentary

The Company traded from 17 November 2008 in telecommunications services. The Liquidator has been advised that the reason for the failure of the Company which led to the appointment of the Liquidator was due to the effects of covid and the resultant loss of several large contracts and one in particular, being a government contract, which was suspended initially for 9 months, but ultimately not renewed. Also, the widespread use of Zoom and Teams had a detrimental effect on the business.

The Liquidator has made contact with the director and a consultant has interviewed the director and obtained company records. The Liquidator has also frozen the Company's bank account and issued notices to the secured creditors asking for details of their debt and securities, but these are believed to be nil.

Statement of the Company's Affairs

A statement of the Company's estimated financial position as at the date of liquidation is provided in **Appendix One**. This statement has been prepared based on information obtained from the Company, its officers, and creditors. The information has yet to be verified for validity and may be subject to change.

Proposals for Conducting the Liquidation

The Liquidator will take steps to realise the assets of the Company and continue their investigations into the affairs of the Company to determine if there are any insolvent transactions and/or breaches of any relevant legislation by the Company or its officers. It is too early to comment on any recoveries and the likelihood of a distribution at this stage. However, if it is determined that there are sufficient funds to make a distribution to creditors, the Liquidator will contact the creditors if they have not already provided their claim forms along with any applicable documentation in line with AML/CFT laws. Any distributions will be made in accordance with Schedule 7 of the Act.

Assets

The Liquidator has been advised that the Company IP had been sold to a third party prior to the appointment. Remaining known assets as at the date of the liquidation:

- Office furniture and fittings
- Camera and video conferencing equipment
- Miscellaneous cabling, screens and stands.
- Outstanding accounts receivable

It is too early to determine the realisable value of these assets and/or any potential claims available to the Liquidator. The Liquidator is also investigating whether there are any other assets and/or potential claims which may give rise to additional recoveries for the benefit of creditors.

Creditor Claims

In accordance with section 255(2)(c) of the Act, a schedule of all known creditors of the Company as at the date of this report is provided in **Appendix Two**.

Secured Creditor Claims

A search of the Personal Properties Securities Register disclosed 2 security interests registered against the Company.

The Liquidator has issued notices in accordance with section 305 to the secured creditors on the date of their appointment. Secured creditors have 20 working days after that date to elect which of the following they wish to exercise:

- a. Realise the property subject to their charge; or
- b. Value the property subject to their charge and claim in the liquidation as an unsecured creditor for the balance of their claim, if any; or
- c. Surrender the charge to the Liquidator for the general benefit of creditors and claim as an unsecured creditor for the whole debt.

If a secured creditor fails to notify the Liquidator of their election within 20 working days, their charge will be surrendered to the Liquidator for the general benefit of creditors, and they may claim in the liquidation as an unsecured creditor for the whole debt.

If you hold a security interest over the Company's assets or has a retention of title over assets owned or controlled by the Company and you have not yet been contacted by the Liquidator in regard to your interest, please contact the Liquidator immediately.

Preferential Creditor Claims

The Liquidator is currently determining if there are any unpaid wages, holiday pay and/or redundancy pay to former employees and has yet to receive a claim from Inland Revenue.

Unsecured Creditor Claims

If you are an unsecured creditor and have not already done so, please complete and return the Unsecured Creditor's Claim Form (attached) no later than 23 December 2023.

Legal Proceedings

The Liquidator is not aware of any current or pending proceedings that the Company is a party to as at the date of this report. Should the Liquidator become aware of any proceedings, details of these will be provided in future reports.

Meeting of Creditors

A notice of dispensing with the meeting of creditors is provided in **Appendix Three**.

Estimated Completion Date

It is not practicable to estimate the date of completion of the liquidation or if there will be any distribution at this stage. However, if you are a creditor or shareholder and wish to assist the Liquidator by providing funding for recovery action or by providing additional information that would assist the liquidation, please contact the Liquidator as soon as possible. The Liquidator request that the information be provided in writing along with copies of supporting documentation.

Statutory Reporting

Further reports will be issued every 6 months and a final report will be issued at the conclusion of the liquidation pursuant to section 257 of the Act.

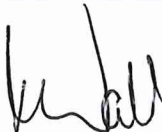
Declaration of Independence, Relevant Relationships, and Indemnities

Pursuant to section 255A of the Act and the RITANZ Code of Professional Conduct, a declaration of independence, relevant relationships and indemnities is provided in **Appendix Four**.

