



McDonald  
Vague

business recovery partners

## Hayfield SHA Limited (In Liquidation)

### Liquidators' Fourth Report for the period from 5 April 2020 to 4 October 2020

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## 1 INTRODUCTION AND APPOINTMENT

Boris van Delden and Peri Micaela Finnigan, Licensed Insolvency Practitioners, of Auckland, were appointed jointly and severally as liquidators of Hayfield SHA Limited ("the company") on 5 April 2019.

On 4 April 2019, Andrew John McKay and Andrew James Bethell of BDO Auckland, were appointed joint and several receivers and managers of the company pursuant to a General Security Agreement ("GSA") dated 10 December 2018. The receivers retired on 5 July 2019 having paid the appointing creditors in full.

Pursuant to Section 255(2)(d) of the Companies Act 1993 ("the Act"), the liquidators herewith report on the progress of the liquidation. This fourth 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 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

### *Asset Realisations*

#### **3.1 Debtors**

**(Statement of Affairs: \$2,412,028)**

The liquidators assisted the Receivers while they were in office with their debtor collections. They collected approximately \$1,075,000 in receivables.

The liquidators have issued several demands for payment from the outstanding landowners. To date, the liquidators have collected \$261,901 plus interest of \$52,148. Further funds are being sought for amounts that had not been invoiced to various landowners as at the date of receivership and liquidation but there are disputes to resolve.

### **3.2 Closure of Company Bank Account**

**(Statement of Affairs: \$22,797)**

The liquidators closed the ANZ bank accounts and the ANZ Bank transferred \$22,757 into the liquidators' trust account.

### **3.3 Cash on Hand – Receiver**

The receivers received funds of \$611,959 from the company solicitors on their appointment. After paying the amount due to the secured creditors from debtors and bank balances, the receivers transferred \$270,000 to the liquidators.

### **3.4 Retentions on Hand – Receiver**

The receivers received \$174,364 from the company solicitor in relation to retentions held on behalf of a creditor. On resignation of the receivers those funds have also been transferred to the liquidators' trust account.

### **3.5 Tax Refund**

**(Statement of Affairs: \$7,647)**

The liquidators are currently finalising the financial accounts of the company which is likely to result in a tax refund of \$7,647.

### **3.6 Solicitors Trust Account**

**(Statement of Affairs: \$256,686)**

On or about receivership, the company solicitors refunded \$241,629 to the secured creditors being an amount which had been held unspent.

### **3.7 Interest Received**

During the course of the receivership and liquidation, Interest has continued to be earned on funds held.

## **4 INVESTIGATIONS**

The liquidators are currently dealing with a wide range of issues with a view to resolving those matters, with the involvement of landowners, and the major creditors in order to resolve the situation for all creditors, and landowners.

The company director has cooperated as required in the investigations to date.

## **5 CREDITORS' CLAIMS**

### **5.1 Secured Creditors**

Secured creditors debts of approximately \$1,441,890 (incl Interest) have been paid in full by the receivers.

### **5.2 Preferential Creditors**

While no preferential claims have yet been received from the Inland Revenue Department the liquidators are aware that there is an outstanding GST return yet to be filed which will result in a preferential claim in relation to GST of approximately \$92,000.

### **5.3 Unsecured Creditors**

As at the date of preparing this report 18 unsecured creditors claim forms have been received which total \$12.249 million plus on one case interest and costs. The significant increase arises from 5 landowners lodging claims for amounts that are not due contractually or at the date of liquidation. The liquidators will continue to engage with the creditors in relation to accepting or

rejecting their claims in the liquidation.

## 6 LIQUIDATORS' FEES

Liquidators' fees paid to the date of this report are \$271,396 excluding GST. The fees are based on 825 hours of work undertaken as follows:

Work Category	Hours	\$
Commencement, dealing with receivers	96	26,835
Creditors' claims, enquiries and Statutory reports	375	143,985
Landowners' claims, collections and dealings	316	91,511
Taxation and GST	38	9,065
<b>Total billed Time and Costs</b>	<b>825</b>	<b>\$271,396</b>

## 7 FUNDS / LIKELY OUTCOME

It seems likely that there will be a distribution to unsecured creditors.

## 8 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Collection of outstanding amounts from landowners
- Accepting or rejecting creditor claims
- Distribution
- Remaining funding /works resolution to assist with collection for creditors
- Completion of liquidation

## 9 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 year.


## 10 CONTACT DETAILS

Enquiries should be directed to the writer on DDI (09) 306 3342 or by email to [bvandelden@mvp.co.nz](mailto:bvandelden@mvp.co.nz).

The Liquidators can be contacted at:

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BORIS VAN DELDEN  
LIQUIDATOR

DATED this 23<sup>rd</sup> day of November 2020

# Realisations and Distributions

## Hayfield SHA Limited (In Receivership & In Liquidation) 5 April 2019 to 4 October 2020

Realisations	As Per Statement of Affairs \$	Cash Received \$
Cash on Hand – Receiver		611,969
Retentions on Hand – Receiver	2,412,028	174,364
Ellis Gould Trust Account	256,686	241,629
Debtors - Receiver	-	899,323
ANZ Bank	22,797	22,757
Debtors – Liquidator	-	261,901
Interest Received	-	4,927
Interest Received – Landowners	-	52,148
<b>Total Realisations</b>	<b>\$2,699,158</b>	<b>\$2,269,018</b>
<b>Payments</b>		
<b>Receivers and Liquidators Fees</b>		
Receivers Fees		39,828
Receivers and liquidators Legal Fees		75,966
Liquidators Fees		271,396
Disbursements		575
<b>Total Liquidators Fees</b>		<b>\$387,765</b>
<b>Other Costs of Liquidation</b>		
Candor3 Costs		3,328
H & G Costs		89,975
Building Disputes Tribunal		107,451
Fence Site Rental		1,081
Residents Withholding Tax on Interest		645
<b>Total Costs of Liquidation</b>		<b>\$202,479</b>
<b>Distributions</b>		
Secured Creditor		1,348,839
Secured Creditor – Interest Paid		93,041
Preferential GST and PAYE		100
<b>Total Distributions to Secured Creditor</b>		<b>\$1,441,980</b>
<b>Total Payments</b>		<b>\$2,032,224</b>
<b>Retentions Held in Trust</b>		
<b>BALANCE General funds HELD</b>		<b>\$236,794</b>

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