



McDonald
Vague

business recovery partners

**East Coast Developments Limited
(In Liquidation)
Trading as Franchisee for David Reid Homes, Coromandel**

**Liquidators' Second Report
For the period from 11 April 2019 to 10 October 2019**

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1 INTRODUCTION AND APPOINTMENT

Peri Micaela Finnigan and Colin Sanderson, RITANZ Accredited Insolvency Practitioners, of Auckland, were appointed jointly and severally as liquidators of East Coast Developments Limited ("the company") on 11 April 2019.

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.

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 Company Bank Account

(Statement of Affairs: \$7,276)

The amount of \$7,096 was received on closure of the company bank account.

3.2 Insurance Claim

An insurance claim was filed by the company, prior to the liquidation, under its cover for sub-contractor's defective workmanship. The amount of \$75,785 was recovered, being the maximum available under that cover because of previous claims. The funds were subject to a charge in favour of Natalie and Gerard Parke and were paid directly to them by the insurance company.

3.3 Insurance Refund

An insurance policy refund was claimed by the liquidators and \$545 has been received.

3.4 Pre-Liquidation GST Refund

A GST refund for amount of \$4,717 has been received from the Inland Revenue Department.

4 INVESTIGATIONS

The liquidators are continuing their investigations into the books, records and affairs of the company. An approach has been made to another party involved in the project with the affected client to see if they will file a claim against their professional indemnity insurance. No decision had been made on that at the date of this report.

5 CREDITORS' CLAIMS

5.1 Secured Creditors

No secured claims have been received.

5.2 Preferential Creditors

A preferential claim of \$4,060 has been received from Natalie and Gerard Parke in relation to Court awarded costs for their application to have the company liquidated, which was discontinued when the liquidators were appointed by the shareholders.

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

5.3 Unsecured Creditors

As at the date of preparing this report two unsecured creditor claim forms have been received totalling \$499,081. As outlined in 3.2 above, Natalie and Gerard Parke have received \$75,785 towards their claim.

6 FUNDS / LIKELY OUTCOME

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

7 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matter is outstanding:

- Completion of the investigations into the company's books and records

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 Colin Sanderson on DDI (07) 838 0908 or by email to CSanderson@mvp.co.nz.

The Liquidators can be contacted at:

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COLIN SANDERSON
LIQUIDATOR

DATED this 14th day of October 2019

Realisations and Distributions

East Coast Developments Limited (In Liquidation) 11 April 2019 to 10 October 2019

Realisations	As Per Statement of Affairs \$	Cash Received \$
Bank Account Closure	7,276	7,096
Insurance Claim	-	75,785
Insurance Refund	-	545
Interest	-	6
Pre liquidation GST Refund	-	4,717
Total Realisations	\$7,276	\$88,149
Payments		
Liquidators Fees		
Liquidators Fees		11,770
Disbursements		431
Total Liquidators Fees		\$12,201
Other Costs of Liquidation		
Residents Withholding Tax on Interest		2
Total Costs of Liquidation		\$2
Distributions		
Distribution to Unsecured Creditors		75,785
Total Distributions to Unsecured Creditors		\$75,785
Total Payments		\$87,988
BALANCE HELD		\$161

Note: the above figures are GST exclusive