



McDonald
Vague

business recovery partners

STEWART SCOTT CABINETRY LIMITED (IN RECEIVERSHIP AND IN LIQUIDATION)

McDonald Vague Limited

Level 10, 33 Federal Street,
Auckland Central

PO Box 6092, Victoria Street West,
Auckland 1142, New Zealand

p: 09 303 0506

f: 09 303 0508

e: insol@mvp.co.nz

www.mvp.co.nz

Receivers' Second Report

1 INTRODUCTION AND APPOINTMENT

Boris van Delden and Keaton Pronk, Licensed Insolvency Practitioners of Auckland, were appointed jointly and severally as receivers of the property of Stewart Scott Cabinetry Limited (In Receivership) ("the company") on 09 October 2020. The receivers were appointed under the powers contained within a General Security Agreement dated on the 4th November 2016 in favour of Kellow Trustees Limited, Marjorie Scott, Stewart Brian Scott, And Heather Dawn Wood, Jointly, As Trustees Of The Heather Wood And Brian Scott Children's Trust, Kellow Trustees Limited, Christopher Walkden Wood, And Heather Dawn Wood, Jointly, As Trustees Of The Wood Family Trust, Heather Dawn Wood And Stewart Brian Scott (Jointly And Severally Secured Creditor(S)).

Stewart Scott Cabinetry Limited was placed into liquidation by the High Court at Auckland pursuant to Section 241(2)(c) of the Companies Act 1993 ("the Act") on 23 October 2020. Elizabeth Helen Keene and Vivian Fatupaito, of Auckland, were appointed as joint and several liquidators of the company.

Pursuant to section 24 of the Receiverships Act 1993 ("the Act"), the receivers report herewith on the progress of the receivership. This second report should be read in conjunction with the receivers' previous report(s).

A statement of Realisations and Distributions is **attached**.

2 RESTRICTIONS

This report has been prepared in accordance with Section 24 of the Act. Whilst all care and attention has been taken in compiling this report, we do not accept any liability whatsoever to any party as a result of the circulation, publication, reproduction or use of this report.

We reserve the right (but are under no obligation) to review and, if we consider necessary, revise this report in respect of any information existing at the date of this report which becomes known to us after that date.

3 CONDUCT OF THE RECEIVERSHIP DURING THE PRECEDING SIX MONTHS

Following our appointment, the Receivers continued to trade the business with the view of selling it as a going concern. The sale of the business did not eventuate, and the business was wound down in January 2021.

The assets of the business were sold at auction in February 2021 and the site vacated the same month. All physical assets have now been dealt with.

All outstanding debtors have now been collected and work in progress completed.

Asset Realisations

4 PROPOSALS FOR DISPOSAL OF RECEIVERSHIP PROPERTY

The Shareholder Current Account and Related Party Receivable have yet to be realised and investigations and potential enforcement steps are ongoing.

There is separate third-party claims that are being reviewed by the Receivers.

5 CREDITORS' CLAIMS

5.1 Secured Creditors

At the date of this report the amounts due to our appointer were as follows:

Term loan accounts, accrued interest and overdue principal on 09 October 2020	\$1,322,529
Less distributions from receiver	-0.00
Balance outstanding	<u><u>\$1,322,529</u></u>

Distributions were made to a number of secured creditors with valid PMSI claims over the assets of the business:

Applico Limited	\$532
Acero	\$8,869
Burns & Ferrall	\$3,758
Fleet Partners	\$50,101

5.2 Preferential Creditors

At the commencement of the receivership, the following amounts were owed to preferential creditors.

Employees Claims – Wages, Holiday Pay and Redundancy	\$83,349
Inland Revenue	\$832,814
Total	<u>\$916,163</u>

At this time employees have received payment of \$39,565 towards their preferential employee claims. No payments have been made to other preferential creditor claims.

From the remaining assets initial estimates suggest that employees will receive payment of their preferential claims in full and a distribution will be made to Inland Revenue Department for their preferential claim.

5.3 Unsecured Creditors

As at the date of preparing this report 48 unsecured creditors claim forms have been received which total \$677,427.

The Receivers are not responsible for the administration of unsecured creditors' claims, however, it appears unlikely that there will be surplus funds available for unsecured creditors.

6 MATTERS DELAYING THE COMPLETION OF THE RECEIVERSHIP

The following matters are outstanding:

- Recovery of the Shareholder Current Account
- Recovery of the Related Party Receivable
- Recovery of the Third-Party Claim

7 ESTIMATED DATE OF COMPLETION

The receivers estimate completing the receivership within the next two years.

8 CONTACT DETAILS

Enquiries should be directed to Keaton Pronk on DDI +64 (9) 969 1518 or by email to kpronk@mvp.co.nz.

The Receivers can be contacted at:

McDonald Vague Limited

Level 10

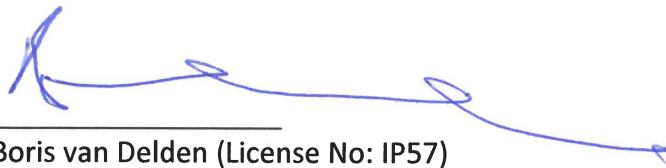
33 Federal Street

Auckland 1010

P O Box 6092

Victoria Street West

Auckland 1142



Boris van Delden (License No: IP57)
RECEIVER

Dated this 10th day of May 2021

Realisations and Distributions

Stewart Scott Cabinetry Limited (In Receivership) 9 October 2020 to 10 May 2021

10/05/2021

Realisations

Debtors & WIP Completed	731,248
Sale of Assets	132,873
Pre receivership GST Refund	70
Total Realisations	864,191

Payments

Receiver's Fees

Liquidators Fees	108,500
Disbursements	448
Total Receiver's Fees	108,948

Other Costs of Receivership and Trading On

Bank Fees	90
Legal Fees	4,278
Trading on Suppliers	393,318
Wages and PAYE	228,134
Auctioneer/Commission Charges	25,532
Total Costs of Receivership and Trading On	651,351

Distributions

PMSI Secured Creditor	63,260
Preferential Wages and Holiday Pay	39,565
Preferential GST and PAYE	-
General Security Agreement Holders	-
Total Distributions to Creditors	102,826

Total Payments	863,124
BALANCE HELD	1,066