



McDonald
Vague

business recovery partners

**Cranston Homes (Auckland) Limited
(In Liquidation)**

**Liquidators' Third Report
for the period from 26 November 2017
to 25 May 2018**

McDonald Vague Limited

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1 INTRODUCTION AND APPOINTMENT

Boris van Delden and Peri Micaela Finnigan, Insolvency Practitioners of Auckland, were appointed jointly and severally as liquidators of Cranston Homes (Auckland) Limited ("the company") on 26 May 2017.

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 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

Creditors' Meeting

At the request of an unsecured creditor, the liquidators called a meeting of creditors to decide whether to confirm the appointment of the current liquidators or to have a replacement liquidator appointed.

The meeting was held on 26 July 2017 and appointment of the current liquidators was confirmed.

Asset Realisations

3.1 Debtors **(Statement of Affairs: \$200,000)**

Debtors amounting to \$283,121 (incl GST) were identified from the company's records. The liquidators wrote to all creditors seeking payment however all have responded that the amount shown is disputed for various reasons including the quality of the work, the failure to complete the contract on time and payment by the client direct to sub-contractors or suppliers. There have been no realisations from debtors and these amounts have been written off.

3.2 Work In Progress **(Statement of Affairs: \$60,000)**

The work in progress identified in the Statement of Affairs was work that had, according to company records, been completed but not invoiced. The invoices were created and sent out to clients and is included in the debtor figures identified above.

3.3 Inventory, Office Furniture, Equipment & Computers **(Statement of Affairs: \$10,000)**

To date the liquidators have received \$1,327 on sale of various plant and machinery items. These items were subject to a general security and the net proceeds have been distributed to the secured creditor. There are no further known assets to be realised.

4 INVESTIGATIONS

The liquidators are continuing their investigations into the books, records and affairs of the company.

The director, Blair Cranston, is the subject of an investigation by the Registrar of Companies in relation to the management of the company. The liquidators have provided information to the Registrar in respect of that matter.

The director was adjudicated bankrupt on a creditor's application in the Auckland High Court on 1 March 2018.

The liquidators reviewed the tax position of the company in relation to pre-liquidation GST and have filed returns with the Inland Revenue Department. A refund has been received in relation to debt write-off.

5 CREDITORS' CLAIMS

5.1 Secured Creditors

Two claims have been received from creditors holding Purchase Money Security Interests (PMSIs) totalling \$183,188. No payment has been made in respect of these claims.

One claim has been received from a General Security Agreement (GSA) holder for \$8,535. A payment of \$556 has been made to the GSA holder from the realisation of assets.

5.2 Preferential Creditor

The Inland Revenue Department submitted a preferential claim for \$26,689. The payments of \$21,831 have been paid to the preferential creditor at the date of this report.

5.3 Unsecured Creditors

As at the date of preparing this report 64 unsecured creditors claim forms have been received which total \$3,464,320. 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 FUNDS / LIKELY OUTCOME

It is too early to determine whether or not there will be a distribution to unsecured creditors as this is dependent on the outcome of the liquidators' investigations.

7 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- Completion of the investigations and review of company records and affairs
- Completion of the review of the tax position

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 12 months.

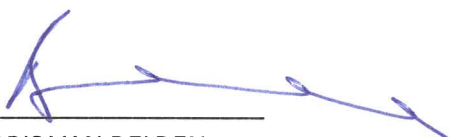
9 CONTACT DETAILS

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BORIS VAN DELDEN
LIQUIDATOR

DATED this 28th day of May 2018

Realisations and Distributions

Cranston Homes (Auckland) Limited (In Liquidation) 26 May 2017 to 25 May 2018

Realisations	Cash Received \$
Inventory, Office Furniture, Equipment & Computers	1,327
GST refund – Pre -Appointment GST refunds	21,831
GST refund- Debtors write-off	28,441
Balance from Solicitor's trust account	123
Utilities refund	55
Interest	1
Total Realisations	\$51,778
Payments	
Liquidators Fees	
Liquidators Fees	27,494
Disbursements	1,046
Total Liquidators Fees	\$28,540
Other Costs of Liquidation	
Bank Fees	48
Commission	262
Cost of Sales	16
Resident Withholding Tax	1
Total Costs of Liquidation	\$327
Distributions	
Secured Creditor – GSA Holder	556
Preferential GST and PAYE	21,831
Total Distributions to Creditors	\$22,387
Total Payments	\$51,254
BALANCE HELD	\$524

Note: the above figures are GST exclusive