McDonald Vague
business recovery partners

McDonald Vague Limited
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Clark Brown Architects Limited (In Liquidation)

Liquidators' First Report

TO: The directors, shareholders, and known creditors of the company

1 INTRODUCTION AND APPOINTMENT

Clark Brown Architects Limited ("the company") was placed into liquidation by a special resolution of the sole shareholder pursuant to Section 241(2)(a) of the Companies Act 1993 ("the Act") on 19 August 2019 at 5:00 p.m. Iain McLennan and Peri Micaela Finnigan, RITANZ Accredited Insolvency Practitioners, of Auckland, were appointed as joint and several liquidators of the company.

2 RESTRICTIONS

In preparing this report and its appendices, we have relied upon information provided to us. We have not independently verified or audited that information. 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, amend this report to take into account any information existing at the date of this report that becomes known to us after this report is published.

3 INDEPENDENCE

A declaration of independence is attached at Appendix 1. As far as we are aware there are no conflicts real, perceived, or risks of independence.

4 ATTACHMENTS

The following documents are attached to this report:

Appendix 1: Declaration of independence / relationships / indemnities and upfront payments
Appendix 2: Schedule of company creditors' names and addresses
Appendix 3: Notice of Liquidators' decision to dispense with meeting of creditors
Appendix 4: Notice to creditors to prove debts or claims
Appendix 5: Creditors claim form

5 COMPANY STRUCTURE AND BACKGROUND

Date of incorporation:	10 September 1998
Company number:	925168
Date ceased trading:	December 2012
Nature of business:	Architectural Services
Trading address:	2b Cascade Street, Freemans Bay, Auckland, 1011
Share capital:	100 Ordinary Shares Paid Up
Shareholder:	Paul Brown
Director:	Paul Brown
Related companies:	Paul Brown & Associates Limited (incorporated 13 Sept 2017) Paul Brown Architects & Associates Limited (incorporated 19 January 2015) Paul Brown Architects Limited (Removed) (21 Dec 2009 to 22 Aug 2019) – *solvent liquidation*

The company ceased taking new contracts towards the end of the 2012 financial year and commenced the winding down process with the company finishing off existing contracts only at that time. The final company invoice was issued on 30 June 2013.

At March 2018 the company owed obligations to related parties for advances and had contingent debts relating to three separate litigation matters.

The company was joined into proceedings in 2012, 2014 and 2015. These are all leaky building claims with numerous parties involved.

6 STATEMENT OF AFFAIRS

A Statement of Affairs as at the date of our appointment is not attached as there are no known assets. Details of liabilities are set out in the detail of this report.

7 ASSETS AND PROPOSALS FOR CONDUCTING THE LIQUIDATION

As advised above, there are no known assets.

We will complete a thorough review of the company's books, records and affairs to:

- ensure that all assets have been properly accounted for,
- determine if there are any other avenues of recovery for creditors,
- determine if the company's officers have properly carried out their duties and take appropriate steps where necessary.

If there are funds available for distribution to creditors, we will verify creditors' claims and make a distribution. We will then complete the liquidation and request that the Registrar of Companies remove the company from the register.

8 LIABILITIES AND CREDITOR CLAIMS

A schedule of known contingent creditors and lawyers acting and their addresses is provided at Appendix 2, as required by Section 255(2)(c) of the Act. This includes a listing of all parties involved in the proceedings. The outcome of the litigation is a contingent debt.

A notice to creditors to prove debts or claims is provided at Appendix 4. Also provided is a creditor's claim form at Appendix 5 for completion and return to this office by Monday, 30 September 2019. Creditors that have not made a claim by the date on the notice may be excluded from any distribution made. If you believe that you are a secured creditor, please contact us and the appropriate form will be sent to you.

8.1 Secured Creditors

There are no secured creditors.

8.2 Preferential Creditors

At this time, we are unaware of any preferential claims.

8.3 Unsecured Creditors

At this time, we are unaware of any unsecured claims.

8.4 Contingent Unsecured Creditors

The proceedings outlined in section 5 are contingent unsecured creditor claims in the liquidation. Once these proceedings are resolved they may become unsecured claims in the liquidation if Clark Brown Architects Limited is found liable.

9 CREDITORS' MEETING / LIQUIDATION COMMITTEE

A notice of the Liquidators' decision to dispense with the meeting of creditors is provided at Appendix 3.

Any creditor or shareholder may at any time in the course of the liquidation request that the liquidators call a meeting pursuant to Section 314 of the Companies Act 1993, for the purpose of appointing a liquidation committee. Any request for a meeting must be submitted to the liquidators in writing.

10 FURTHER INFORMATION

If you are aware of any information that would assist the Liquidators, please set the details out in writing, attach any supporting evidence, and send it to us. Please note that it can be difficult for liquidators to act in reliance on information that is not provided in writing.

If any creditor wishes to receive the six monthly report by email as and when they are published, please ensure that an email address is provided on your creditors' claim form.

This report and all subsequent reports will be available on the Liquidators' website at www.mvp.co.nz

11 ESTIMATED DATE OF COMPLETION

It is currently too early to estimate a date of completion for the liquidation. The timing is dependent on timing of proceedings.

