

Complete Bathrooms Limited (In Liquidation)
Liquidators' Second Report
For the period from 17 July 2015 to 16 January 2016

1 INTRODUCTION AND APPOINTMENT

Tony Leonard Maginness and Peri Micaela Finnigan, Insolvency Practitioners of Auckland, were appointed jointly and severally as liquidators of Complete Bathrooms Limited ("the company") on 17 July 2015. On 18 December 2015 Tony Leonard Maginness, Insolvency Practitioner of Auckland, vacated as liquidator and Boris van Delden was appointed in his place.

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

At the date of this report, \$3,332 has been collected from company debtors. There is a further \$111,971 that has been written off as disputed debts by the liquidators. An additional \$14,571 remains outstanding and is being pursued by the liquidators.

3.2 Inventory / Showroom Furniture and Fittings / Computer Equipment *(Statement of Affairs: \$13,000)*

The liquidators recovered \$17,720 from the sale of company assets.

3.3 Bank Account Closure and Cash to Hand

The sum of \$712 has been received by the liquidators.

3.4 Intellectual Property

On sale of the intellectual property a sum of \$6,957 was recovered by the liquidators.

4 INVESTIGATIONS

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

- The vehicles purchased by the company on finance have all been returned to their respective secured creditors. There was no surplus returned to the liquidators from the sale of these vehicles.
- The liquidators have reviewed the financial records of the company and determined that there are 3 related party loans:
 - DIY Imports Limited (In Liquidation) trading as EZY Bathrooms = \$92,718.07 (this entity was placed into liquidation on 24 December 2015, a claim will be filed in the liquidation)
 - Still Limited = \$116,850.13 (the liquidators are uncertain as to the financial position of the company, their initial searches have not revealed any assets)
 - Brooklyn Family Trust = \$292,655.23 (the liquidators have lodged caveats over the properties owned by the trust)

5 CREDITORS' CLAIMS

5.1 Secured Creditors

A secured claim has been received from BNZ Bank in respect of a General Security Agreement for the amount of \$191,151. Interest continues to accrue on these amounts.

5.2 Preferential Creditors

To date the total preferential claims for wages or salary, holiday pay and redundancy amount to \$44,898.

The Inland Revenue Department has submitted a preferential claim for \$261,448.

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

5.3 Unsecured Creditors

As at the date of preparing this report 59 unsecured creditors claim forms have been received which total \$589,885. 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:

- Pursue the two related company debts.

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.

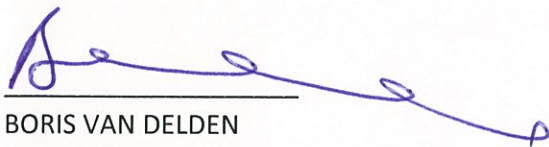
9 CONTACT DETAILS

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



A handwritten signature in blue ink, appearing to read 'Boris Van Delden', is written over a horizontal line.

BORIS VAN DELDEN
LIQUIDATOR

DATED this 29th day of January 2016

Realisations and Distributions

Complete Bathrooms Limited (In Liquidation) 17 July 2015 to 16 January 2016

Realisations	As Per Statement of Affairs \$	Cash Received \$
Bank Account Closure	-	710
Cash on Hand	-	2
Debtors	Unknown	3,332
Sale of Assets	13,000	17,720
Sale of Intellectual Property		6,957
Total Realisations	\$13,000	\$28,721
Payments		
Liquidators Fees		
Liquidators Fees		12,966
Disbursements		12
Total Liquidators Fees		\$12,978
Other Costs of Liquidation		
Security Costs		238
Sales Commission		6,565
IT Services		375
Legal Fees		2,790
Total Costs of Liquidation		\$9,968
Distributions		
Salvage Payment		2,058
Total Distributions to Unsecured Creditors		\$2,058
Total Payments		\$25,004
BALANCE HELD		\$3,717

Note: the above figures are GST exclusive