

# Liquidators' First Report on the State of Affairs of

**Western Pacific Insurance Limited (In Liquidation)**

7 April 2011

Company Number: 1222877

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# Introduction

David Ian Ruscoe and Simon John Thorn, of Grant Thornton New Zealand Limited, were appointed jointly and severally as Liquidators of Western Pacific Insurance Limited (in Liquidation) ("the Company") on 1 April 2011 at 4.00 pm by Special Resolution of the Shareholders.

We set out below our first report on the state of the affairs of the above named Company as required by section 255(2)(c)(ii)(A) of the Companies Act 1993.

# Restrictions

All information contained in this report is provided in accordance with Section 255 of the Companies Act 1993.

The statements and opinions expressed herein have been made in good faith, and on the basis that all information relied upon by us is true and accurate in all material respects, and not misleading by reason of omission or otherwise.

We have not independently verified the accuracy of the information provided to us, and have not conducted any form of audit in respect of the company. We express no opinion on the reliability, accuracy or completeness of the information provided to us and upon which we have relied. Whilst all care and attention has been taken in compiling this report, we do not accept any liability whatsoever arising from this report.

The statements and opinions expressed in this report are based on information available and assumptions made as at the date of this report. It is possible that actual outcomes may be significantly different from those disclosed in this report.

We reserve the right, but will be under no obligation, to review or amend our report, as additional information becomes available.

In addition the following should be noted:

- Certain values included in tables in this report have been rounded and therefore may not add exactly.
- All amounts are stated in New Zealand dollars.

# Statement of Affairs

Attached is a statement of the Company's affairs as at the date of Liquidation prepared by the Liquidators in accordance with Section 255 of the Companies Act 1993.

In preparing the statement we have relied on information provided by the Directors and employees of the Company.

We have not carried out an audit of the information that has been provided to us, nor have we subjected the information provided to detailed verification procedures. While we believe the statement, based on the information provided to us, reasonably reflects the position of the Company, we cannot be held responsible for inaccuracies in the report arising from deficiencies in the information or explanations given to us.

# Notice to Creditors to Prove Debts or Claims

We give notice that we have set 28 April 2011 as the day on or before which any creditors of the Company are to prove their debts or 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 their claims are made, or as the case may be, from objecting to any distribution.

## **Secured Creditors**

From the information obtained from the Company Directors and following a Personal Property Securities Register search, we are aware of certain security interests over the Company's assets.

## **Preferential Creditors**

From the information provided to us by the Company Directors, the Company is subject to preferential creditor claims.

## **Unsecured Creditors**

From the information provided to us by the Company Directors, the Company is subject to unsecured creditor claims.

Attached as an appendix is a schedule of known creditors.

# Proposals for Conducting the Liquidation

At the date of our appointment, the Company operated an insurance business with interests and exposure in New Zealand, Australia and the wider Asia Pacific region. It is understood that there are approximately 7000 policy holders in New Zealand alone.

The Company's insurance business has significant financial exposure as a result of the recent earthquakes in Christchurch and it was determined by the directors that the Company was not in a position to meet such claims. As a result, it was resolved by shareholders that the Company be placed in liquidation.

The Company had ceased writing new business prior to our appointment.

We have decided to keep the Company's claims department operating as there is a large volume of claims that are yet to be assessed and determined.

We are presently reviewing and checking that all client insurance policies in respect of which premiums have been paid are registered with the Company and are valid, and that the company's reinsurance arrangements are in order. We are also seeking to sell/transfer/assign move the ongoing insurance business and have engaged DH Flinders NZ Limited to assist us in this regard.

The ultimate value outcome of the Company's assets will be dependant on the successful sale/transfer/assignment of the Company's business.

There is a significant amount of unpaid premium income due to the Company which we are endeavouring to collect. We are also aware of amounts due from the Company's reinsurance arrangements that we are seeking to recover.

