



McDonald  
Vague

business recovery partners

## **Cranston Homes (Auckland) Limited (In Liquidation)**

### **Liquidators' Second Report for the period from 26 May 2017 to 25 November 2017**

McDonald Vague Limited

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#### **1 INTRODUCTION AND APPOINTMENT**

Boris van Delden and Peri Micaela Finnigan, Insolvency Practitioners of Auckland, were appointed jointly and severally as liquidators of Cranston Homes (Auckland) Limited ("the company") on 26 May 2017.

Pursuant to Section 255(2)(d) of the Companies Act 1993 ("the Act"), the liquidators herewith report on the progress of the liquidation. This second report should be read in conjunction with the liquidators' previous report. This report is being sent to all shareholders and all creditors who have filed a claim in the liquidation.

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

#### **2 RESTRICTIONS**

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 LIQUIDATION DURING THE PRECEDING SIX MONTHS**

##### ***Creditors' Meeting***

At the request of an unsecured creditor, the liquidators called a meeting of creditors to decide whether to confirm the appointment of the current liquidators or to have a replacement liquidator appointed.

The meeting was held on 26 July 2017 and appointment of the current liquidators was confirmed.

## **Asset Realisations**

### **3.1 Debtors** **(Statement of Affairs: \$200,000)**

Debtors amounting to \$283,121 (incl GST) were identified from the company's records. The liquidators wrote to all creditors seeking payment however all have responded that the amount shown is disputed for various reasons including the quality of the work, the failure to complete the contract on time and payment by the client direct to sub-contractors or suppliers. There have been no realisations from debtors.

### **3.2 Work In Progress** **(Statement of Affairs: \$60,000)**

The work in progress identified in the Statement of Affairs was work that had, according to company records, been completed but not invoiced. The invoices were created and sent out to clients and is included in the debtor figures identified above.

### **3.3 Inventory, Office Furniture, Equipment & Computers** **(Statement of Affairs: \$10,000)**

To date the liquidators have received \$1,327 on sale of various plant and machinery items. These items were subject to a general security and the net proceeds have been distributed to the secured creditor.

## **4 INVESTIGATIONS**

The liquidators are continuing their investigations into the books, records and affairs of the company.

The director, Blair Cranston, is the subject of an investigation by the Registrar of Companies in relation to the management of the company. The liquidators have provided information to the Registrar in respect of that matter.

The liquidators have reviewed the sale of properties by the company in the 2 years prior to liquidation. No issues have arisen from that review.

The review is continuing in relation to possible voidable insolvent transactions.

The liquidators are also reviewing the tax position of the company in relation to pre-liquidation GST.

## **5 CREDITORS' CLAIMS**

### **5.1 Secured Creditors**

Two claims have been received from creditors holding Purchase Money Security Interests (PMSIs) totalling \$183,188. No payment has been made in respect of these claims.

One claim has been received from a General Security Agreement (GSA) holder for \$8,535. A payment of \$556 has been made to the GSA holder from the realisation of assets.

### **5.2 *Preferential Creditor***

The Inland Revenue Department submitted a preferential claim for \$26,689. No dividend has been paid to the preferential creditor at the date of this report.

### **5.3 *Unsecured Creditors***

As at the date of preparing this report 64 unsecured creditors claim forms have been received which total \$3,464,320. In the interests of minimising liquidators' fees, the liquidators will not attend to the formality of accepting or rejecting creditors' claims unless we are in a position to pay a distribution.

## **6 FUNDS / LIKELY OUTCOME**

It is too early to determine whether or not there will be a distribution to unsecured creditors as this is dependent on the outcome of the liquidators' investigations.

## **7 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION**

The following matters are outstanding:

- Completion of the investigations and review of company records and affairs
- Completion of the review of the tax position

## **8 ESTIMATED DATE OF COMPLETION**

Based on the information contained in this report the liquidators presently propose to complete all outstanding matters with a view to retiring as liquidators within the next 12 months.

## **9 CONTACT DETAILS**

Enquiries should be directed to Colin Sanderson on DDI (07) 838 0908 or by email to [CSanderson@mvp.co.nz](mailto:CSanderson@mvp.co.nz).

The Liquidators can be contacted at:



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BORIS VAN DELDEN  
LIQUIDATOR

DATED this 27<sup>th</sup> day of November 2017



# Realisations and Distributions

## Cranston Homes (Auckland) Limited (In Liquidation) 26 May 2017 to 25 November 2017

Realisations	Cash Received \$
Inventory, Office Furniture, Equipment & Computers	1,327
Interest	1
<b>Total Realisations</b>	<b>\$1,328</b>
<b>Payments</b>	
<b>Liquidators Fees</b>	
Liquidators Fees	Nil
Disbursements	Nil
<b>Total Liquidators Fees</b>	<b>\$Nil</b>
<b>Other Costs of Liquidation</b>	
Bank Fees	16
Commission	262
Cost of Sales	16
Resident Withholding Tax	1
<b>Total Costs of Liquidation</b>	<b>\$295</b>
<b>Distributions</b>	
Secured Creditor – GSA Holder	556
<b>Total Distributions to Creditors</b>	<b>\$556</b>
<b>Total Payments</b>	<b>\$851</b>
<b>BALANCE HELD</b>	<b>\$477</b>

**Note:** the above figures are GST exclusive