Contact Information

If you require any further information or have information that can assist the Liquidator, please contact:

Contact	Thomas Lee Rodewald
Email	tomr@rodewaldconsulting.co.nz
Phone Number	021 227 7408
Postal Address	PO Box 15543, Tauranga 3144



Thomas Lee Rodewald
Liquidator
(Registration Number: IP49)

Dated 20th November 2023

Appendix One

Statement of Company's Affairs

Vivid Solutions Limited (In Liquidation)		
Statement of Affairs as at 7 November 2023		
	Note	Book Value
Assets		
Petty Cash		10
Bank		9,206
Accounts Receivable		Unknown
Plant and Equipment		Unknown
Total Assets		Not disclosed
Liabilities		
Preferential and Secured Creditors		
Preferential Creditors – Employees (Wages)		Unknown
Preferential Creditors – Employees (Holiday Pay)		Unknown
Preferential Creditors – Inland Revenue (GST)		49,281
Preferential Creditors – Inland Revenue (EMP)		152,374
Secured Creditors – GSA		0
Secured Creditors – PMSI		0
Secured Creditors – Other		0
Total Preferential and Secured Creditors		Not disclosed
Estimated Deficit before Unsecured Creditors		Not disclosed
Unsecured Creditors		
Unsecured Creditors – Employees (Notice Period)		Unknown
Unsecured Creditors – Employees (Over Statutory Limit)		0
Unsecured Creditors – Director		Unknown
Unsecured Creditors – Inland Revenue (INC)		(16)
Unsecured Creditors – Inland Revenue (Small Business Cashflow Scheme)		30,800
Unsecured Creditors – Inland Revenue (Penalties/Interest)		107,341
Unsecured Creditors – Trade Creditors		Unknown
Related Party Loans		Unknown
Total Unsecured Creditors		Not disclosed
Estimated Deficit (before costs of liquidation)		Unknown

Notes: All figures are in NZD and include GST where applicable.

The Liquidators have not yet received Xero access and so are unable to advise account balances. This will be updated in the next report.

Disclaimer

This disclaimer should be read in conjunction with the disclaimer earlier in this report. The purpose of the report is to give creditors of the Company an indication of the financial position of the Company as at the date of appointment of the Liquidator in accordance with section 255 of the Companies Act 1993. A compilation is limited to the collection, classification and summarisation of the books and records of the company together with information supplied by the Director. A compilation does not involve the verification of that information. Rodewald Consulting Limited has not audited the information obtained and they do not accept any liability to any party relying on the information presented in the Statement of Affairs. Further, the Statement of Affairs has been prepared for the purpose of the liquidation only, and we do not accept any responsibility on any ground whatsoever, including liability in negligence, to any other person.

Appendix Two

Schedule of Company Creditors

Creditor Name	Creditor Address
Creditors list currently unknown as Liquidator not yet received Xero access. This will be updated in the next report.	
Known Creditors:	
Contact Energy Ltd	help@contactenergy.co.nz
Inland Revenue Department	PO Box 39010 Wellington Mail Centre, Lower Hutt 5045

Appendix Three

Notice to Creditors and Shareholders

Thomas Lee Rodewald, a Licensed Insolvency Practitioner was appointed as Liquidator of the Company on 7 November 2023 at 4:21 PM pursuant to section 241(2)(a) of the Companies Act 1993 (“the Act”).

Notice of Liquidator to Dispense with Meeting of Creditors Pursuant to section 245 of the Act

The Liquidator proposes to dispense with the meeting of creditors pursuant to section 245 of the Act. This decision has been made on the basis that it would add unnecessary costs to the liquidation, and they are unaware of any other issues that require consideration by the creditors.

Therefore, no meeting of creditors will be called unless the Liquidator receive notice in writing from a creditor within 10 working days of their receipt of this notice.

Meetings of Creditors or Shareholders Pursuant to section 314 of the Act

Section 314 of the Act permits any creditor or shareholder of the Company to request the Liquidator, in writing (at any time during the course of the liquidation), to call a meeting of creditors or shareholders for the purpose of:

- Voting on a proposal that a liquidation committee be appointed to act with the Liquidator; and
- To choose the members of the committee.

Should any creditor wish to give notice they require a meeting of creditors to be called they are requested to provide the following information in their notice:

- The nature of the business they require to be transacted at any such meeting; and
- The text of any motion they require to be put to any such meeting.

Please note that the Liquidator may decline a request for a creditors meeting pursuant to section 314(2) of the Act on the grounds that:

- a) the request is frivolous or vexatious; or
- b) the request was not made in good faith; or
- c) except where a creditor or shareholder agrees to meet the costs, the costs of calling a meeting would be out of all proportion to the value of the company’s assets”.

Notice to Creditors to Claim Pursuant to Liquidation Regulation 12 of the Act

Notice is hereby given that the Liquidator fixes 23 December 2023, 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 Act, or to be excluded from the benefit of any distribution made before the debts are claimed or, as they case may be, from objecting to the distribution.

Notice to Creditors and Shareholders Pursuant to section 255 (2)(c)(ii)(d) of the Act

Notice is hereby given that as of 1 September 2020, Insolvency Practitioners are required to be licensed; and that more information about regulation of insolvency practitioners is available from the Registrar of Companies.