Until such time as total claims on the Company are known and the value of such claims has been assessed and determined, it is not possible to estimate the outcome of the liquidation.

## Creditors' Meeting

It is too early at this stage to consider holding a Creditors' meeting as the information relevant to answering the relevant queries of creditors is still being compiled. Once sufficient information is available and the state of the Company's affairs becomes clearer, we will reconsider whether convening a meeting of Creditors is appropriate.

Accordingly, under section 245 of the Companies Act 1993 we formally consider at this stage that no such meeting will be convened. A meeting will not be called unless within 10 working days after receiving this notice, a creditor gives notice in writing to the Liquidators requiring a meeting to be called.

In accordance with section 314 of the Companies Act 1993 a creditor or a shareholder may request the Liquidators to call a meeting of the creditors or of the shareholders at any time during the course of the liquidation:

- a To vote on a proposal that a Liquidation Committee be appointed to act with the Liquidator;  
and
- b If it is decided to have a Committee, to choose the members of the Committee.
- c Replace the Liquidators.

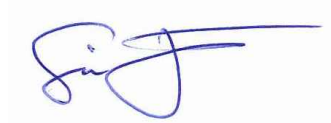
Any request must be in writing.



# Estimated Date of Completion of Liquidation

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

Should you have any queries in relation to any matter raised in this report then please contact us on [westernpac@nz.gt.com](mailto:westernpac@nz.gt.com)

A handwritten signature in blue ink, appearing to read 'Simon Thorn', with a long horizontal stroke extending to the right.

Simon Thorn  
**Joint Liquidator**

A handwritten signature in blue ink, appearing to read 'David Ruscoe', with a horizontal line underneath.

David Ruscoe  
**Joint Liquidator**

## Appendix – Statement of Affairs

**Statement of Affairs of  
 Western Pacific Insurance Limited (in Liquidation)  
 as at the date of the appointment of Liquidators  
 being 1 April 2011**

	<b>Book Value</b>	<b>Estimate Realisation</b>	<b>Notes</b>
	\$	\$	
<b>Assets not specifically charged</b>			
Cash at Bank	199,912	199,912	
Fixed Assets (at 30 June 2010)	457,593	unknown	1
Premiums held by brokers	2,604,865	unknown	2
Funds held by reinsurer's broker	257,280	257,280	3
Other reinsurance proceeds	unknown	unknown	4
Government Bond	500,000	500,000	5
Investments	560,332	unknown	6
GST Refund	113,890	unknown	
	<hr/>	<hr/>	
<b>Less: Preferential Creditors (estimated at date of Report)</b>			
Employees	41,522	41,522	
Inland Revenue Department	20,440	unknown	
	<hr/>	<hr/>	
<b>Assets subject to security interests including, debentures                      General Security Agreement's, mortgages                      hire purchase agreements</b>			
	unknown	unknown	
<b>Estimated Assets Available To                      Unsecured Creditors</b>			
		unknown	
Unsecured creditors		3,881,537	7
Unsettled Claims		1,952,735	7
		<hr/>	
<b>Estimated Surplus/(Deficit)</b>		<u>unknown</u>	
(Subject to the costs of liquidation)			

The Company does not maintain its own accounting records. They are looked after by an external party. At the time of producing this report, the Liquidators are unsure as to how up to date the information provided is.

Notes

1. The fixed assets are comprised of motor vehicles, office furniture and IT Equipment. These items are in the process of being valued.
2. Records indicate unremitted premiums are held by Brokers
3. It is understood these funds have been released by the Reinsurers and are held by the reinsurance Broker in Singapore
4. It is expected the reinsurance arrangements will provide funds to meet the many claims yet to be assessed and determined
5. This is a security bond held by The Public Trust for the benefit of insured claimants in the event the company is unable to satisfy claims
6. These investments relate to various related parties including subsidiaries in Australia and Hong Kong
7. It is expected the claims and creditor amounts will increase as insurance claims following the recent Earthquakes are assessed.