12 CONTACT DETAILS

Enquiries should be directed to Keaton Pronk on DDI (09) 969 1518 or by email to kpronk@mvp.co.nz.

The Liquidators can be contacted at:

McDonald Vague Limited
Level 10, 52 Swanson Street
Auckland 1010

P O Box 6092
Wellesley Street
Auckland 1141

PERI M FINNIGAN
LIQUIDATOR

DATED this 26th day of August 2019

PMF/KP/150
Clark Brown/205 First Report

McDonald Vague

Appendix 1

Clark Brown Architects Limited (In Liquidation)
Declaration of Independence / Relationships / Indemnities and Upfront Payments

A DECLARATION OF INDEPENDENCE

(i) The appointed and McDonald Vague Limited have undertaken a proper assessment of the risks of independence prior to accepting appointment in accordance with the law code of conduct and applicable professional standards and have concluded that they have no prior business or professional relationship with the insolvent that is a real or potential risk and that they are independent.

B DECLARATION OF RELATIONSHIPS

(ii) The appointed and McDonald Vague Limited have no prior business or professional or personal relationship with known associates of the insolvent or the contingent creditors that are a real or potential risk.

(iii) The appointed disclose there are no other relevant relationships to declare.

(iv) The appointed and McDonald Vague Limited have not provided any prior professional services to the insolvent or known associates of the insolvent in the prior two years.

C DECLARATION OF INDEMNITIES AND UPFRONT PAYMENTS

(v) An upfront fee of $8,000 was received to cover initial remuneration and expenses associated with the appointment. The funds are held in a Trust account and will be drawn on as work is produced and expenses incurred. There is no condition on the conduct or outcome of the liquidation attached to the provision of these funds.

PERI M FINNIGAN
LIQUIDATOR

DATED this 26th day of August 2019

Appendix 2

Clark Brown Architects Limited (In Liquidation)
Schedule of Creditors' Names and Addresses

Pursuant to Section 255(2)(c) of the Companies Act 1993

(note this is a listing of plaintiffs and defendants in each proceeding)

Contingent Creditor Names *(including interested parties)*	**Address 1**	**Address 2**	**Address 3**
Century on Anzac Proceeding: **CIV 2012-404-5664 Body Corporate 324371 & Ors v Clark Brown Architects Limited & Ors**			
Grimshaw Lawyers	Bryan.Easton@grimshaw.co.nz;		
Brookfield Multiplex - Wotton & Kearney	mathew.francis@wottonkearney.com;		
Heaneys Lawyers	susan.thodey@heaneypartners.com;		

Contingent Creditor Names *(including interested parties)*	Address 1	Address 2	Address 3
CIV 2014-404-716: Body Corporate 366567 v Auckland Council - Gore Street Apartments	Stephen.Price@minterellison.co.nz; Charlene.Fairnie@minterellison.co.nz; Mark.Lin@minterellison.co.nz; hollyman@shortlandchambers.co.nz; qdavies@gwlaw.co.nz; etucker@gwlaw.co.nz; Craig.Langstone@feelangstone.co.nz; Bradley.Alcorn@feelangstone.co.nz; misha.henaghan@dlapiper.com; mrobertson@robertsonslaw.co.nz; JThompson@robertsonslaw.co.nz; sjtelford@morgancoakle.co.nz; ETobeck@morgancoakle.co.nz; dmcleod@chenery.co.nz; gareth.lewis@grimshaw.co.nz; Charles.Lane@grimshaw.co.nz; alphonso.sales@grimshaw.co.nz;		

3

Contingent Creditor Names *(including interested parties)*	Address 1	Address 2	Address 3
CIV 2015-404-2768 Body Corporate 401803 v Auckland Council & Ors – Tremont Apartments	Andrew.riley@aldertonmackenzie.co.nz; colinmckay@wilsonmckay.co.nz; dahsam@rodgersreidy.co.nz; daniel@danielgrove.co.nz; duncan.mcgill@duncancotterill.com; gblanchard@shortlandchambers.co.nz; graeme@foyhalse.co.nz; jamesR@claymore.co.nz; jbierre@morgancoakle.co.nz; kelly.parker@heaneypartners.com; lcox@morgancoakle.co.nz; matt@matttaylor.co.nz; merran.greenhalgh@grimshaw.co.nz; paul.grimshaw@grimshaw.co.nz; pvlasic@rodgersreidy.co.nz; rbutler@bankside.co.nz; rr@rodgersreidy.co.nz; swbf@simonfoote.co.nz;		

Appendix 3

Notice of Liquidators' Decision to Dispense with Meeting of Creditors

After having regard to the assets and liabilities of Clark Brown Architects Limited (In Liquidation) and the likely result of the liquidation, the liquidators propose to dispense with a meeting of creditors pursuant to Section 245 of the Companies Act 1993.

The liquidators do not, however, wish to preclude creditors from expressing their views. Please contact Keaton Pronk of this office on DDI (09) 969 1518 if you have any specific enquiries.

