

**Hawkes Bay Property Enterprises Limited
(In Receivership & In Liquidation)**

**Liquidators' Third Report
For the period from 15 November 2013 to 14 May 2014**

1 INTRODUCTION AND APPOINTMENT

Peri Micaela Finnigan and Boris van Delden, Insolvency Practitioners of Auckland, were appointed jointly and severally as liquidators of Hawkes Bay Property Enterprises Limited (In Receivership) ("the company") on 15 May 2013 by the High Court at Auckland.

Kim S Thompson, Insolvency Practitioner of Hamilton was appointed as receiver of the company's assets on 13 May 2013, pursuant to a General Security in favour of ASL Mortgages Limited.

Pursuant to Section 255(2)(d) of the Companies Act 1993 ("the Act"), the liquidators herewith report on the progress of the liquidation. This third report should be read in conjunction with the liquidators' previous reports. 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 has not been prepared as there have been no realisations or distributions made in the liquidation to date.

2 RESTRICTIONS

This report has been prepared in accordance with section 255(2)(d) 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 LIQUIDATION DURING THE PRECEDING SIX MONTHS

Asset Realisations

The assets of the company under the control of the receiver consist of the company's interest in a commercial property in Napier. The Receiver is endeavouring to sell the property.

4 INVESTIGATIONS

The liquidators have not completed their investigations into the books, records and affairs of the company as these are yet to be received. The Receiver was recovering all company records from the director, accountants and solicitors.

5 CREDITORS' CLAIMS

5.1 *Preferential Creditors*

A preferential claim has been received in respect of the applicant creditor's costs of \$4,887. No dividend has been paid to the preferential creditor at the date of this report.

The Inland Revenue Department have not yet submitted a preferential claim in the liquidation.

5.2 *Unsecured Creditor*

As at the date of preparing this report one unsecured creditor claim form has been received totalling \$118,617. In the interests of minimising liquidators' fees, the liquidators will not attend to the formality of accepting or rejecting creditors' claims until such time as we are in a position to pay a distribution.

6 LIQUIDATORS' FEES

Liquidators' fees to the date of this report are \$4,470 excluding GST. The fees are based on 22.8 hours of work undertaken as follows:

Work Category	Hours	\$
Appointment functions	11.4	2,214
Asset realisations	0.1	15
Creditors' claims, enquiries and reports	4.2	891
Management	2.8	456
Taxation	1.1	190
Investigations	3.2	704
Total	22.8	\$4,470

There have also been disbursements of \$223.36 excluding GST. The Liquidators have not taken any fees or recovered any disbursements to date.

Liquidators' fees in a Court ordered liquidation are to be approved by the Court and if required a retrospective application for fee approval will be made by the liquidators.

Section 284 (1) of the Act provides that an application (with the leave of the Court) may be made by a creditor, shareholder or director of a company in liquidation to review or fix the remuneration of the liquidators.

In circumstances where no application has been made to review or fix the liquidators' remuneration the Court will be less inclined to rigorously examine the fees submitted by the liquidators for subsequent approval.

7 FUNDS / LIKELY OUTCOME

Based on the information from the Receiver there will be a short fall on the amount due to the General Security Agreement holder. Therefore, at this stage the liquidator does not anticipate paying a distribution to unsecured creditors.

8 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- The completion of the receivership
- Review of company records

9 ESTIMATED DATE OF COMPLETION

Based on the information contained in this report the liquidators are unable to estimate when the liquidation will be completed.

10 CONTACT DETAILS

Enquiries should be directed to Colin Sanderson on DDI (07) 838 0908 or by email to CSanderson@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 20 day of June 2014