## Appendix - Schedule of known Creditors

Name	Address	Address	Address	Address	Address	Address
A & DM Dignam	Address not known					
A Woman's Touch Cleaning Service (2002) Ltd	PO Box 792	Queenstown	9348			
A1 Onehunga Towing Service Ltd	PO Box 13183	Onehunga		Auckland	1643	
AA Insurance	PO Box 992	Shortland Street		Auckland	1140	
AL Martin Broking Co. Ltd	PO Box 6021	Awapuni		Palmerston North	4445	
Albany Toyota	PO Box 76	Albany		Auckland	632	
Albert J Bates	Address not known					
Alpine Communications Ltd	PO Box 2401	Queenstown	9349			
Antz Electrical Ltd	PO Box 2284	Taupo	3351			
APIA Insurance Company	Address not known					
Asia Capital Reinsurance Group PTE Ltd	6 Temasek Boulevard	#08-01		Suntec Tower 4	Singapore	38986
Ask Metro Ltd	162 State Highway 16	Whenuapai		Auckland	814	
ATL Insurance Services Ltd	PO Box 23279	Papatoetoe		Manukau	Auckland	2155
Auckland Car Spares Ltd	19 Bairds Road	Otara	2025			
B Connolly Family Trust	Address not known					
BA Insurance Systems	317 Pacific Highway	North Sydney		NSW 2060	Australia	
Bairds Collision Centre – BCC	619 Halswell Junction Road	Hornby		Christchurch	8042	
Barrie Andrews	Address not known					
BDO (Nth Qld)	PO Box 6771	Cairns		QLD 4870	Australia	
BDO Wellington Limited	PO Box 10340	The Terrace		Wellington	6143	
Bell Block Panelbeaters Ltd	16 Hudson Road	RD3		New Plymouth	4373	
Benefitz	PO Box 33 1630	Takapuna		North Shore City	740	
Berry & Co	Barristers & Solicitors	PO Box 179		Queenstown	9348	
BHI Risk Solutions Limited	Address not known					
Biesse New Zealand	10 Magdala Place	Middleton		Christchurch	8024	
Big Blue Ltd	PO ox 112-361	Penrose		Auckland	1642	
Blair Wright Group	4-10 Hopper Street	Te Aro		Wellington	6011	
Blue Pub Company Ltd	Address not known					
Blue Pub Methven Ltd	The Square	Methven	7730			
Body Corporate 407404	PO Box 39315	Howick		Auckland	2145	
BP Bartlett Construction Ltd	55E Druces Road	Wiri		Auckland	2104	
Brian Holgate Panelbeaters	342 Rosedale Road	Albany		Auckland	632	
