

SCL Parnell Limited (In Liquidation)
Formerly known as Spazio Casa Parnell Limited
until 23 July 2014

Liquidators' First Report

1 INTRODUCTION AND APPOINTMENT

SCL Parnell Limited ("the company") was placed into liquidation by a special resolution of the shareholders pursuant to Section 241(2)(a) of the Companies Act 1993 on 21 July 2015. Peri Micaela Finnigan and Iain McLennan, Insolvency Practitioners of Auckland, were appointed as joint and several liquidators of the company.

2 RESTRICTIONS

In preparing this report and its appendices we have relied upon information provided to us. We have not independently verified or audited that information. 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 ATTACHMENTS

The following documents are attached to this report:

- Appendix 1: Schedule of company creditors' names and addresses
- Appendix 2: Notice of Liquidators' decision to dispense with meeting of creditors
- Appendix 3: Notice to creditors to prove debts or claims
- Appendix 4: Creditors claim form

4 COMPANY STRUCTURE AND BACKGROUND

Date of incorporation:	4 May 2011
Company number:	3379572
Date ceased trading:	December 2013
Nature of business:	Retailer of Tiles and Bathroomware

McDONALD VAGUE LIMITED

Level 10, 52 Swanson Street, Auckland CBD
PO Box 6092, Wellesley St, Auckland 1141, New Zealand.
Telephone 09 303 0506, Facsimile 09 303 0508, insol@mvp.co.nz, www.mvp.co.nz
Member of Insol International. Consultants to the Accounting and Legal Professions.

Trading address:	21 Great South Road, Newmarket, Auckland
Share capital:	1,000 Shares
Shareholder:	MLD Trustee Limited
Directors:	Maurizio Cozzolino Paolo Cozzolino
Related companies:	SCL Airport Limited (In Liquidation) SCL Albany Limited (In Liquidation) SCL Auckland Limited (In Liquidation) SCL Christchurch Limited (In Liquidation) SCL Franchising Limited (In Liquidation) SCL Hamilton Limited (In Liquidation) SCL Wellington Limited (In Liquidation) SCL Whangarei Limited (In Liquidation)

Past Trading

The company traded on it's own behalf with its main supplier being SCL Auckland Limited.

The directors of the company advised the company ceased trading as a result of a restructure involving the sale of the company's assets and business, and re-finance of the Spazio Casa Group in late 2013. At the time of this report the directors have provided accounting for trading up to December 2013 along with some further accounting in regard to the purported sale.

Financial Position

The information available purports to show that on or about 20 December 2013 assets and goodwill were sold, leaving a \$4.181 million debt due to be paid to the company by SCL Auckland Limited (also now in liquidation) subject to adjustment for further creditor issues. As at the date of the sale the company owed the purchaser approximately \$3.934 million so it is possible that some setoff may be able to be applied. Depending on priority any issues that may ultimately exist.

The liquidators are reviewing whether a set off would be appropriate in the circumstances.

The finalisation of the creditor adjustments is still to analysed and finalised.

Under the sale and purchase agreements, the final sales prices (after adjustments) are due to be paid by December 2016. The liquidators do not know of any further payments or adjustments that have occurred after 20 December 2013. Any further recovery of the sum due after sale (if any) relies on separate realisation issues from the on-sale of those assets to a company that is currently trading.

Prior to taking into account the abovementioned sale entries the intercompany debtor position as at 31 December 2013 was as follows;

SCL Franchise Limited	\$216,953.37
SCL Airport Limited	\$284,035.98
SCL Albany	\$35,483.44
SCL Wellington	\$17,190.71
SCL Hamilton	\$104,620.12

In addition to the intercompany debtors above, the other funds due to the company that the liquidators are aware of and are pursuing are GST refunds totalling \$151,465.88 for the two GST return periods ending 30 November 2013 and 31 January 2014.

Intercompany creditors were recorded as follows;

SCL Christchurch Limited	- (\$1,041.96)
SCL Auckland Limited	(\$3,934,503.39)

Apart from the information that follows regarding creditors we have no further information to record in a Statement of Affairs for the company.

5 PROPOSALS FOR CONDUCTING THE LIQUIDATION

We will complete a thorough review of the company's books, records and affairs to:

- ensure that all assets have been properly accounted for,
- determine if there are any other avenues of recovery for creditors,
- determine if the company's officers have properly carried out their duties, and take appropriate steps where necessary.

If there are funds available for distribution to creditors we will verify creditors' claims and make a distribution. We will then complete the liquidation and request that the Registrar of Companies remove the company from the register.

7 LIABILITIES AND CREDITOR CLAIMS

7.1 Secured Creditors

As at the date of liquidation five secured parties had registered security interests against the company on the Personal Property Securities Register.