Dated 20th November 2023



Thomas Lee Rodewald
Liquidator
(Registration Number: IP49)

Appendix Four

Declaration of Independence, Relevant Relationships and Indemnities

Pursuant to section 255A of the Companies Act 1993 ("the Act")

Company: Vivid Solutions Limited (In Liquidation) (2187364) (the "Company")

I, Thomas Lee Rodewald, a Licensed Insolvency Practitioner declare:

Declaration of Independence

I have undertaken a proper assessment of the risks to my independence prior to accepting the appointment as Liquidator of the Company in accordance with the Act, RITANZ Code of Conduct and applicable professional standards. This assessment identified no real or perceived conflicts to my independence. I am not otherwise aware of any impediments to us being appointed as Liquidator. I have undertaken a proper assessment of the risks to my independence prior to accepting the appointment as Liquidator of the Company in accordance with the Act, RITANZ Code of Conduct and applicable professional standards. This assessment identified real or perceived conflicts to my independence and I have taken such action as is necessary to preserve my independence. I am not otherwise aware of any impediments to us being appointed as Liquidator.

Declaration of Relationships

Circumstances of Appointment

This appointment was referred by a director of a previous company in liquidation. I have had pre-appointment emails and telephone calls to discuss the liquidation process. These do not result in a conflict of interest or impediment to be appointed as Liquidator.

Relevant Relationships

Other than disclosed herein, none of the Liquidator, nor members of their firms, have had within the preceding 24 months, any relationships with the Company.

Prior Professional Services

The Liquidator, nor members of the firm, has within the preceding 24 months, provided any professional services to the Company.

Other Relevant Relationships to Disclose

I have no other relevant relationships, including personal, business, and professional relationships, over the previous 24 months with the Company, an associate of the Company (excluding relatives, except where the relative has a business relationship with the Company), or any person or entity that has a charge over the whole or substantially whole of the Company's property that should be disclosed.

Declaration of Indemnities and Up-front Payments

I have not been provided with any indemnities and/or upfront payments for remuneration.

Dated 20th November 2023



Thomas Lee Rodewald
Liquidator

Note:

1. If circumstances change, or new information is identified, the Practitioners must update this DIRRI and provide a copy to creditors with my next communication as I'll as table a copy of any replacement declaration at the next meeting of the Company's creditors.
2. Any relationships, indemnities or up-front payments disclosed in the DIRRI must not be such that the Practitioner is no longer independent. The purpose of components Declaration of Relationships and Declaration of Indemnities and Up-front Payments of the DIRRI is to disclose relationships that, while they do not result in the Practitioner having a conflict of interest or duty, ensure that creditors are aware of those relationships and understand why the Practitioner nevertheless remains dependent.

CREDITORS CLAIM FORM

(Also, for use by Preferential Creditors)
Section 304 (1) Companies Act 1993

Name and postal address of creditor in full Telephone number: My reference is: (if applicable) E-mail address: <input type="checkbox"/> I consent to receiving future information about the company by email	*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 Rodewald Consulting Limited and will be released to other parties only with your authorization 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.)
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Vivid Solutions Limited (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: 1. I am an unsecured creditor 2. I am surrendering the security I hold, and I am claiming as an unsecured creditor 3. I am making a preferential claim (refer details of reverse) 4. I am claiming reservation of title rights pursuant to rights held by me (Refer details on reverse)	TICK <table border="1" style="margin: auto;"> <tr><td style="width: 20px; height: 20px;"></td></tr> <tr><td style="width: 20px; height: 20px;"></td></tr> <tr><td style="width: 20px; height: 20px;"></td></tr> <tr><td style="width: 20px; height: 20px;"></td></tr> </table>				

Full particulars of the claim are set out, and any supporting documents that substantiate the claim are identified on the reverse of the form. *(Please include copies of all unpaid invoices)*

Signed: _____	Date: _____
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WARNING: -	It is an offence under section 304(6) of the Companies Act 1993 to: - Make, or authorize the making of, a claim that is false or misleading in a material particular knowing it to be false or misleading; or Omit, or authorize 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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Received (Date Stamp)	Reserved for Office Use: Claim admitted for voting purposes: Signed: Date: Claim rejected for voting purposes: Signed: Date: Claim rejected for payment: Signed: Date: Preferential claim for: Ordinary Claim for: Deferred Claim for: \$ \$ \$ Signed Liquidator: Dated:
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.	

Please return this form to:
Rodewald Consulting Ltd, PO Box 15543, Tauranga 3144
carolc@rodewaldconsulting.co.nz

PARTICULARS OF CLAIM

Date	Details of claim and Identification of Documents that Evidence or Substantiate the Claim (i.e., unpaid invoices)	Amount \$
	<p>RETENTION OF TITLE CLAIMANTS ONLY Please provide details of the basis of your retention of title claim and furnish a copy of the documentation showing that such reservation of title clause is a condition of contract.</p> <p align="right">Yes/No</p> <p align="right">\$.....</p> <p>PREFERENTIAL CLAIMANTS ONLY</p> <p>1. Are you claiming the full amount of your claim as preferential?</p> <p>2. If no, what part of the claim is preferential?</p> <p>3. Why do you believe you are a preferential creditor?</p> <p>(E.g., employee, GST etc)</p> <p>.....</p> <p>4. Details of your claim</p> <p>.....</p> <p>.....</p>	

If applicable, please record your GST registration number:

Total GST included in your claim \$.....