Brian Houston Motors LMVD	576 Hillside Road	South Dunedin		Dunedin	9012	
Broderick Printing & Design	PO Box 100191	North Shore		Auckland	745	
Bush Road Panelbeaters	197 Bush Road	Albany		Auckland	632	
Business Building Systems Ltd	Address not known					
Calais Motor Court	297 Kaikorai Valley Road	Kenmure		Dunedin	9011	
Castor Car Sales Auto Valuers	Address not known					
Central Business District Ltd	Address not known					
Challenge Wanaka Sports Trust	PO Box 738	Lake Wanaka	9343			
Claas Harvest Centre	735 Main South Road	Templeton		Christchurch	8042	
CLS Lawyers Pty Ltd	GPO Box 3269	Brisbane		QLD 4001	Australia	
Coast Building Ltd	c/- Martin Wakefield Ltd	26 Canon Street		Timaru	7910	
Colliers International	PO Box 416	Queenstown	9348			
Copy Solutions Queenstown Ltd t/a The Duplicator & Primo Signs	PO Box 1281	Queenstown	9348			
Corporate & Prestige Ltd	82 Bay Road	St Heliers		Auckland	1071	
Country Collision Panel Repairs	114 Tiniroto Road	RD2		Gisborne	4072	
Craig Printing Co Ltd	PO Box 99	Invercargill	9840			
Crane Panelbeating Services Ltd	2/19 Porchester Road	Papakura		Auckland	2110	
Crash Repairs	139 King Street	Timaru				
Crawford Lifeco Limited	PO Box 119			Alexandra	9340	
Cunningham Lindsey New Zealand	PO Box 335	Auckland	1140			
D & J Josephs Glazing	Address not known					
Dan Tintz Ltd	Lincoln Manor	293 Lincoln Road		Waitakere City	Auckland	610
David Just Developments Ltd	103 Pebblebrooke Road	RD2		Kaiwaka	573	
Dee Dee Ra Actuaries Pty Ltd	GPO Box 4216	Sydney		NSW 2001	Australia	
Depco Ltd	Cnr Portside Drive & Triton Avenue	Mt Maunganui	3116			
Design Engineering Ltd	18 Modena Crescent	Glendowie		Auckland	1071	
DH Flinders NZ Limited	PO Box 48016	Silverstream		Upper Hutt	5142	
DLA Phillips Fox	Level 38	201 Elizabeth Street		DX 107 Sydney	NSW 2000	Australia
Docstitch Holdings Limited	114 Caledonian Road	St Albans		Christchurch	8014	
Earthquake Commission	PO Box 790	Wellington	6140			
Edgewise Mowers & Chainsaws	237 Westminster Road	Mairehau		Christchurch	8013	