Personal Property Securities Act / Reservation of Title

Should any creditor believe that they are entitled to any goods, or proceeds from realisation of goods, due to holding a Purchase Money Security Interest, they should contact us immediately.

If any creditor believes that they have a Reservation of Title over goods and they have not perfected their interest, they should also contact us immediately.

7.2 Preferential Creditors

The IRD have filed a claim which includes a preferential amount due of \$3,883.

We are not aware of any other preferential amount owed, however we are aware that the IRD may be disputing the basis upon which the company prepared its GST returns.

7.3 Unsecured Creditors

From our review of the company's accounting records and other information we estimate that the amount due to unsecured creditors (including intercompany creditors) is approximately \$4,714,703. A schedule of known creditors and their addresses is provided at Appendix 1, as required by Section 255(2)(c) of the Act.

A notice to creditors to prove debts or claims is included at Appendix 3. Also enclosed is a creditor's claim form for completion and return to this office by Friday, 4 September 2015. Creditors that have not made a claim by the date on the notice may be excluded from any distribution made. If you believe that you are a secured creditor please contact us and the appropriate form will be sent to you.

8 CREDITORS' MEETING / LIQUIDATION COMMITTEE

A notice of the Liquidators' decision to dispense with the meeting of creditors is provided at Appendix 2.

Pursuant to Section 314 of the Companies Act 1993, creditors are advised that at any time in the course of the liquidation the Liquidator shall, at the request in writing of any creditor or shareholder, call a meeting for the purpose of appointing a liquidation committee.

9 FURTHER INFORMATION

If you are aware of any information that would assist the Liquidators, please set the details out in writing, attach any supporting evidence and send it to us. Please note that the Liquidators are more able to act on written information.

If any creditor wishes to receive the six monthly reports by email as and when they are published, please ensure that an email address is provided on the attached creditor claim form. This report and all subsequent reports will be available on the Liquidators' website at www.mvp.co.nz

10 ESTIMATED DATE OF COMPLETION

It is currently too early to estimate a date of completion for the liquidation.

11 CONTACT DETAILS

Enquiries should be directed to Iain McLennan on (09) 303-0506 or by email to imclennan@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 25th day of February 2016

SCL Parnell Limited (In Liquidation) Schedule of Creditors' Names and Addresses

Pursuant to Section 255(2)(c) of the Companies Act 1993

Creditor Names	Address 1	Address 2	Address 3
Inland Revenue	P O Box 39010	Wellington Mail Centre	LOWER HUTT 5045
SCL Christchurch Limited (in liquidation)	PO Box 6092	Wellesley Street	AUCKLAND 1141
SCL Auckland Limited (in liquidation)	PO Box 6092	Wellesley Street	AUCKLAND 1141

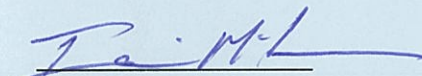
Notice of Liquidators' Decision to Dispense with Meeting of Creditors

After having regard to the assets and liabilities of SCL Parnell Limited (In Liquidation) and the likely result of the liquidation, it is proposed to dispense with a meeting of creditors pursuant to Section 245 of the Companies Act 1993.

We do not, however, wish to preclude creditors from expressing their views. Please contact Iain McLennan of this office on (09) 303-0506 if you have any specific enquiries.

You are advised that should you desire a creditor's meeting, notice in writing is required within 10 working days of receiving this notice.

At the time of giving notice you must also state the reason you require a meeting so that an agenda can be prepared and advertised and creditors can be given the opportunity to vote on any issue by voting letter.



IAIN MCLENNAN
LIQUIDATOR

DATED this 25th day of February 2016

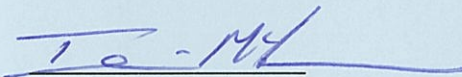
IN THE MATTER of The Companies Act 1993

and

IN THE MATTER of SCL Parnell Limited (In Liquidation)

Notice to Creditors to Prove Debts or Claims

Notice is hereby given that the undersigned, the liquidator of SCL Parnell Limited (In Liquidation) ("the company"), does hereby fix Friday, the 8th day of April 2016, as the day on or before which the company's creditors are to make their claims, and to establish any priority their claims may have under Section 312 of the Companies Act 1993. Creditors not having made a claim by this date may be excluded from any distribution made.



