

IN THE HIGH COURT OF NEW ZEALAND
AUCKLAND REGISTRY

CIV-2017-404-2408

UNDER the Companies Act 1993 ss 280 and 286
and Part 19 of the High Court Rules

AND

IN THE MATTER OF an application concerning **TRENDS
PUBLISHING INTERNATIONAL LTD
(In Receivership and In Liquidation)**

AND

IN THE MATTER OF an application by **KARE JOHNSTONE
and
ANDREW JOHN GRENFELL**
of Auckland, Insolvency Practitioners

Applicants

On the papers:

Counsel: Sebastian Bisley/Oliver Gascoigne for Applicants

Minute: 7 November 2019

MINUTE of ASSOCIATE JUDGE R M BELL

Solicitors:

Buddle Findlay (S Bisley/O Gascoigne), Wellington, for Applicants

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Case Officer:

Email: Ronald.Mani@justice.govt.nz

[1] On 1 November 2019 I made an order that Trends Publishing International Ltd (In Receivership) be put into liquidation. I appointed Kare Johnstone and Andrew John Grenfell as liquidators. The day before, they applied for modification of reporting requirements under ss 255 and 257 of the Companies Act 1993.

[2] They seek leave to apply by originating application. In my view, r 19.4 of the High Court Rules, which allows applications by liquidators without requiring leave, also allows applications by prospective liquidators. Accordingly, leave is not required but in case it is I grant leave.

[3] The modifications the liquidators seek, go to how they report to creditors and shareholders and send other documents to creditors and shareholders. They do not ask to be relieved from reporting generally. They seek these directions:

[a] Where the liquidators have an email address for a creditor or a shareholder, that they not be required to send their reports to that creditor or shareholder but may send the creditor or shareholder an email with a link to the website where copies of the reports can be downloaded.

[b] Where they hold an email address for a creditor or shareholder, they may send their documents or correspondence by electronic means, in addition to all other means permitted by the Companies Act.

[c] Their reports are to be uploaded to the website of McGrathNicol at <https://www.mcgrathnicol.com/> as soon as practicable after they have been prepared.

[4] They propose that the applications and sealed orders be sent to every known creditor and shareholder, and that leave be reserved to any creditor or shareholder to apply for orders to modify these directions.

[5] Ms Johnstone says that from previous judgments involving Trends Publishing International Ltd, she understands that there are a large number of creditors, including

overseas creditors. Sending reports to creditors by post will be time-consuming and expensive and may unnecessarily reduce the pool of funds available for distribution. There can be lower costs and greater efficiency by providing access to their reports by email.

[5] Reports may also be uploaded to McGrathNicol's website. The documents may also be lodged with the Registrar and will be available to the public generally.

[6] I note that similar directions have been given in other cases: *Re Dominion Finance Holdings Ltd (In Liq)*,¹ *Re Forest Lands Ltd ex p Jackson*,² *Re FCS Loans Ltd (In Liq)*³ and *Perpetual Trust Ltd v Strategic Finance Ltd (In Rec)*.⁴ Similar directions have also been given in the case of administration under Part 15A of the Companies Act 1993: *Re Pumpkin Patch Ltd (In Rec)*.⁵

[7] I accept that the liquidators' proposals are appropriate as promoting the efficient conduct of the liquidation while still preserving the rights of creditors. I accordingly make orders in terms of the application.



Associate Judge R M Bell

¹ *Re Dominion Finance Holdings Ltd (In Liq)* HC Auckland CIV-2009-404-6606, 1 October 2009, Associate Judge Robinson,

² *Re Forest Lands Ltd ex p Jackson* [2018] NZHC 2583.

³ *Re FCS Loans Ltd (In Liq)* [2013] NZHC 1190.

⁴ *Perpetual Trust Ltd v Strategic Finance Ltd (In Rec)* HC Wellington, CIV-2010-485-1085, 27 July 2010.

⁵ *Re Pumpkin Patch Ltd* [2016] NZHC 2771.