If you wish to request that a creditor's meeting be called, notice in writing is required within 10 working days of receiving this notice. Your notice you must also state the reason you require a meeting so that an agenda can be prepared and circulated to creditors and creditors can be given the opportunity to vote on any proposed resolutions by voting letter.

PERI M FINNIGAN
LIQUIDATOR

DATED this 26th day of August 2019

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Clark Brown/205 First Report

Appendix 4

IN THE MATTER of	The Companies Act 1993
and	
IN THE MATTER of	Clark Brown Architects Limited (In Liquidation)

Notice to Creditors to Prove Debts or Claims

Notice is given that the liquidator of Clark Brown Architects Limited (In Liquidation) ("the company"), fix Monday, the 30th day of September 2019, as the day on or before which the company's creditors are to make their claims and establish any priority their claims may have under Section 312 of the Companies Act 1993. Creditors not having made a claim by this date may be excluded from any distribution made.

PERI M FINNIGAN
LIQUIDATOR

DATED this 26th day of August 2019

ADDRESS OF LIQUIDATOR

McDonald Vague Limited
Level 10, 52 Swanson Street
AUCKLAND 1010

PO Box 6092	Telephone:	(09) 303 0506
Wellesley Street	Facsimile:	(09) 303 0508
AUCKLAND 1141	Website:	www.mvp.co.nz

DATE OF LIQUIDATION: 19 August 2019

McDonald Vague

McDONALD VAGUE LIMITED
PO Box 6092, Wellesley St, Auckland 1141, New Zealand.
Telephone 0-9-303 0506, *Facsimile 0-9-303 0508*

Unsecured Creditor's Claim

(Also for use by Preferential Creditors)

SECTION 304(1) COMPANIES ACT 1993
(For help see www.mvp.co.nz or email claims@mvp.co.nz)

NAME AND POSTAL ADDRESS OF CREDITOR IN FULL

Telephone Numbers: (   )

(   )

E-Mail

My Reference is:
(if applicable)

* 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 the liquidators and McDonald Vague and will be released to other parties only with your authorisation 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.)

NAME OF COMPANY IN LIQUIDATION:

______________________________ **(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 abovenamed creditor for the sum of (Amount in words):

____

____

STATUS OF CLAIM:

1. **I am an unsecured creditor for** (Also applicable to secured creditors who hereby surrender their security) — $
2. **I am a preferential creditor for** (Refer details on reverse) — $
3. **My total claim is for** (State currency if other than $NZ) — Other Currency — NZ $
4. I have claimed retention/reservation of title rights pursuant to rights held by me — Tick if Applicable ☐ (Refer details on reverse)
   Note: If you are a secured creditor contact this office and a Secured Creditors Claim Form will be sent to you.

Full particulars of the claim are set out, and any supporting documents that substantiate the claim, are identified on the reverse of this form.

(The liquidator may require the production of a document under Section 304(2) of the Companies Act 1993. You are **not required to attach any supporting documents** at this stage, but you may attach them now, if you think it would expedite the processing of the claim.)

SIGNED:

Date: / /

WARNING —

It is an offence under Section 304(6) of the Companies Act 1993 to –

Make or authorise the making of, a claim that is false or misleading in a material particular knowing it to be false or misleading; or

Omit, or authorise the omission from a claim of any matter knowing that the omission makes the claim false or misleading in a material particular.

Received
(Date Stamp)

RESERVED FOR OFFICE USE:

Claim admitted/rejected for voting purposes: (Delete one) — Signed: — Date: / /

<u>CLAIM REJECTED FOR PAYMENT:</u>

	Preferential Claim for:	Ordinary Claim for:
CLAIM REJECTED FOR PAYMENT:	$	$
or CLAIM ADMITTED FOR PAYMENT:	$	$

Signed Liquidator: — Date: / /

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.

McDonald Vague

McDonald Vague

McDONALD VAGUE LIMITED
PO Box 6092, Wellesley St, Auckland 1141, New Zealand.
Telephone 0-9-303 0506, *Facsimile 0-9-303 0508*

Particulars of Claim

If the creditor owes money to the company, please give full details.

Date	Details of Claim and Identification of Documents that Evidence or Substantiate the Claim	Amount $

CLAIMS AGAINST INVENTORY (Romalpa Claims)(Consignment Goods) (Retention of Title) etc.

Please provide details of the basis of the retention of title claim filed by you and/or details of entry on the Personal Property Securities Register.

PREFERENTIAL CLAIMANTS ONLY

Guideline
The Seventh Schedule of the Companies Act 1993 sets out those claims which are regarded as preferential and shows their extent and order of priority. For example, wages and salary of any employee in respect of services rendered to the company during the four months preceding the commencement of liquidation are preferential AND the total sum to which priority is to be given in the case of any one employee for wages, holiday pay, deductions, redundancy and child support must not exceed $23,960 or such greater amount as is prescribed at the commencement of the liquidation.

1. Why do you believe you are a preferential creditor?
(eg. employee, GST, etc) ______________________________

2. Details of your claim: ______________________________

____

If applicable please record here your GST Registration number: ______________________________

and total GST included in your tax invoice: $