

**GERARD HULST & ASSOCIATES**  
*CHARTERED ACCOUNTANTS*

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**Liquidator's Final Report**  
*pursuant to section 257 of the Companies Act 1993*

**to the Creditors and Shareholders of**

**National Promoting Limited (In Liquidation)**

Gerard Hulst was appointed Liquidator of the above company by order of the High Court at Auckland on 16 September 1999.

This company was part of a group of companies set up by Mr & Mrs York. The other related companies are:

Colrayne Holdings Limited (In Liquidation); date appointed 26 March 1998  
Spencer-York Publishing House Limited (In Liquidation); date appointed 4 February 1999  
Lismont Investments Limited (In Liquidation); date appointed 25 March 1999

The Liquidator's Final Report on these liquidations is being prepared in conjunction with this report.

**Actions of the Liquidator**

The first report to creditors was dated 20 October 1999.

I have followed up all outstanding issues and report as follows:

The shares in the company were held on behalf of Mr & Mrs York's Family Trusts.

The company was used to continue the trading affairs of Colrayne Holdings Limited & Spencer-York Publishing House Limited, (effective from 27 September 1997) when these two companies were investigated by the Commerce Commission for operating an advertising fraud scheme.

Mr York died in a car crash on 8 October 1998.

The Companies Office records show that Mr York resigned as a Director on 20 June 1999 and Mrs York was appointed on that date.

Upon Liquidation, Mrs York chose to ignore my correspondence and has never presented herself to discuss the affairs of the company.

On 16 September 1999 I wrote to the company's Accountants, Colson White & Co, requesting that the financial records, journals and other documentation be delivered to my

office by 23 September 1999. This letter was ignored. Also subsequent telephone messages left with Matthew Bellingham to contact me were ignored.

On 1 December 1999 a summons pursuant to s261 of the Companies Act 1993 was served on Matthew Bellingham of Colson White & Co. Mr Bellingham subsequently provided me with some company documentation including:

- Annual Accounts as at 31 March 1998
- Periodic Accounts as at 30 September 1998
- Company minute book

Upon receipt of the records I expressed my concern as to their completeness and accuracy, as no bank statements or cheque butts were produced, to support the information. I was told that Malcolm Spencer (Mrs York's brother) held these records. Telephone messages left for Mr Spencer to contact me were never returned.

On 26 November 1997, the York's Solicitor, H.D Kidd of Kidd Tattersfield & Co, wrote to the York's Accountant Matthew Bellingham. The letter stated:

*....we have instructions to transfer what assets there are in the two companies (Colrayne Holdings Limited & Spencer-York Holdings Limited) to the new company, National Promoting Limited.*

By deed of assignment dated 26 November 1997, \$909,349.02 of debtors were transferred from Colrayne Holdings Limited to National Promoting Limited.

By deed of assignment dated 26 November 1997, \$634,363.29 of debtors were transferred from Spencer-York Publishing House Limited to National Promoting Limited.

By deed of assignment dated 26 November 1997, the intellectual property of Colrayne Holdings Limited & Spencer-York Holdings Limited was transferred to National Promoting Limited. I was able to establish that the intellectual property related to the magazines mastheads owned by the companies. No value for the mastheads was documented in the minutes. The transfer value was never provided to me.

Colrayne Holdings Limited was making annual profits of \$250,000 and Spencer-York Publishing House Limited was making an annual profit of \$300,000. I would therefore expect this company to have made a profit of at least \$500,000, for the year 27 September 1997 to 30 September 1998.

There is no evidence to show what happened to the \$1.5 million of debtors transferred by Colrayne Holdings Limited & Spencer-York Publishing House Limited and I can only conclude that it was siphoned off into the various Family Trusts.

On 27 October 2000 Mrs York declared herself bankrupt. This was just two years after Mr York's death and no doubt, after her Family Trust was set up, thus avoiding any possibility of the voidable preference claw back rules.

## **Statement of Realisations and Distributions**

*pursuant to s257 of the Companies Act 1993*

There were no Realisations and Distributions during this liquidation.

### **General Comments**

The liquidation of the company is now complete and the Liquidator states:

1. All known assets have been disclaimed or realised or distributed without realisation, and
2. All proceeds of realisation have been distributed, and
3. A statement of Realisation and Distribution is included in the report.
4. The company is ready to be removed from the New Zealand Register.

### **Notice of Intention to remove Company from the Register**

I, Gerard Hulst, Chartered Accountant of Auckland, Liquidator of National Promoting Limited (In Liquidation), whose registered office is situated at Ground Floor, 26 Hobson Street, Auckland, hereby give notice that, pursuant to section 320 of the Companies Act 1993 and having filed with the Registrar my final report on the Liquidation, it is intended to remove the Company from the New Zealand Register.

The Liquidator will advertise in 1<sup>st</sup> November 2001 the Notice of Intention to have the company removed from the Register.

All creditors or shareholders may send or deliver to the Registrar, not later than the date to be specified in the Notice, 30<sup>th</sup> November 2001, an objection to the removal on any of the grounds in section 321 of the Companies Act 1993 which in summary are; there is some current activity being undertaken by the company, or it is a party to legal proceedings, or it would not be just and equitable to remove the company from the Register.

For enquires please contact Gerard Hulst.

Dated this 26<sup>th</sup> day of October 2001

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Gerard Hulst - Liquidator