PERI M FINNIGAN
LIQUIDATOR

DATED this 25th day of February 2016

ADDRESS OF LIQUIDATOR

McDonald Vague Limited
Level 10, 52 Swanson Street
Auckland 1010

PO Box 6092
Wellesley Street
AUCKLAND 1141

Telephone: (09) 303 0506
Facsimile: (09) 303 0508
Website: www.mvp.co.nz

DATE OF LIQUIDATION: 21 July 2015



The Insolvency & Business Recovery Specialists

McDONALD VAGUE LIMITED

PO Box 6092, Wellesley St, Auckland 1141, New Zealand.
Telephone 0-9-303 0506, Facsimile 0-9-303 0508

Unsecured Creditor's Claim

(Also for use by Preferential Creditors)

SECTION 304(1) COMPANIES ACT 1993
(For help see www.mvp.co.nz or email
claims@mvp.co.nz)

NAME AND POSTAL ADDRESS OF CREDITOR IN FULL

Telephone Numbers: ()

()

E-Mail

My Reference is:
(if applicable)

* Any personal information collected is for the purpose of administering the liquidation in accordance with the Companies Act 1993.

The information will be used and retained by the liquidators and McDonald Vague and will be released to other parties only with your authorisation or in compliance with the Privacy Act 1993.

Under Section 304(1) of the Companies Act 1993 any claim by an unsecured creditor against a company in liquidation must be in this prescribed form and must –
(a) Contain full particulars of the claim; and
(b) Identify any documents that evidence or substantiate the claim.

You may have access to and request correction of any personal information.

(*Not applicable, if creditor is not an individual within the meaning of the Privacy Act 1993.)

NAME OF COMPANY IN LIQUIDATION:

(IN LIQUIDATION)

I _____
(If claim is made on behalf of creditor, specify relationship to creditor and authority)
claim that the company was at the date it was put into liquidation indebted to the abovenamed creditor for the sum of (Amount in words):

STATUS OF CLAIM:

1. I am an unsecured creditor for
(Also applicable to secured creditors who hereby surrender their security)

\$

2. I am a preferential creditor for
(Refer details on reverse)

\$

3. My total claim is for
(State currency if other than \$NZ)

Other
Currency

NZ \$

4. I have claimed retention/reservation of title rights pursuant to rights held by me
Note: If you are a secured creditor contact this office and a Secured Creditors Claim Form will be sent to you. Tick if Applicable
(Refer details on reverse)

Full particulars of the claim are set out, and any supporting documents that substantiate the claim, are identified on the reverse of this form.

(The liquidator may require the production of a document under Section 304(2) of the Companies Act 1993. You are **not required to attach any supporting documents** at this stage, but you may attach them now, if you think it would expedite the processing of the claim.)

SIGNED:

Date: / /

WARNING —

It is an offence under Section 304(6) of the Companies Act 1993 to –
Make or authorise the making of, a claim that is false or misleading in a material particular knowing it to be false or misleading; or
Omit, or authorise the omission from a claim of any matter knowing that the omission makes the claim false or misleading in a material particular.

Received
(Date Stamp)

RESERVED FOR OFFICE USE:

Claim admitted/rejected
for voting purposes:
(Delete one)

Signed:

Date: / /

Preferential Claim for:

Ordinary Claim for:

CLAIM REJECTED
FOR PAYMENT:

\$

\$

or
CLAIM ADMITTED
FOR PAYMENT:

\$

\$

Signed
Liquidator:

Date: / /



Note: If the decision to admit or reject a claim is amended, regulation 8 of the Companies Act 1993 Liquidation Regulations 1994 requires that it be recorded in writing.



The Insolvency & Business Recovery Specialists

McDONALD VAGUE LIMITED

PO Box 6092, Wellesley St, Auckland 1141, New Zealand.
Telephone 0-9-303 0506, Facsimile 0-9-303 0508

Particulars of Claim

If the creditor owes money to the company, please give full details.

Date	Details of Claim and Identification of Documents that Evidence or Substantiate the Claim	Amount \$

CLAIMS AGAINST INVENTORY (Romalpa Claims)(Consignment Goods) (Retention of Title) etc.

Please provide details of the basis of the retention of title claim filed by you and/or details of entry on the Personal Property Securities Register.

PREFERENTIAL CLAIMANTS ONLY

Guideline

The Seventh Schedule of the Companies Act 1993 sets out those claims which are regarded as preferential and shows their extent and order of priority. For example, wages and salary of any employee in respect of services rendered to the company during the four months preceding the commencement of liquidation are preferential AND the total sum to which priority is to be given in the case of any one employee for wages, holiday pay, deductions, redundancy and child support must not exceed \$20,340 or such greater amount as is prescribed at the commencement of the liquidation.

1. Why do you believe you are a preferential creditor?
(eg. employee, GST, etc) _____
2. Details of your claim: _____

If applicable please record here your GST Registration number: _____

and total GST included in your tax invoice: \$ _____