Name	Address	Address	Address	Address	Address	Address
Elegant Wedding Shows	Address not known					
Emergency Glass Services Ltd	PO Box 33308	Takapuna	740			
Entertainment Works	141 Hobson Street	CBD	Auckland	1010		
Es Jay Design	108 Domain Rd	RD1	Queenstown	9371		
Ewen Glass Ltd	5 Hope Street	Masterton	5810			
FFF Managed Technology Limited	PO Box 6368	Wellesley Stgreet	Auckland	1001		
Fiordland Collision Repairs	9 Caswell Road	Te Anau	9600			9600
Fire Services Levy	PO Box 2133	Wellington	6140			6140
Foster Walder	Address not known					
Frankton Automotive 2004 Ltd	PO Box 2202	Wakatipu	9349			
Freedom Press Limited	PO Box 9203	Hamilton	3240			
GA & LM Gallagher	Address not known					
Genesis Property Management	PO Box 2070	Lynnwood	WA 98036	Australia		
Gibbons Panel & Paint Ltd	7 Hood Street	Wellsford	900			
GL Smolenski Investments Ltd	PO Box 179	Queenstown	9348			
Glass Fix Ltd	123 Dickson Road	Papamoa Beach	Papamoa	3118		
Glen Clark	Address not known					
Gordon Officer (1991) Ltd	14 Bay Road	Invercargill	9810			
Gore Windscreens 'n' Glass (2000) Ltd	Cnr Norfolk & Richmond Streets	PO Box 194	Gore	9740		
Granite Investments Limited	Level 7	159 Manchester Street	Christchurch	8011		
Hansens Auto Services	19/1c Repco Boulevard	Industrial Place	Queenstown	9300		
Harvey Norman Stores (NZ) Pty Ltd	Private Bag 94-035	Manukau City	Auckland	2241		
Hellaby Meats (South Island) Ltd	566 Kaikorai Vellely Road	Kenmure	Dunedin	9011		
Incline Design	PO Box 446	Wanaka	9343			
Instant windscreens	157 Sunnybrae Road	Hillcrest	Auckland	627		
Interactive Pulse Ltd	PO Box 147200	Ponsonby	Auckland	1044		
J B Attachments Ltd	49 McLaughlins Road	Wiri	Auckland	2104		
James Tuite & Associates	DX 11573 Sydney Downtown	PO Box 20034	World Sqaure	NSW 2002	Australia	
JB Hi-Fi	12/1 Wagener Place	Mt Albert	Auckland	1025		
John Franich Jewellers	Shop 286	WestCity	Street	Henderson	Auckland	612
Just Water New Zealand	Private Bag 92-811	Penrose	Auckland	1642		
K.Ward	Address not known					
Kennedys	Address not known					
King Street Cars Ltd	Cnr King & Edward Streets	Timaru	7910			
Kinstruction	53 Opawa Road	Waltham	Christchurch	8022		
Kiwi Mortgage Market	PO Box 5927	Dunedin	9058			
KNJ Patel	Address not known					
Kumeu-Huapai Panel & Paint Ltd	280 Main Road	Kumeu	Auckland	810		
L & Z Trading Limited T/A Kiwi Culture Cafe	129 Riccarton Road	Riccarton	Christchurch	8041		
Lander & Rogers	DX 10212	Sydney Stock Exchange	Sydney	Australia		
Larsen Collision Repairs	Hatricks Landing	Hatrck Street	Wanganui	4500		
Li Jun Antique Furniture Group Ltd	c/- 79 Carmen Road	Hornby	Christchurch	8042		
Lincoln Darren Trading	Address not known					
Lloyd Heslop Motors Ltd	72 Trafalgar Street	Nelson	7010			
Macdonald Crawford Ltd	PO Box 119		Alexandra	9340		
Mainline Commercial & Industrial Ltd	17 Poutama Street	Richmond	Nelson	7020		
Manurewa Glass (1993) Ltd	25/2 Bishop Dunn Place	Flat Bush	Auckland	2013		
Mark H Berger	Address not known					
Markat Promotions Ltd	Barn Mall	New Brighton	Christchurch	8061		
Massey Superette	402 Don Buck Road	Massey	Auckland	614		
McLarens Young (NZ) Ltd	PO Box 317	Queenstown	9348			
McLarens Young International	PO Box 36	St Leonards	NSW 1590	Australia		
MetroClean Limited	PO Box 37953	Parnell	Auckland	1151		
Michael E Parker	Address not known					
Mikes Glass Ltd	20 Port Road	Seaview	Lower Hutt	Wellington	5013	
Milward Finlay Lobb Ltd	PO Box 434	Timaru	7940			
Motel Association of New Zealand	PO Box 27245	Wellington	6141			
Motel Association of New Zealand	PO Box 27-295	Wellington	6141			
Mountain Scene	PO Box 299	Queenstown	9348			
MT Gibson	Address not known					
Multimedia Publishing Limited	192 Madras Street	Christchurch	8011			

