



McDonald
Vague

business recovery partners

Neil Timber Limited (In Liquidation)

Liquidators' Twenty First Report (for the period from 7 June 2017 to 6 December 2017)

McDonald Vague Limited

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1 INTRODUCTION AND APPOINTMENT

Iain McLennan and Boris van Delden, Insolvency Practitioners of Auckland, were appointed jointly and severally as liquidators of Neil Timber Limited ("the company") on 7 December 2007.

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

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

3.1 Inventory

(Statement of Affairs \$12,500)

The liquidators had an onsite auction to realise the majority of the inventory and plant and equipment. The liquidators also completed a small job in order to realise work in progress.

3.2 Account Receivable

(Statement of Affairs \$35,000)

It is likely that no more will be collected.

3.3 Machinery

(Statement of Affairs \$180,000)

All machinery has now been sold.

3.4 Advances

(Statement of Affairs \$Unknown)

The liquidators have concluded the investigation and handed a large amount of records to the Ministry of Economic Development. A criminal conviction resulted.

4 INVESTIGATIONS

Following Mr John Ede's convictions for 21 charges under the Insolvency Act, Crimes Act and Companies Act, including 16 charges of theft by a person in a special relationship involving an amount of \$501,658, the liquidators and a secured creditor are investigating all avenues of recovery.

The liquidators continue to pursue one claim against property owned by a party related to Mr John Ede.

5 CREDITORS' CLAIMS

5.1 Secured Creditors

In addition to the amounts in previous reports the liquidators became aware of a further claim by a secured creditor during the Court proceedings against Mr Ede. The liquidators have settled this matter which resulted in a return to secured creditors, and are where possible assisting a secured creditor with potential further recoveries. The secured creditor advises they have identified further actions, and have requested that the company in liquidation follow up these actions.

5.2 Preferential Creditors

Total preferential claims for wages and holiday pay amount to \$4,619. No dividend has been paid at the date of writing this report.

The Inland Revenue Department have advised that they have a preferential claim in respect of PAYE and GST. The total of these is \$65,979. No dividend has been paid at the date of writing this report.

5.3 Unsecured Creditors

As at the date of preparing this report 18 unsecured creditors' claims have been received which total \$76,399. 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 they are in a position to pay a distribution.

6 FUNDS / LIKELY OUTCOME

There will be a shortfall on the amount due to the General Security Holder. At this stage therefore the liquidators do not anticipate paying a distribution to unsecured creditors.

7 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The only matter outstanding is the collection of advances.

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 six months.

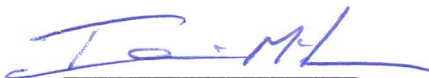
9 CONTACT DETAILS

Enquiries should be directed to the writer on DDI (09) 303 9512 or by email to imclennan@mvp.co.nz.

The Liquidators can be contacted at:

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IAIN McLENNAN
LIQUIDATOR

DATED this 7th day of December 2017

