



McDonald  
Vague

business recovery partners

**Home & Guild Limited  
(In Liquidation)**

**Liquidators' Second Report  
(for the period from 26 July 2017  
to 25 January 2018)**

McDonald Vague Limited

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## 1 INTRODUCTION AND APPOINTMENT

Boris van Delden and Iain McLennan, CAANZ Accredited Insolvency Practitioners, of Auckland, were appointed jointly and severally as liquidators of Home & Guild Limited ("the company") on 26 July 2017 by the High Court at Auckland.

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.

## 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.

No statement of Realisations and Disbursements is included as there have been no realisations and disbursements to date.

## 3 CONDUCT OF THE LIQUIDATION DURING THE PRECEDING SIX MONTHS

### *Asset Realisations*

#### *Motor Vehicles*

**(Statement of Affairs: \$85,000)**

BMW Financial Services Limited have a first ranking security over the 2015 BMW X5 motor vehicle.

SFL Mortgages Limited also have a charge over the BMW pursuant to a General Security Agreement dated 17 March 2017 given by Scott Williams personally which is supported by an all obligations deed of guarantee and indemnity provided by Scott Williams, Elizabeth Williams and HGL on the same date. The liquidators have filed in the High Court a notice to void the SFL charge. SFL have objected and the liquidators have reserved all their rights and remedies in the BMW and all other secured assets which are subject to the SFL charge.

The BMW is in the process of being repossessed.

#### **4 INVESTIGATIONS**

The company records reported in Xero as at 1 February 2016 advise that the shareholder owes the company approximately \$125,000. However, after taking into account transactions that are miscoded and transactions that were not entered into the Xero ledger from other bank accounts, the liquidators position is that the shareholder owes approximately \$196,000, and a company associated with the director owes approximately \$139,000. The liquidators have provided this information to the shareholder, and are seeking repayment.

#### **5 CREDITORS' CLAIMS**

##### **5.1 Secured Creditors**

Secured creditor claims of \$217,146 (which includes the SFL security mentioned above of \$78,763) have been received. Interest continues to accrue on these amounts.

##### **5.2 Preferential Creditors**

A preferential claim awarded by the Court amount to \$9,495, of which the applicant creditor's costs are \$3,712 and the remainder is costs awarded for other supporting creditors by the Court.

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

As at the date of preparing this report unsecured creditor claims amount to \$49,841. 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 LIQUIDATORS' FEES**

There are no liquidators' fees 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

It is too early to determine whether or not there will be a distribution to unsecured creditors.

## 8 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Recovering and realising the BMW X5 motor vehicle
- Finalising the status of the SFL security
- Finalising the position recoverable from the shareholder current account balance and funds receivable from a related company.

## 9 ESTIMATED DATE OF COMPLETION

At this time, it is too early to determine a date for finalisation of the liquidation.

## 10 CONTACT DETAILS

Enquiries should be directed to David Taylforth on DDI (09) 306 3344 or by email to [dtaylforth@mvp.co.nz](mailto:dtaylforth@mvp.co.nz).

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IAIN McLENNAN  
LIQUIDATOR

DATED this 26<sup>th</sup> day of January 2018