Name	Address	Address	Address	Address	Address	Address
Mundy P & G	Address not known					
Munro Leys	GPO Box 149	Suva	Fiji			
Nallard Construction Ltd	10B Shamrock Drive	Kumeu	Auckland		810	
New Zealand Couriers	101 Gair Avenue	Cromwell		9310		
New Zealand Family and Foster Care Federation Inc	PO Box 8320	Havelock North		4157		
New Zealand Musician	PO Box 99-315	Auckland		1149		
Novas Waikato	PO Box 15200	Dinsdale	Hamilton			
NZ Post Ltd	PO Box 39100	Wellington Mail Centre	Lower Hutt		5045	
OfficeMax New Zealand Limited	Private Bag 92831	Penrose	Auckland		1642	
Opal Glass Ltd	51 Shakespeare Street	Cambridge		3432		
Orcon Internet Limited	PO Box 302362	North Harbour	Auckland		1330	
Otago Racing Club Inc	Wingatui Racecourse	Mosgiel	Dunedin		9024	
P&R Motors 1974 Ltd	Takanini	Auckland				
Pacific Transport Ltd T/A New City Hotel	527 Colombo Street	Christchurch		8011		
Park, Kyoung Sook & Seo, Dong Wan	Address not known					
Peter Greacen & Co Ltd	231 Grt South Road	Takanini	Auckland		2112	
Pete's Post Ltd	PO Box 12923	Penrose	Auckland		1642	
Porirua Autocrash Repairs Ltd	45 Kenepuru Drive	Porirua		5022		
Porirua Autocrash Repairs Ltd	45 Kenepuru Drive	Porirua	Wellington		5022	
			Cnr Bealey Ave & Churchill Rd			
Powell Fenwick Consultants Ltd	Unit 3	Amuri Park	Christchurch		8013	
Prebble Seeds Limited	305 Marshs Road	Prebbleton	Christchurch		7676	
Pukekohe Windscreens Ltd	87 Manukau Road	Pukekohe	Auckland		2120	
PW Selwyn Shops Ltd	51 Bassett Street	Christchurch		8083		
Queenstown Lakes District Council	Private Bag 50072	Queenstown		9348		
Queenstown Panelbeaters Ltd	59-61 Industrial Place	Queenstown		9300		
Queenstown Signs	Unit 36	Gorge Road	Retail Centre	Queenstown	7300	
Radka Financial Services Limited	PO Box 409	Queenstown		9348		
Recall Information Management Pty Ltd	Locked Bag 96	Alexandria	NSW 1435	Australia		
Recall New Zealand	PO Box 12-616	Penrose	Auckland		1642	
Resolution Recruitment	PO Box 106-158	Auckland		1143		
	Suite 1901-1902 Nan Fung Tower	173 Des Voeux Road Central				
Robert Scally & Associates Ltd	Address not known		Hong Kong			
Ross Office Supplies	PO Box 661	Queenstown		9348		
Rothbury Insurance Brokers	78a Great South Road	Papakura	Auckland		2110	
Safer Papakura Trust	Barrister-at-Law					
Scott McLeod	Address not known					
Shepherd T & K						
		Carlaw Park Commercial	12-16 Nicholls Lane	Parnell	Auckland	1010
Sinclair Knight Merz	Level 2	Penrose	Auckland		1061	
Smith & Smith Glass Ltd	1 Rockridge Avenue					
Snatch	Address not known					
Southern Cross Medical Care Society	Private Bag 99934	Newmarket	Auckland		1149	
Spark Energy Ltd	6 Rannoch Drive	RD1	Queenstown		9371	
Speedy Signs	Address not known					
Standard & Poor's (Australia) Pty Ltd	Level 45	120 Collins Street	Melbourne	VIC 3000	Australia	
Starline Utilities Limited	PO Box 37 401	Parnell	Auckland		1151	
Stuart Manning Architects Ltd	112 Rose Street	Somerfield	Christchurch		8024	
Susan Wainwright	Address not known					
Technical Assessing Pty Ltd	PO Box 1468	Macquaries Centre	NSW 2113	Australia		
The Celebration Studio	46P Stanley Street	Parnell	Auckland		1010	
The Duplicator	5 Athol Street	Queenstown		9300		
The Manor, Stacks Studios Ltd	2 Waverly Street	CBD	Auckland		1010	
Total Service Solutions NZ Limited	Unit 60	42 Holly Street	Avondale	Auckland	1026	
TrustPower Limited	Private Bag 12023	Tauranga Mail Centre	Tauranga		3143	
Ultimate Design	PO Box 21093	Hamilton		3256		
Varcoes Computer Help	PO Box 2046	Kew	VIC 3101	Australia		
Waipu Clansman Motel and Restaurant	30 Cove Road	Waipu	Whangarei		510	
Wanaka Sun	30 Reece Crescent	Wanaka	Luggate		9305	
Wicksteed Industries	PO Box 9692	Newmarket	Auckland		1149	
Windscreen Repairs Christchurch Limited	PO Box 715	Christchurch				
Wotton & Kearney Insurance	PO Box R235	Royal Exchange	NSW 1225	Australia		
Yellow Pages Group Limited	PO Box 17345	Greenlane	Auckland		1546	
Zintel Cogent Limited	PO Box 90373	Victoria Street West	Auckland		1011	

