



McDonald
Vague

business recovery partners

Fowler Enterprises Limited (In Liquidation)

Liquidators' Second Report For the period from 10 November 2017 to 9 May 2018

McDonald Vague Limited

Level 10, 52 Swanson Street,
Auckland Central

PO Box 6092, Wellesley Street,
Auckland 1141, New Zealand

p: 09 303 0506

f: 09 303 0508

e: insol@mvp.co.nz

www.mvp.co.nz

1 INTRODUCTION AND APPOINTMENT

Iain McLennan and Colin Sanderson, CAANZ Accredited Insolvency Practitioners, of Auckland, were appointed jointly and severally as liquidators of Fowler Enterprises Limited ("the company") on 10 November 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.

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

The director wishes to have the liquidation of the company terminated by the High Court and is working with the liquidators and creditors to achieve that purpose.

With the agreement of the secured creditor, the liquidators have sold the company's property at Waiuku with sufficient funds being released by the secured creditor to allow payment of the unsecured creditors. Details are set out in the Realisations and Distributions statement **attached** to this report.

Asset Realisations

3.1 Bank Account Closure

(Statement of Affairs: \$876)

The liquidators received \$877 on closure of the company bank account.

3.2 Rental Property

The company's Mt Eden property has weather-tightness issues and is unoccupied. There is a tenant in the Avondale property and rent continues to be received and applied to the mortgage.

The Waiuku property was untenanted at the time of our appointment. It has been sold by the liquidators as outlined above.

4 INVESTIGATIONS

After a preliminary review of the company position, the liquidators have not undertaken a detailed investigations into the books, records and affairs of the company at this time and will await the result of the director's application to the High Court.

5 CREDITORS' CLAIMS

5.1 Secured Creditors

A secured claim has been received from Westpac New Zealand Limited in respect of a General Security Agreement in the amount of \$628,714. A distribution of \$202,111 was accepted by the mortgagee from the proceeds of the sale of the property at Waiuku. Interest continues to accrue on the outstanding amount.

5.2 Preferential Creditors

A preferential claim has been received in respect of the applicant creditor's costs of \$2,985. This amount has been paid in full.

The Inland Revenue Department has not submitted a preferential claim in the liquidation.

5.3 Unsecured Creditors

As at the date of preparing this report one unsecured creditors claim form has been received which total \$104,700.01. This amount has been paid in full.

6 LIQUIDATORS' FEES

Liquidators' fees accrued to the date of this report are \$18,149. The fees are based on 72.9 hours of work undertaken as follows:

Work Category	Hours	\$
Appointment functions	14.23	2,878
Asset realisations	29.50	8,948
Creditors' claims, enquiries and reports	10.97	2,264
Taxation & Management	12.88	2,949
Investigations	05.30	1,110
Total	<u>72.88</u>	<u>\$18,149</u>

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

As advised above, the known unsecured creditors have been paid in full. The director has initiated action to have the company's liquidation terminated by the High Court.

8 MATTERS DELAYING THE COMPLETION OF THE LIQUIDATION

The following matters are outstanding:

- The outcome of the director's application

9 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 3 months

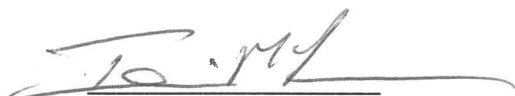
10 CONTACT DETAILS

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:

McDonald Vague Limited
Level 10, 52 Swanson Street
Auckland 1010

P O Box 6092
Wellesley Street
Auckland 1141



IAIN McLENNAN
LIQUIDATOR

DATED this 10th day of May 2018

Realisations and Distributions

Fowler Enterprises Limited (In Liquidation) 10 November 2017 to 9 May 2018

Realisations	As Per Statement of Affairs \$	Cash Received \$
Sale of Waiuku Property	410,000	342,500
Bank Account Closure	876	877
Rental Income	-	2,640
Sundry Income	-	4
Total Realisations	\$1,230,876	\$346,021
Payments		
Liquidators Fees		
Liquidators Fees		17,104
Disbursements		1,011
Total Liquidators Fees		\$18,115
Other Costs of Liquidation		
Sale Commission and Costs		14,929
Legal Fees		2,614
Insurance		419
Rates and Water		144
Bank Fees		4
Total Costs of Liquidation		\$18,110
Distributions		
Distribution to Mortgagee		202,111
Preferential claim- applicant creditor		2,985
Distribution to unsecured creditor		104,700
Total Distributions to Unsecured Creditors		\$309,796
Total Payments		\$346,021
BALANCE HELD		\$Nil

Note: The above company was not registered for GST

