

Petal Cupcakes Limited (In Liquidation)
Liquidators' Third Report
For the period from 31 January 2015 to 30 July 2015

1 INTRODUCTION AND APPOINTMENT

Boris van Delden and Peri Micaela Finnigan, Insolvency Practitioners of Auckland, were appointed jointly and severally as liquidators of Petal Cupcakes Limited ("the company") on 31 July 2014.

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 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

Asset Realisations

3.1 Cash at Bank ***(Statement of Affairs: \$Unknown)***

The liquidators recovered \$1,215 on closure of the company's bank account.

3.2 Debtors ***(Statement of Affairs: \$Unknown)***

At the date of this report the liquidators have collected \$68,857 from the company debtors.

3.3 Insurance Refund

The liquidators received \$2,287 on closure of the company insurance policy.

3.4 Interest

The liquidators have received \$1,420 in bank interest.

3.5 AECT Dividend

The liquidators received \$335 from an AECT Dividend.

3.6 Paymark Refund

The liquidators received \$13 from a Paymark refund

4 INVESTIGATIONS

The liquidators have completed their investigations into the books, records and affairs of the company. As a result of the investigation the following matters arose:

Prior to the appointment of liquidators the business of the company was sold to a related third party for \$16,839. The liquidators have reviewed the transaction based on the available books and records and have confirmed it was for fair value. The liquidators have negotiated a settlement arrangement with the purchaser for repayment of the \$16,839.

The books and records of the company show a number of debtors outstanding at the date of liquidation. To date \$68,857 has been collected. \$17,353 remains unpaid due to further information being required by the debtor before payment is forthcoming. The liquidators have requested this information from the director.

5 CREDITORS' CLAIMS**5.1 Preferential Creditor**

The preferential employee claims for wages or salary, holiday pay, and redundancy have been submitted. The total claims submitted at the date of this report are \$40,421, however, further documents have been requested in order to finalise each claim.

The Inland Revenue Department has submitted a preferential claim for \$141,174.

No dividend has been paid to preferential creditors at the date of this report

5.2 Secured Creditors

The ASB have filed a claim in the liquidation for \$35,322. They have advised that they hold a General Security Agreement over the assets of the company.

5.3 Unsecured Creditors

As at the date of preparing this report seven unsecured creditors claim forms have been received which total \$145,272. 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 FUNDS / LIKELY OUTCOME

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.

7 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- The liquidators will monitor payments by the purchaser until the purchase price for the business is fully paid.
- Negotiation for settlement with the debtors in relation to the unpaid debts. When settlement is agreed, the liquidators will monitor payments until full payment is received.

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 year.

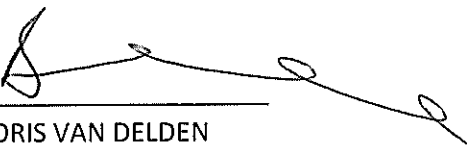
9 CONTACT DETAILS

Enquiries should be directed to Keaton Pronk on DDI (09) 969 1518 or by email to kpronk@mvp.co.nz.

The Liquidators can be contacted at:

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Auckland 1141


BORIS VAN DELDEN
LIQUIDATOR

DATED this 20 day of October 2015

BVD/KP/gck/220
Petal Cupcakes/Reports/4101 Third Report

Realisations and Distributions

Petal Cupcakes Limited (In Liquidation) 31 July 2014 to 30 July 2015

Realisations	As Per Statement of Affairs \$	Cash Received \$
Bank Account Closure	Unknown	1,215
Debtors	Unknown	68,857
Insurance Refund	-	2,287
Interest	-	1,420
AECT Dividend	-	335
Paymark Refund		13
Total Realisations	\$Unknown	\$74,127
Payments		
Liquidators Fees		
Liquidators Fees		38,272
Disbursements		428
Total Liquidators Fees		\$38,700
Other Costs of Liquidation and Trading On		
Bank Fees		86
Residents Withholding Tax on Interest		398
Salvage Payments		5,566
Total Costs of Liquidation and Trading On		\$6,050
Total Payments		\$44,750
BALANCE HELD		\$29,377

Note: the above figures are GST exclusive